



CALDEN APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	Pacific West Communities, Inc.
Action:	Final Resolution
Amount:	\$80,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Project Located in the City of South Gate, Los Angeles County, California
Activity:	Affordable Housing
Meeting:	November 22, 2013

Background:

Pacific West Communities, Inc. ("PWC") was formed as a real estate development and financing firm, specializing in the construction and rehabilitation of affordable workforce housing throughout the western United States. With a particular emphasis on the use of the affordable housing tax credit, PWC and its related companies develop multi-family and senior citizen housing in the states of California, Arizona, New Mexico, Utah, Oregon, Montana, Idaho, Nevada, Colorado, Washington, and Wyoming. Currently PWC owns and operates approximately 110 developments with over 6000 units of affordable housing.

The Project:

The Calden Avenue Apartment project is a 216 unit rental new construction project named Calden Court Apartments located on approximately 5.0 acres of vacant land in the City of South Gate, County of Los Angeles. The unit mix is comprised of 71 two-bedroom units, 115 three-bedroom units, and 30 four-bedroom units. The proposed project will target families earning up to 60% of the area median income for Los Angeles County. The project will include approximately 5,000 square feet of community facilities. These facilities will consist of a centrally located leasing and accounting office, maintenance room, computer learning center, laundry facilities, community kitchen, exercise room and a large multi-use room. The project will be energy efficient by meeting or exceeding CalGreen. This financing will create 216 units of affordable housing for the City of South Gate for 55 years.

The City of South Gate:

The City of South Gate is a member of the CMFA and held a TEFRA hearing on April 9, 2013. Upon closing, the City is expected to receive approximately \$21,833 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$76,000,000	\$50,500,000
LIH Tax Credit Equity:	\$ 6,032,489	\$35,085,573
Def Costs and DDF:	<u>\$ 3,563,084</u>	<u>\$ 0</u>
Total Sources:	\$85,595,573	\$85,595,573

Uses of Funds:	
Acquisition/Land Purchase:	\$ 2,105,000
On & Off Site Costs:	\$ 4,820,000
Hard Construction Costs:	\$64,213,712
Architect & Engineering Costs:	\$ 600,000
Contractor Overhead & Profit:	\$ 3,205,520
Developer Fee:	\$ 2,500,000
Cost of Issuance:	\$ 1,143,826
Capitalized Interest:	\$ 1,100,000
Other Soft Costs (Marketing, etc.):	<u>\$ 5,907,515</u>
Total Uses:	\$ 85,595,573

Terms of Transaction:

Amount:	\$80,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	December, 2013

Public Benefit:

A total of 216 families will now enjoy high quality, independent, affordable housing in the City of South Gate. Services at the complex will include a community room, lounge, and outdoor space for seating and relaxing. The new construction of this project will provide affordable living in the City of South Gate for 55 years.

Percent of Restricted Rental Units in the Project: 100%
10% (22 Units) restricted to 50% or less of area median income households; and
90% (192 Units) restricted to 60% or less of area median income households.
Unit Mix: Two, three and four bedroom
Term of Restriction: 55 years

Finance Team:

Permanent Lender:	Boston Private Bank & Trust Company
Construction Lender:	Wells Fargo Bank
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall APLC
Tax Counsel:	Bocarsly, Emden, Cowan, Esmail & Arndt LLP
Perm Lender Counsel:	Eichner, Norris & Neumann
Construction Lender Counsel:	Dentons US LLP
Borrower Counsel:	Clayton McReynolds
Financial Advisor:	Miller Housing Advisors
Trustee:	Wells Fargo Corporate Trust Services

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$80,000,000 for the Calden Apartments located in the City of South Gate, County of Los Angeles, California.



ANDRES DUARTE TERRACE II APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: be.group

Action: Final Resolution

Amount: \$10,500,000

Purpose: Finance Affordable Senior Housing Located in the City of Duarte, County of Los Angeles, California

Activity: Senior Affordable Housing

Meeting: November 22, 2013

Background:

While officially established in 1955, their story began two decades earlier with a vision of creating better communities and services to make the lives of older adults more fulfilling. More than 65 years ago, a small group of individuals in Southern California made a bold commitment: to build an organization that would help older adults continue to lead rich, purposeful lives. What was originally Southern California Presbyterian Homes is now be.group. Over the decades they have expanded from one fledgling community in La Jolla to 36 communities serving thousands of older adults throughout the state. Faith-based in their roots, they remain committed to providing superior-quality communities and services for seniors of all backgrounds, ethnicities and spiritual beliefs. While what they do has evolved to meet the changing needs of new generations, they stay true to the ideals of their founders.

As one of the country's largest nonprofit providers of senior living communities, their dedicated, well-trained staff is dedicated to help their residents and clients discover new ways to embrace life's possibilities and new options for exploring their potential. Southern California Presbyterian Homes became be.group on April 26, 2011, to better reflect this mission. It's a name and a philosophy that they believe sums up everything they've been everything they are today and everything they aspire to be in the future. Their vision, like the vision of their founders, begins and ends with the people they serve. They are here to help seniors be who they want to be: themselves.

The Project:

The proposed project is a new construction HUD 202 affordable senior housing project located in the City of Duarte in the County of Los Angeles. It will be designed as a four-story wood framed

building that will consist of one, two-bedroom manager unit and 42 one-bedroom affordable units restricted to tenants 62+ years of age with household incomes no greater than 50% of the area median income. All affordable units will be 540 square feet in size and contain a living room, bathroom and kitchen. The kitchen will contain a four burner electric range, a full size self-defrosting refrigerator/freezer, single compartment sink, built-in pantry and dining counter. The project includes a HUD Section 202 Project Rental Assistance Contract (PRAC) in which tenants pay 30% of their income towards rent and HUD pays the difference between the tenant portion and the HUD defined "Contract Rent". The project is expected to be compliant with the 2010 California Green Building Standards and is expected to achieve a LEED certified level. A multi-purpose community room (designed for a variety of social, educational and recreational activities) is sized to accommodate all residents of the building and is located off the lobby. A service kitchen is located adjacent to the community room. There will be a library/computer room located on the second floor.

The City of Duarte:

The City of Duarte is a member of the CMFA and held a TEFRA hearing on May 28, 2013. Upon closing, the City is expected to receive approximately \$6,562 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$10,500,000	\$ 0
Developer Equity:	\$ 400,000	\$ 400,000
LIH Tax Credit Equity:	\$ 480,382	\$ 4,803,823
Direct & Indirect Public Funds:	\$ 1,200,000	\$ 8,213,000
Other (Cost Deferred Until Conversion):	\$ 972,441	\$ 0
Other (Rent Up Reserve Released):	<u>\$ 0</u>	<u>\$ 136,000</u>
Total Sources:	\$13,552,823	\$13,552,823

Uses of Funds:	
Acquisition/ Land Purchase:	\$ 870,000
On & Off Site Costs:	\$ 100,000
Hard Construction Costs:	\$ 7,690,846
Architect & Engineering Fees:	\$ 390,000
Contractor Overhead & Profit:	\$ 394,059
Developer Fee:	\$ 1,490,600
Cost of Issuance:	\$ 297,850
Capitalized Interest:	\$ 407,800
Other Soft Costs (Marketing, etc.):	<u>\$ 1,911,668</u>
Total Uses:	\$13,552,823

Terms of Transaction:

Amount:	\$10,500,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	November, 2013

Public Benefit:

The Andres Duarte II Apartments will provide 42 affordable apartments for low-income and very low income senior citizens households. Duarte's low-income community has a serious need for affordable housing. This project will help supply the area with new affordable housing for 55 years.

Percent of Restricted Rental Units in the Project: 100%

100% (42 units) restricted to 50% or less of area median income households; and

Unit Mix: 1 bedroom

Term of Restrictions: 55 years

Finance Team:

Lender:	Citi Community Capital
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	Robinson & Cole LLP
Borrower Counsel:	Gubb & Barshay LLP
Financial Advisor	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$10,500,000 for Andres Duarte Terrace II located in the City of Duarte, County of Los Angeles, California.



VILLAGE GROVE APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	Wasatch Advantage Group
Action:	Final Resolution
Amount:	\$15,700,000
Purpose:	Finance Affordable Multi-Family Rental Housing Project Located in the City of Escondido, County of San Diego, California
Activity:	Affordable Housing
Meeting:	November 22, 2013

Background:

Wasatch Properties' mission is to acquire undervalued properties, add value through rehabilitation and improvements and provide exemplary service to their residents, coworkers, business partners, suppliers and lenders. CEO, Dell Loy Hansen states, "Our business of caring for our fellow beings housing and security needs, performed with great respect, will leave a lasting mark on the communities and people we touch." This approach is carried over to their residential buildings. All of their apartments are dedicated to providing an environmentally friendly community that results in a lower impact on the environment. Their energy saving building materials and construction methods result in long term cost saving benefits to their residents.

Wasatch Properties currently has 60 plus apartment communities with over 15,000 units under management. Their properties are spread throughout California, Utah, Arizona, Colorado, and Washington. This is our second transaction with Wasatch Properties.

The Project:

The Village Grove Apartments is an existing market rate project with 161 family units that will be converted to low-income housing units in Escondido. The Project consists of 160 one-bedroom units and 1 two-bedroom manager's unit. The project will rent 16 units at 50% of area median income and 144 units at 60% of the area median income. The site is located within a mixed-use urban neighborhood consisting of commercial, retail, and residential uses. The complex consists of seven two-story apartment buildings; one building houses the leasing office and a community room. The renovations will include new landscaping, energy efficient windows, landscaped

common areas, upgraded community center, 24-hour emergency maintenance, and upgraded buildings systems. Each unit will be improved with new flooring, kitchen cabinets, hardware, countertops and appliances.

The County of San Diego:

The County of San Diego is a member of the CMFA and held a TEFRA hearing on June 18, 2013. Upon closing, the County is expected to receive approximately \$9,812 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$15,700,000	\$15,700,000
Developer Equity:	\$ 1,446,518	\$ 1,446,518
LIH Tax Credit Equity:	<u>\$ 6,799,200</u>	<u>\$ 6,799,200</u>
Total Sources:	\$23,945,718	\$23,945,718

Uses of Funds:	
Acquisition/ Land Purchase:	\$15,700,000
Hard Construction Costs:	\$ 3,220,000
Architect & Engineering Fees:	\$ 66,750
Contractor Overhead & Profit:	\$ 257,000
Developer Fee:	\$ 2,500,000
Relocation:	\$ 100,000
Other Soft Costs (Marketing, etc.):	<u>\$ 2,101,368</u>
Total Uses:	\$23,945,718

Terms of Transaction:

Amount:	\$15,700,000
Maturity:	10 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Institutional & Retail Investors
Rating:	AAA Expected (Freddie Mac)
Estimated Closing:	December, 2013

Public Benefit:

The Project Sponsor has committed to providing after school programs and instructor-led educational, health and wellness or skill building classes free of charge to tenants for a period of 10 years. This project will also create 161 units of affordable housing in the City of Escondido.

Percent of Restricted Rental Units in the Project: 85%

10% (16 units) restricted to 50% or less of area median income households; and

90% (144 units) restricted to 60% or less of area median income households.

Unit Mix: 1 bedroom

Term of Restrictions: 55 years

Finance Team:

Underwriter:	Wedbush Securities Inc.
Bond Counsel:	Quint & Thimmig LLP
Issuer Counsel:	Jones Hall APLC
Underwriter Counsel:	Eichner Norris & Neumann PLLC
Rating Agency:	Moody's Investor Service
Borrower Counsel:	Chernove & Associates

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$15,700,000 for Village Grove Apartments located in the City of Escondido, County of San Diego, California.



HOLLY COURTS APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	LINC Housing.
Action:	Final Resolution
Amount:	\$4,000,000
Purpose:	Finance Acquisition and Rehabilitation of an Existing Multi-Family Affordable Housing Development Located in the City of West Sacramento, County of Yolo, California
Activity:	Affordable Housing
Meeting:	November 22, 2013

Background:

LINC Housing ("LINC") has a 28-year history of creating communities for thousands of families and seniors throughout California. LINC is committed to building and preserving housing that is affordable, environmentally sustainable, and a catalyst for community improvement. Through their LINC Cares program, they are also providing life-enhancing services that improve the quality of life for our residents.

In this challenging economy, LINC Housing and LINC Cares remain committed to their overall goal of serving California communities through housing. Now more than ever, they are focused on helping their residents through these difficult times and finding new and creative ways to keep building and preserving affordable homes. They will accomplish their goals by implementing the following strategies:

- Develop and construct new affordable housing for seniors, families and special needs populations
- Protect California's affordable housing supply through purchase of existing rentals
- Develop sustainable urban in-fill, mixed-use, and transit-oriented properties
- Retrofit existing affordable housing to create energy savings, healthful living environments, and positive environmental impact
- Provide supportive services that enhance the lives of our residents
- Advocate strong public policy for affordable housing

The Project:

The Holly Courts Apartment project is a rehabilitation of a property located in West Sacramento and consists of one community building and ten, four-plex buildings containing 40 residential units, which are predominately townhome style units. The units are comprised of twenty, two-bedroom, sixteen, three-bedroom, and four, four-bedroom units. The site amenities include two community laundry rooms, three play areas and a basketball court. The project lies on two separate parcels totaling 3.48 acres. The current and target population of the project is large families. The scope of work for the project consists of repairs to the exteriors of the buildings, including repair, replacing, staining and sealing the cedar shake siding; repairing, replacing, and painting the plywood siding; overlay of roofs with new asphalt shingles with at least a 20 year warranty; repair and replace existing gutters and downspouts; repairs to patio/courtyard fencing of the residential units; repairs to existing cabinetry, bathroom and kitchen fixtures. Site work will include replacement of the monument signs, additional mulch at the tot lots, new bollards will be added to demark the basketball court area from the parking lot, resealing and striping of the parking lots, and trimming of the site's overgrown trees. Energy improvements will exceed 10% improvement over existing energy usage. In addition, several improvements will be utilized to reduce the use of water, electricity and natural gas at the property. In addition, to make easier use of the site and units for people with disabilities, the ADA accessible parking stalls will be upgraded to include an ADA compliant ramp with access to the sidewalks. Two units will receive upgrades to hardware to make them more accessible and cabinetry will be modified to ensure adaptability related to Fair Housing requirements.

The City of West Sacramento:

The City of West Sacramento is a member of the CMFA and held a TEFRA hearing on May 8, 2013. Upon closing, the City is expected to receive approximately \$2,500 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Taxable Bond Proceeds:	\$ 4,000,000	\$ 1,565,515
Developer Equity:	\$ 0	\$ 232,535
LIH Tax Credit Equity:	\$ 0	\$ 1,745,847
Direct & Indirect Public Funds:	\$ 2,905,980	\$ 2,905,980
Other (LINC Loan):	\$ 0	\$ 500,000
Other (Operations and Def. Dev. Fee):	\$ 0	\$ 94,254
Total Sources:	\$ 6,905,980	\$ 7,044,131

Uses of Funds:	
Acquisition/Land Purchase:	\$ 4,101,028
On & Off Site Costs:	\$ 95,600
Rehabilitation Costs:	\$ 966,563
Architect & Engineering Costs:	\$ 20,000
Contractor Overhead & Profit:	\$ 143,865
Developer Fee:	\$ 707,560
Relocation:	\$ 10,000
Cost of Issuance:	\$ 210,944
Capitalized Interest:	\$ 37,803
Other Soft Costs (Marketing, etc.):	\$ 750,768
Total Uses:	\$ 7,044,131

Terms of Transaction:

Amount:	\$ 4,000,000 (not to exceed)
Maturity:	35 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	December, 2013

Public Benefit:

A total of 39 families will continue to enjoy high quality, independent, affordable housing in the City of West Sacramento. Services at the complex will include a community room, lounge, and outdoor space for seating, relaxing and play areas. The acquisition/ rehabilitation for this project will provide affordable living in the City of West Sacramento for another 55 years.

Percent of Restricted Rental Units in the Project: 100%

31% (12 units) restricted to 50% or less of area median income households; and

69% (27 units) restricted to 60% or less of area median income households.

Unit Mix: 2, 3 & 4 bedrooms

Term of Restrictions: 55 years

Finance Team:

Lender:	Citi Community Capital
Bond Counsel:	Jones Hall APLC
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	Paul, Hastings, Janofsky & Walker LLP
Borrower Counsel:	Carle, Mackie, Powr & Ross LLP
Financial Advisor:	Community Economics, Inc.
Trustee:	U.S. Bank National Association

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$4,000,000 for Holly Courts Apartments located in the City of West Sacramento, County of Yolo, California.



BERKELEY SCATTERED SITE HOUSING SUMMARY AND RECOMMENDATIONS

Applicant:	The Related Companies
Action:	Final Resolution
Amount:	\$18,500,000
Purpose:	Finance the Acquisition and Rehabilitation of Affordable Housing Facilities Located Throughout the City of Berkeley, County of Alameda, California
Activity:	Affordable Housing
Meeting:	November 22, 2013

Background:

In 1972, Stephen Ross founded Related Companies, known then as Related Housing Companies. From the beginning, Mr. Ross understood that only an experienced, multi-skilled team of professionals could drive Related to become what it is today – a fully integrated, highly diversified industry leader with expertise in virtually every aspect of development, acquisitions, management, finance, marketing and sales.

Today, Related owns and operates a premier portfolio of high quality assets valued at over \$15 billion. Affordable housing laid the foundation of Related Companies and they continue to place a high priority on developing, acquiring and preserving housing for this sector. In fact, over 60% of the 40,000 residential apartment homes under their management are part of one or more affordable housing programs, and an additional 20% of these homes provide workforce housing.

To date, Related has developed or acquired over 23,000 affordable housing units with a total value of approximately \$3.5 billion. Currently, they have over 7,000 units under development or under contract throughout the country with a value in excess of \$1.5 billion. Their expansive portfolio of award-winning affordable and mixed-income developments demonstrates their continuing ability to create affordable housing opportunities in a variety of geographically, economically and socially diverse neighborhoods.

The Project:

The Berkeley Housing Authority (“BHA”) announced a RFP to select one or more Developers/Owners for the acquisition, rehabilitation and operation of the BHA’s portfolio of

federal Low-Income Public Housing (LIPH) and state Rental Housing Construction Program (RHCP) units. The purpose of this RFP and the disposition of the BHA portfolio is to renovate and preserve the apartments in the long-term as affordable family housing for the City of Berkeley.

The proposed project is located on 15 sites, totaling 3.6 acres, dispersed throughout the City of Berkeley. The project involves the rehabilitation and modernization of 75 existing townhomes. The targeted population for the project is large families. The 75 units comprising the project consist of 44 three-bedroom units of approximately 1,075 square feet and 31 four-bedroom units approximately 1,275 square feet. In an effort to allow smaller households to remain on site, three (3) four-bedroom apartments will be converted to three (3) three-bedroom units, and four (4) three-bedroom units will be converted to four (4) two-bedroom units. Post rehabilitation unit mix will be as follows: four (4) two-bedroom units, 43 three-bedroom units, and 28 four-bedroom units. All the units are attached 1- and 2-story townhouses of wood frame construction, with private backyards and off-street surface parking. The planned rehabilitation includes complete replacement of all unit interior finishes including new carpets and resilient flooring, new kitchen and bathroom cabinets and fixtures, including the installation of dishwashers, mechanical system upgrades and interior painting. The scope of work for the building exteriors includes new roofs, exterior painting and the replacement of windows and repair/replacement of siding, as necessary. Site improvements include new landscaping, irrigation, replacement of damaged flatwork and improved site drainage. Construction will start in January of 2014 and is expected to be completed by July 2014.

The City of Berkeley:

The City of Berkeley is a member of the CMFA and held a TEFRA hearing on July 16, 2013. Upon closing, the City is expected to receive up to \$11,562 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent,</u>
Tax-Exempt Bond Proceeds:	\$18,500,000	\$11,271,856
Developer Equity:	\$ 1,128	\$ 1,128
LIH Tax Credit Equity:	\$ 1,690,239	\$11,274,657
Direct & Indirect Public Funds:	\$11,879,241	\$11,448,144
Other (def. Costs to Perm):	\$ 2,926,827	\$ 0
Other (Capitalized Soft Loan Int.):	\$ 0	\$ 361,650
Other (def. dev. Fee):	\$ 0	\$ 640,000
Total Sources:	\$34,997,435	\$34,997,435

Uses of Funds:	
Acquisition/Land Purchase:	\$15,501,686
On & Off Site Costs:	\$ 1,137,576
Hard Construction Costs:	\$ 7,584,970
Architectural & Engineering Fees:	\$ 704,402
Contractor Overhead & Profit:	\$ 1,184,514
Developer Fee:	\$ 2,500,000
Relocation:	\$ 516,558
Cost of Issuance:	\$ 249,600
Capitalized Interest:	\$ 2,108,000
Other Soft Costs (Marketing, etc.):	<u>\$ 3,510,129</u>
Total Uses:	\$34,997,435

Terms of Transaction:

Amount:	\$18,500,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	December 2013

Public Benefit:

The Berkeley Scattered Site Housing Apartments will continue to provide 75 affordable apartments for low-income multi-family households. The City of Berkeley's low-income community has a serious need for affordable housing. This project will continue to help supply the area with affordable housing for 55 years.

Percent of Restricted Rental Units in the Project: 100%

77% (57 units) restricted to 50% or less of area median income households; and

23% (17 units) restricted to 60% or less of area median income households.

Unit Mix: 2, 3 & 4 bedrooms

Term of Restrictions: 55 years

Finance Team:

Lender:	Union Bank
Bond Counsel:	Quint & Thimmig LLP
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	Rutan & Tucker, LLP
Borrower Counsel:	Bocarsly Emden Cowan Esmail & Arndt LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt a final resolution authorizing the issuance of revenue bonds in the amount not to exceed \$18,500,000 for the Berkeley Scattered Site Housing Project located in the City of Berkeley, County of Alameda, California.



CLAREMONT MCKENNA COLLEGE SUMMARY AND RECOMMENDATIONS

Applicant:	Claremont McKenna College
Action:	Final Resolution
Amount:	\$25,000,000
Purpose:	Finance and/or Refinance the Acquisition, Construction, Improvement and Equipping of Various Educational and Administrative Facilities Located in the City of Claremont, County of Los Angeles, California
Activity:	Private College
Meeting:	November 22, 2013

Background:

Originally founded as Claremont Men's College, CMC became coeducational in 1976 and changed its name to Claremont McKenna College in 1981 in honor of its most visionary and founding trustee, Donald C. McKenna. With an on-campus enrollment of approximately 1,000 students, CMC is currently the youngest and smallest college ranked in the U.S. News & World Report top 20. Our over 8,000 alumni have bolstered that recognition through their success. Fully 70 percent of CMC graduates go on to advanced degrees at prestigious institutions. Additionally, one in eight graduates now holds a position in top management. In doing so, they also do honor to the Claremont McKenna College motto: "Crescit cum commercio civitas," (Civilization prospers with commerce).

CMC houses cutting-edge Research Institutes, offering students and faculty the unique opportunity to merge research, teaching and learning. CMC is also a member of The Claremont Colleges, a consortium of five undergraduate colleges and two graduate institutions. Based on the Oxford/Cambridge model, The Claremont Colleges represent the only planned consortium in the United States offering CMC students diverse opportunities and resources typically only found at much larger universities.

The Project:

The proceeds of the Bonds will be loaned to Claremont McKenna College to finance and/or refinance the acquisition, construction, improvement, renovation, replacement, furnishing and/or equipping of various educational facilities including related administrative and support facilities

located at the following locations in the City of Claremont, California: (a) the Borrower's main campus located at 500 E. 9th Street, Claremont, California 91711; (b) Beckett Hall located at 726 N. Amherst Avenue, Claremont, California 91711; (c) Marks Hall located at 400 E. 6th Street, Claremont, California 91711; (d) Berger Hall located at 413 E. 6th Street, Claremont, California 91711; (e) Benson Hall located at 411 E. 6th Street, Claremont, California 91711; (f) Roberts Pavilion located at 690 N. Mills Avenue, Claremont, California 91711; (g) Phillips Hall located at 734 N. Amherst Avenue, Claremont, California 91711; (h) a central chiller plant at the south end of the Campus on 6th Street, between 400 E. 6th Street and 455 E. 6th Street, Claremont, California 91711; and (i) property abutting 690 N. Mills Avenue, 400-455 E. 6th Street, and 726-734 N. Amherst Avenue, Claremont, California 91711, all of which facilities will be owned and operated by the Corporation.

The City of Claremont:

The City of Claremont is a member of the CMFA and held a TEFRA hearing on November 13, 2013. Upon closing, the City is expected to receive approximately \$9,166 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	<u>\$25,000,000</u>
Total Sources:	\$25,000,000

Uses of Funds:

Rehabilitation:	\$14,000,000
New Construction:	\$10,700,000
Cost of Issuance	<u>\$ 300,000</u>
Total Uses:	\$25,000,000

Terms of Transaction:

Amount:	\$25,000,000
Maturity:	30 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	December 1, 2013

Public Benefit:

As one of the nation's most selective private liberal arts colleges, CMC sits among the intellectually-stimulating, socially-fulfilling, seven-college community known as The Claremont Colleges, a system modeled after England's Oxford University. Founded in 1946, CMC is the youngest of the nation's top colleges and enrolls approximately 1,200 students.

Claremont McKenna College (CMC) educates its students for thoughtful and productive lives and responsible leadership in economics, government and public affairs. CMC's strong grounding in the liberal arts, together with its emphasis on economics, government, and international relations, attracts students who approach education pragmatically and who intend to make a difference in the world. With this broad-based foundation graduates leave CMC well prepared for the

challenges of the 21st century. Many go on to pursue careers in law, business, government, Foreign Service, international relations, public policy, museum administration, science and education, or to pursue graduate study.

The College's cutting-edge research institutes provide students unprecedented opportunities to work alongside their professors and discover how what they learn in the classroom links to life in the world beyond. The world comes to Claremont McKenna through a vibrant and renowned speaker's series in which world leaders, thinkers, artists and visionaries visit campus through the Marian Miner Cook Athenaeum and other public programming.

In September 2007, Robert A. Day, the Founder and Chairman of The TCW Group, Inc., pledged a \$200 million personal gift to establish the Robert Day School of Economics and Finance and its unique programs. This was the largest recorded gift to a liberal arts institution, the largest gift in the field of finance and economics, and among the top 20 largest gifts ever given to a college or university. Through his generosity, the Robert Day School of Economics and Finance now offers multiple programs, including a Master of Arts in Finance degree.

This financing increase the capacity of the institution to provide its educational services to the students served.

Finance Team:

Lender:	First Republic Bank
Special Tax Counsel:	Hawkins Delafield & Wood LLP
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	Hawkins Delafield & Wood LLP
Borrower Counsel:	The Law Offices of Rossi Russell

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$25,000,000 for Claremont McKenna College located in the City of Claremont, County of Los Angeles, California.



OAKS CHRISTIAN SCHOOL SUMMARY AND RECOMMENDATIONS

Applicant:	Oaks Christian School
Action:	Final Resolution
Amount:	\$33,000,000
Purpose:	Finance the Acquisition and Renovations at Certain Educational Facilities Located in the City of Westlake Village, Los Angeles County, California.
Activity:	Private School
Meeting:	November 22, 2013

Background:

Oaks Christian School (“OCS”) is a college preparatory school in Westlake Village, CA. As part of the school’s mission students are encouraged to pursue academic excellence, artistic expression, and athletic distinction. Oaks Christian School students have the opportunity to explore and develop their passions in and out of the classroom. The school offers a broad range of rigorous academic courses. In addition, students participate in a rich student life that encourages fun, altruism, leadership, and a dedication to serving others. Through their involvement in community service, clubs, class retreats, and class projects OCS students leave the school to become good members of their community as well as lifelong learners. OCS alumni are confident and benefit from their comprehensive knowledge and critical thinking skills throughout their lives.

The school opened their high school campus in the fall 2000. Over the past 13 years, the school has expanded its curriculum to include a middle school. Today, OCS serves 1,400 students in grades 6-12.

The Project:

The proceeds of the Bonds will be loaned to Oaks Christian School, and used to: (1) finance and refinance the acquisition, construction, renovation, improvement and equipping of various educational, athletic and related facilities at the Borrower's campus

for Oaks Christian High School, the main address for which campus is 31749 La Tienda Drive, Westlake Village, California 91362. Approximately \$7,000,000 of new bond proceeds will be used to upgrade and expand the library, create a new Westgate Plaza walkway connection, renovate a Lower Field athletics field, upgrade the pool complex, stadium press box, and the gymnasium audio-visual system. In addition a new dance room/studio, a standby generator, solar electricity panels and a student amphitheater, including all related and appurtenant facilities, infrastructure and landscaping will be added; (2) proceeds will also be used to refund all of the outstanding Colorado Educational and Cultural Facilities Authority Adjustable Rate Demand Revenue Bonds, Series 2006 in an approximate amount not expected to exceed \$26,000,000. The proceeds from the prior bonds were used to (a) finance the construction and equipping of an approximately 28,000 square foot Academic/Activity Center at the Campus containing classrooms, gymnasium and performing arts stage, including all furniture, fixtures and equipment relating thereto, and (b) refinance certain other indebtedness, proceeds of which financed the costs of acquisition, construction, improvement, renovation, remodeling, furnishing and equipping of certain educational facilities at the Campus including but not limited to classrooms, laboratories, administration offices, dining facilities, athletic facilities, parking facilities, a co-generation facility, infrastructure improvements as well as other related and appurtenant facilities; and (3) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds. All facilities financed or refinanced with the proceeds of the Bonds are to be owned and operated by the Borrower.

The City of Westlake Village

The City of Westlake Village became a member of the CMFA and held a TEFRA hearing on November 13, 2013. Upon closing, the City is expected to receive approximately \$10,400 as part of the CMFA's sharing of Issuance Fees.

Project Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	<u>\$32,400,000</u>
Total Sources:	\$32,400,000

Uses of Funds:

Refinancing Existing Bonds	\$25,900,000
Improvements & Rehabilitation:	\$ 2,000,000
New Construction:	\$ 4,290,000
Legal & Professional:	<u>\$ 210,000</u>
Total Uses:	\$32,400,000

Terms of Transaction:

Amount:	\$ 33,000,000
Maturity:	2038
Collateral:	Deed of Trust
Bond Purchasers:	Private Placement
Estimated Closing:	December 2013

Public Benefit:

The motto at Oaks Christian School is to prepare minds for leadership and hearts for service. All academic areas participate and encourage this mindset. Recently, OCS' art program partnered with World Vision. World Vision works to transform communities by providing access to life-saving basics like healthcare, nutritious food, education, and clean water to impoverished children throughout the world. Oaks Christian School art students were allowed to choose a picture with an accompanying biography of needy children from around the world. Each art student chose a child to depict. They researched the political and social issues related to the child's plight and then shared what they learned with their fellow students. From this is one class assignment, a campus-wide program was formed. Students are currently raising funds to build wells that dispense fresh drinking water in Africa and providing food and monetary assistance to Syrian refugees.

The proposed project will also allow the organization to add a total of 10 full-time faculty and staff positions at their middle school and high school, in addition to their combined 200 current positions.

Finance Team:

Lender:	U.S. Bank National Association
Bond Counsel:	Ice Miller LLP
Lender Counsel:	Nixon Peabody, LLP
Issuer Counsel:	Jones Hall, APLC
Borrower Counsel:	Stowell, Zeilenga & Ruth, Vaughn, Treiger LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt a final resolution authorizing the issuance of revenue bonds in the amount not to exceed \$33,000,000 to finance the acquisition and renovation at certain educational facilities located in the City of Westlake, Los Angeles County, California and other matters relating thereto.



GIDEON HAUSNER JEWISH DAY SCHOOL PROJECT SUMMARY AND RECOMMENDATIONS

Applicant: Gideon Hausner Jewish Day School

Action: Final Resolution

Amount: \$14,000,000

Purpose: Finance and Refinance the Acquisition, Construction, Improvement, Renovation, and/or Equipping of Educational Facilities for Gideon Hausner Jewish Day School located in the City of Palo Alto, Santa Clara County, California.

Activity: Private School

Meeting: November 22, 2013

Background:

The Gideon Hausner Jewish Day School (Hausner) promotes academic excellence, community responsibility and vibrant Jewish living. The school, founded in 1989, has grown in the past 24 years and now educates almost 400 students in Kindergarten through 8th grade every year. While the school has continued to grow in size and popularity over the years, it still holds true to what originally made it such an attractive option for families on the San Francisco Peninsula: outstanding academics, a strong sense of community and the passing on of Jewish values and traditions.

Today, with a focus on critical-thinking skills, Hausner gives children the opportunity to joyfully become life-long learners. Hausner offers students low student-to-teacher ratios, 12:1 in the lower grades and 18:1 in the Middle School Program. It is accredited by both the California Association of Independent Schools (CAIS) and the Western Association of Schools and Colleges (WASC). Academically, the school performs well as evidenced by their median standardized test scores in the 90th percentile and higher for all grades. Building upon the strengths of a short, but prolific history, the school looks to continue on a trajectory of successfully achieving its mission of academic excellence and community responsibility.

The Project:

The proceeds of the loan will be used to: (1) redeem in full the Issuer's Variable Rate Demand Revenue Bonds (Gideon Hausner Jewish Day School) Series 2008, the proceeds of which were used to finance and refinance certain loans that financed the acquisition, renovation, construction, expansion, improvement and/or equipping of the Borrower's educational facilities finance and/or refinance the acquisition, construction, improvement, renovation, furnishing and/or equipping of educational facilities, and related administrative and support facilities, located at 450, 470, 490 and 560 San Antonio Road in the City of Palo Alto, California, ("the Campus") (2) paying and/or reimbursing the Borrower for the costs of constructing, improving, renovating, furnishing and/or equipping of educational facilities and related administrative and support facilities at the Campus, including but not limited to the demolition of pre-existing buildings and construction of additional educational facilities, including but not limited to a full size gymnasium, a performing arts facility and multipurpose facilities; and (3) paying costs of issuance with respect to the Loan

The City of Palo Alto:

The City of Palo Alto is a member of the CMFA. A TEFRA hearing was held on November 12, 2013. Upon closing, the City will receive up to \$ 7,000 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 12,000,000
Origination Fee / FRB Discount:	<u>\$ 17,500</u>
Total Sources:	\$ 11,982,500

Uses of Funds (Estimated):

Payoff of 2008 Bonds:	\$ 6,947,500
Capital Projects:	\$ 5,000,000
Cost of Issuance:	<u>\$ 35,000</u>
Total Uses:	\$ 11,982,500

Terms of Transaction:

Amount:	\$14,000,000
Maturity:	December 2043
Collateral:	Deed of Trust
Bond Purchasers:	Private Placement
Estimated Closing:	December 2013

Public Benefit:

The mission for Gideon Hausner Jewish Day School is “To promote academic excellence, community responsibility, and vibrant Jewish living.” The school is providing over 400 students the opportunity to study and learn on its campus. The school provides financial assistance on a “needs blind” basis. Currently 16 to 18% of students receive some form of financial aid.

The school places a heavy emphasis on community and social responsibility. One area of focus is caring for the environment in which we live. Hausner students learn about environmental stewardship through integrated, curricular activities. This integrated approach teaches environmental and ecological literacy within the context of science, social studies, Jewish studies, art, and other core academic subjects. Through hands-on projects, Hausner students learn to view themselves as current and future caretakers of our planet.

Gideon Hausner Jewish Day School continues to develop its programs and facilities to fulfill their mission of academic excellence, community responsibility and vibrant Jewish Living.

Finance Team:

Lender:	First Republic Bank
Special Tax Counsel:	Hawkins Delafield & Wood LLP
Issuer’s Counsel:	Jones Hall, APLC
Borrower’s Counsel:	Cox, Castle & Nicholson LLP
Lender Counsel:	Hawkins Delafield & Wood LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt a Final Resolution authorizing the issuance, sale and delivery of up to \$14,000,000 for the purpose of Financing and/or Refinancing the acquisition, construction, improvement, renovation, furnishing and/or equipping of educational facilities, and related administrative and support facilities for Gideon Hausner Jewish Day School located in the City of Palo Alto, California.



PUBLIC HEARINGS REGARDING A COMMUNITY FACILITIES DISTRICT IN TULARE COUNTY

- Actions:** Conduct two separate public hearings held concurrently - the first allowing interested parties to speak for or against the establishment of a Community Facilities District (“CFD”) and levy of special taxes in the district; and the second allowing interested parties to speak for or against the need to incur bonded indebtedness or other debt for the CFD.
- Purpose:** Public Hearings are required under state statute and are an integral part of the formation of a property assessed clean energy, or PACE, program in Tulare County.
- Activity:** Provide financing and refinancing for the acquisition, installation and improvement of Facilities.
- Meeting:** November 22, 2013
-

Background:

PACE programs utilize a tool that is widely used by local agencies in California to finance public benefit projects: land-secured financing. State law has long provided cities and counties with the power to issue bonds and levy special taxes for financing public projects. PACE programs generally enable private property owners to finance the acquisition, installation or improvement of renewable energy, energy efficiency or water conservation improvements, and secure repayment of the financing through California’s property tax regime. Like other tax liens, the liens associated with PACE financings have repayment priority ahead of non-tax liens.

Since the October 11, 2013 Board Meeting staff and counsel have undertaken defined steps to form the Community Facilities District of Tulare County. On October 23, 2013 the boundary map was officially recorded. In addition, the Authority’s counsel transmitted on October 14, 2013 the Board’s resolution entitled “Resolution of Intention to Establish Community Facilities District of the California Municipal Finance Authority,” adopted on October 11, 2013 to the Tulare Board of Supervisors.

Lastly, notices of two public hearings were published in the Visalia Times-Delta on November 7, 2013. One notice invites interested parties to speak for or against the establishment of the CFD, the extent of the CFD or the furnishing of the specified facilities and the other invites interested parties to speak for or against the necessity of incurring \$100,000,000 of bonded indebtedness or other debt for the CFD.

Discussion:

As required under State statutes, and prior to taking the next legislative steps in the formation process, the Board must hold the two noticed public hearings. The public hearings are being held concurrently.

Any protests from the public regarding the establishment of a CFD, the levying of special taxes in the district or the need to incur bonded indebtedness or other debt either written or verbal from the public must be heard prior to taking any further legislative action. Section 53328.1 of the Act establishes the applicable protest standard: if 50% or more of the registered voters, or six registered voters, whichever is more, residing within the territory proposed to be annexed to the CFD in the future, or if the owners of one-half or more of the area of land proposed to be annexed in the future and not exempt from the special tax, file written protests against establishment of the CFD, and protests are not withdrawn so as to reduce the protests to less than a majority, no further proceedings to form the CFD shall be undertaken for a period of one year from the date of decision of the Board on the issues discussed at the hearing. If the majority protests of the registered voters or of the landowners are only against the furnishing of a specified type or types of facilities or services within the district, or against levying a specified special tax, those types of facilities or services or the specified special tax shall be eliminated from the resolution of formation.

The Board may continue the formation hearing, but it generally must be completed within 30 days. It may be further continued for no more than 6 months if the Board finds that the complexity of the proposed CFD or need for public participation requires additional time.



**DISCUSS AND AUTHORIZE FORMATION OF THE CALIFORNIA
MUNCIPAL FINANCE AUTHORITY COMMUNITY FACILITIES
DISTRICT NO. 2013-1
SUMMARY AND RECOMMENDATIONS**

- Actions:** Adoption of a Resolution of Formation to Establish Community Facilities District No. 2013-1 (Tulare County PACE Program), Establish Boundaries of said Community Facilities District, to Describe the Facilities to be Financed, to Establish an Appropriations Limit and to Provide for Other Matters Related Thereto.
- Purpose:** Interim legislative actions in forming a property assessed clean energy, or PACE, program in Tulare County.
- Activity:** Provide financing and refinancing for the acquisition, installation and improvement of Facilities.
- Meeting:** November 22, 2013
-

Background:

PACE programs utilize a tool that is widely used by local agencies in California to finance public benefit projects: land-secured financing. State law has long provided cities and counties with the power to issue bonds and levy special taxes for financing public projects. PACE programs generally enable private property owners to finance the acquisition, installation or improvement of renewable energy, energy efficiency or water conservation improvements, and secure repayment of the financing through California's property tax regime. Like other tax liens, the liens associated with PACE financings have repayment priority ahead of non-tax liens.

Discussion:

General. CMFA is creating a PACE program for Tulare County (the "Program"). The legal basis for the Program is the alternative procedure established for PACE under the Mello-Roos Community Facilities Act of 1982, as amended, which is commonly referred to as "SB 555."

Program Overview. Under SB 555, a community facilities district is formed that initially consists solely of territory proposed for annexation to the community facilities district in the future. A participating property owner assents to its property's annexation into the community facilities district, and the levy of a special tax on the property, in a unanimous approval (a "Unanimous Approval").

The special tax amount is generally equal to the amount necessary to (i) finance the installation of Facilities over at least a 5-year period of time, depending on the expected useful life of the financed Facilities and (ii) pay the costs of administering the Program.

A Program financing generally has the following framework:

1. The participating property owner executes a Unanimous Approval, approving of its property's annexation into the community facilities district and the levy of a special tax on the property.
2. CMFA issues a bond, the proceeds of which are used to finance the installation of Facilities on the property owner's property. The bond is only payable from and secured by a special tax levied on that property, pursuant to the Unanimous Approval. The bond may either be privately placed or sold through an underwriter. In either instance, the interest rate on the bond will be determined by market forces.
3. CMFA records a notice of special tax on the property owner's property. If the property owner fails to repay the special tax, the Authority will initiate foreclosure on the benefited property.

Acknowledgement of Existing Mortgage Lenders. Although the Program would be able to accommodate financings with respect to both residential and non-residential properties, the financings currently anticipated by Staff will involve only non-residential properties or multifamily properties with five or more units. The owners of these properties must obtain an acknowledgement of their existing mortgage lender(s) in order to participate in the Program.

Legislative Action. The Board adopted its Resolution of Intention on October 11, 2013, in which it stated its desire to form the California Municipal Finance Authority Community Facilities District No. 2013-1 (Tulare County PACE Program) (the "CFD") under the alternate procedures established by Section 53328.1 of the Act. Staff is requesting the adoption of the Resolution of Formation of CFD - The resolution approves the formation of the CFD, its boundaries, the type of facilities to be financed, and allows the Authority to levy Special Taxes to pay for the facilities financed within the CFD.

Public Benefit:

PACE programs encourage energy efficiency, water conservation and diversifies energy sources all of which reduce the impact on existing infrastructure. Furthermore, PACE programs provide property owners with a low cost alternative to financing major energy efficiency improvements, water conservation or renewable energy retrofits. The program helps the economies of the communities we serve by creating new jobs and retaining existing jobs.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve the Resolution of Formation to Establish the California Municipal Finance Authority CFD No, 2013-1.



**ESTABLISHMENT OF MAXIMUM BONDED INDEBTEDNESS IN
THE COMMUNITY FACILITIES DISTRICT OF TULARE
COUNTY, CALIFORNIA
SUMMARY AND RECOMMENDATIONS**

Action:	Adopt Resolution Determining Necessity to Incur Bonded Indebtedness and Other Debt in a Maximum Principal Amount of \$100,000,000 within the Boundaries of Community Facilities District No. 2013-1 (Tulare County PACE Program) and Determining Other Matters in Connection Therewith
Purpose:	Property Assessed Clean Energy (“PACE”)
Activity:	PACE Financing and Refinancing of Energy Efficiency, Water Efficiency and Renewable Energy Generation Improvements
Meeting:	November 22, 2013

Background:

PACE programs utilize a tool that is widely used by local agencies in California to finance public benefit projects: land-secured financing. State law has long provided cities and counties with the power to issue bonds or other debt (as defined in the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”)) and levy special taxes for financing public projects. PACE programs generally enable private property owners to finance the acquisition, installation or improvement of renewable energy, energy efficiency or water conservation improvements, and secure repayment of the financing through California’s property tax regime. Like other tax liens, the liens associated with PACE financings have repayment priority ahead of non-tax liens.

CMFA is establishing a PACE program for Tulare County (the “Program”) by establishing a community facilities district within its boundaries (the “CFD”) under the alternative procedure established for PACE, under the Act, that is commonly referred to as SB 555.

Discussion:

The Act requires the establishment of a maximum amount of bonded indebtedness or other debt to be issued or incurred by a community facilities district. The amount of \$100,000,000 is believed to be a reasonable limit for the CFD created to administer the Tulare County PACE Program.

Public Benefit:

PACE programs encourage energy efficiency, water conservation and diversifies energy sources all of which reduce the impact on existing infrastructure. Furthermore, PACE programs provide property owners with a low cost alternative to financing major energy efficiency improvements, water conservation or renewable energy retrofits. The program helps the economies of the communities we serve by creating new jobs and retaining existing jobs.

Recommendation:

The Executive Director Recommends that the CMFA Board of Directors adopt the Resolution Determining Necessity to Incur Bonded Indebtedness, which establishes \$100,000,000 as the maximum amount of bonded indebtedness or other debt that may be issued by the CFD for the Program.



ESTABLISHMENT OF PROCEDURES FOR CALIFORNIA ENVIRONMENTAL QUALITY ACT IN THE COMMUNITY FACILITIES DISTRICT OF TULARE COUNTY, CALIFORNIA SUMMARY AND RECOMMENDATIONS

Action:	Adopt Resolution Establishing Determination Procedure for California Environmental Quality Act in the Community Facilities of Tulare County, California
Purpose:	Property Assessed Clean Energy (“PACE”)
Activity:	PACE Financing and Refinancing of Energy Efficiency, Water Efficiency and Renewable Energy Generation Improvements
Meeting:	November 22, 2013

Background:

PACE programs utilize a tool that is widely used by local agencies in California to finance public benefit projects: land-secured financing. State law has long provided cities and counties with the power to issue bonds or other debt (as defined in the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”)) and levy special taxes for financing public projects. PACE programs generally enable private property owners to finance the acquisition, installation or improvement of renewable energy, energy efficiency or water conservation improvements, and secure repayment of the financing through California’s property tax regime. Like other tax liens, the liens associated with PACE financings have repayment priority ahead of non-tax liens.

CMFA is establishing a PACE program for Tulare County (the “Program”) by establishing a community facilities district within its boundaries (the “CFD”) under the alternative procedure established for PACE, under the Act, that is commonly referred to as SB 555.

Discussion:

The Resolution states the Board's determination that the CFD is not a project under California Environmental Quality Act (CEQA). It also approves a procedure for third party energy consultant to undertake when determining the environmental impact of projects financed through the CFD. The procedure involves classifying each project based on pre-established criteria as outlined in Exhibits A and B. The Resolution also directs that the third party energy consultant to file a CEQA Notice of Exemption with the Tulare County Clerk for the CFD prior to the issuance of any debt, and for each project that it determines to be exempt from CEQA if the Executive Director determines it is prudent to do so.

Public Benefit:

PACE programs encourage energy efficiency, water conservation and diversifies energy sources all of which reduces the impact on existing infrastructure. Furthermore, PACE programs provide property owners with a low cost alternative to financing major energy efficiency improvements, water conservation or renewable energy retrofits. The program helps the economies of the communities we serve by creating new jobs and retaining existing jobs. Adopted CEQA procedures ensure that projects completed in the district have minimal impact on the environment.

Recommendation:

The Executive Director Recommends that the CMFA Board of Directors adopt the Resolution Establishing Determination Procedure for California Environmental Quality Act in the Community Facilities of Tulare County, California



**ORDINANCE LEVYING SPECIAL TAXES WITHIN THE
CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY
FACILITIES DISTRICT NO. 2013-1
SUMMARY AND RECOMMENDATIONS**

Action: Approval of Ordinance Ordering Levying Special Taxes within California Municipal Finance Authority Community Facilities District No. 2013-1 (Tulare County PACE Program)

Purpose: Property Assessed Clean Energy (“PACE”)

Activity: PACE Financing and Refinancing of Energy Efficiency, Water Efficiency and Renewable Energy Generation Improvements

Meeting: November 22, 2013

Background:

PACE programs utilize a tool that is widely used by local agencies in California to finance public benefit projects: land-secured financing. State law has long provided cities and counties with the power to issue bonds or other debt (as defined in the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”)) and levy special taxes for financing public projects. PACE programs generally enable private property owners to finance the acquisition, installation or improvement of renewable energy, energy efficiency or water conservation improvements, and secure repayment of the financing through California’s property tax regime. Like other tax liens, the liens associated with PACE financings have repayment priority ahead of non-tax liens.

CMFA is establishing a PACE program for Tulare County (the “Program”) by establishing a community facilities district within its boundaries (the “CFD”) under the alternative procedure established for PACE, under the Act, that is commonly referred to as SB 555.

Discussion:

Passage of Ordinance authorizes the levying of special taxes within the Community Facilities District at a rate approved by the individual property owner(s) of all voluntarily annexed parcel(s) within the CFD. The Government Code also requires a second reading of the Ordinance, which

will be held at the December 13, 2013 Board Meeting. As per the Government Code, an executed copy of the Ordinance will be published in the local newspaper within 15 days of its passage. The Ordinance will then take effect 30 days after the final passage.

Proposed financings in the CFD will then be able to be approved separately by the Board as they arise.

Public Benefit:

PACE programs encourage energy efficiency, water conservation and diversifies energy sources all of which reduce the impact on existing infrastructure. Furthermore, PACE programs provide property owners with a low cost alternative to financing major energy efficiency improvements, water conservation or renewable energy retrofits. The program helps the economies of the communities we serve by creating new jobs and retaining existing jobs.

Recommendation:

The Executive Director Recommends that the CMFA Board of Directors Pass the Ordinance Ordering the Levying of Special Taxes the Community Facilities District located in Tulare County, California.



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- Company name listing in conference program

PLATINUM LEVEL - CONFERENCE SPONSORSHIP \$25,000

- Named sponsor(s) of the networking reception
- Logo placement in conference registration brochure
- Full-page, full-color ad in conference program
- Placement of company logo on Housing California website for one year (www.housingca.org)
- Recognition as a scholarship sponsor
- Eight (8) complimentary conference registrations
- Exhibitor table in Exhibit Expo in prime location
- One-year, full, organizational membership to Housing California*
- Banner displayed at conference networking reception (*Company must provide banner*)
- Company name listing in conference program

GOLD LEVEL - CONFERENCE SPONSORSHIP \$18,000

- Named sponsor(s) of the coffee/refreshment breaks
- Logo placement in conference registration brochure
- Full-page, full-color ad in conference program
- Placement of company logo on Housing California website for 1 month (www.housingca.org)
- Six (6) complimentary conference registrations
- Exhibitor table in Exhibit Expo
- One-year, full, organizational membership to Housing California*
- Company name listing in conference program

SILVER LEVEL - CONFERENCE SPONSORSHIP \$12,000

- Named sponsor(s) of the Young Professionals Networking Event
- Full-page, black-and-white ad in conference program
- Placement of company logo on Housing California website for 1 month (www.housingca.org)
- Four (4) complimentary conference registrations
- Exhibitor table in Exhibit Expo
- One-year, full, organizational membership to Housing California*
- Company name listing in conference program

BRONZE LEVEL - CONFERENCE SPONSORSHIP \$6,000

- Named sponsor(s) of the Institute lunch
- Half-page, black-and-white ad in conference program
- Three (3) complimentary conference registrations
- Exhibitor table in Exhibit Expo
- Company name listing in conference program

BENEFACTOR LEVEL - CONFERENCE SPONSORSHIP \$3,000

- Half-page, black-and-white ad in conference program
- Two (2) complimentary conference registrations
- Exhibitor table in Exhibit Expo
- Company name listing in conference program

SUSTAINER LEVEL - CONFERENCE SPONSORSHIP \$1,500

- Quarter-page, black-and-white ad in conference program
- One (1) complimentary conference registration
- Exhibitor table in Exhibit Expo *(may be shared depending on space)*
- Company name listing in conference program

SUPPORTER LEVEL - CONFERENCE SPONSORSHIP \$600

- Eighth-page, black-and-white ad in conference program
- Company name listing in conference program

CONTRIBUTOR LEVEL - CONFERENCE SPONSORSHIP \$599 AND BELOW

- Company name listing in conference program

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