



MILL CREEK COURTYARD APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Chelsea Investment Corporation, LP

Action: Initial Resolution

Amount: \$12,000,000 (Not to Exceed)

Purpose: Finance Affordable Senior Rental Housing Facility Located in the City of Bakersfield, County of Kern, California

Activity: Senior Affordable Housing

Meeting: January 17, 2014

Background:

Chelsea Investment Corporation (“CIC”) is a real estate company focused on the financing and development of affordable housing. CIC 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, CIC has a strong and experienced team of professionals who identify and implement timely and cost effective solutions to the many challenges of this market niche.

The CMFA has facilitated over 10 CIC projects.

The Project:

The Mill Creek Courtyard Apartments project is a new construction project of a three-story, 62-unit affordable senior housing facility located in downtown Bakersfield, California. The units are restricted to households between 30-60% of AMI. The project will provide the following services a common community kitchen, computer room, gardens, financial literacy services, green space, covered secure parking and health and wellness services. The City of Bakersfield is in desperate need of Affordable Senior Housing and the financing of this project will result in the creation of 61 affordable apartments for seniors in Bakersfield for the next 55 years.

The City of Bakersfield:

The City of Bakersfield is a member of the CMFA and will need to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$6,250 as part of CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 10,000,000
HOME:	\$ 1,869,768
Deferred Developer Fee:	\$ 649,541
NSP III:	\$ 830,232
AHP:	\$ 343,841
Equity:	<u>\$ 3,076,526</u>
Total Sources:	\$ 16,769,908

Uses of Funds:

Land Acquisition:	\$ 6,592,016
New Construction:	\$ 5,527,191
Architectural & Engineering:	\$ 350,000
Legal, Professional:	\$ 200,000
Impact and Permit Fees:	\$ 800,000
Financing Costs & Reserves:	\$ 850,000
Developer Fee:	\$ 1,939,129
Contingencies & Other Soft Costs	\$ 474,072
Cost of Issuance:	<u>\$ 37,500</u>
Total Uses:	\$ 16,769,908

Terms of Transaction:

Amount:	\$12,000,000 (not to exceed)
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	August 2014

Public Benefit:

A total of 61 senior households will be able to enjoy high quality, independent, affordable housing in the City of Bakersfield. Services at the complex will include a common community kitchen, computer room, gardens, financial literacy services and health and wellness services. The construction of this project will provide affordable living in the City of Bakersfield for 55 years.

Percent of Restricted Rental Units in the Project: 98%
80% (50 Units) restricted to 60% or less of area median income households; and
18% (11 Units) restricted to 50% or less of area median income households.
Unit Mix: 1 and 2 bedroom units.
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Odu & Associates

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$12,000,000 for the Mill Creek Courtyard affordable senior housing project located in the City of Bakersfield, Kern County, California.

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



WITMER CITY LIGHTS APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Grand Resource Consulting – Los Angeles, LLC

Action: Initial Resolution

Amount: \$3,000,000 (Not to Exceed)

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

Activity: Affordable Housing

Meeting: January 17, 2014

Background:

Grand Resource Consulting-Los Angeles, INC, (GRCLA) is an affordable housing developer. Over the past seven years, Grand Resource Consulting-Los Angeles, INC has developed affordable housing throughout Southern California with a focus on preserving existing affordable housing. GRCLA also acts as a multi-faceted real estate development company that deals in Tax-Credit Affordable developments, market rate mix-use developments, shopping centers, and vacant land acquisitions and development.

KHEIR is a multi-million dollar non-profit broad-based agency that provides services to the indigent population in four interrelated areas: Human Services, Affordable Housing, Adult Day Health Care, and Healthcare Services. KHEIR provides critical in-language healthcare and human services support to the residents of Metro Los Angeles and its neighboring communities. Annually, KHEIR Center offers over 30,000 Human Services case visits, 100,000 hot meals to seniors, and 10,000 patient visits. KHEIR is acting as the nonprofit for this transaction.

The Project:

The Witmer City Lights Apartment project is an acquisition/ rehabilitation of a 16 unit multifamily affordable housing facility located in Los Angeles, California. The units are restricted to households between 50-60% of AMI. The project will continue to provide 61 affordable apartments for seniors in Los Angeles for the next 55 years.

The City of Los Angeles:

The City of Los Angeles is a member of the CMFA and will need to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$1,875 as part of CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 2,763,630
Tax Credit Equity:	\$ 785,281
Deferred Developer Fee:	\$ 357,701
Equity:	<u>\$ 1,239,705</u>
Total Sources:	\$ 5,146,317

Uses of Funds:

Land Acquisition:	\$ 165,000
Building Acquisition:	\$ 3,165,000
Rehabilitation:	\$ 842,688
Legal, Professional:	\$ 57,600
Architectural & Engineering:	\$ 24,000
Financing Costs & Reserves:	\$ 93,805
Developer Fee:	\$ 633,884
Contingencies & Other Soft Costs	\$ 124,200
Cost of Issuance:	<u>\$ 40,140</u>
Total Uses:	\$ 5,146,317

Terms of Transaction:

Amount:	\$3,000,000 (not to exceed)
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	August 2014

Public Benefit:

A total of 16 multifamily households will continue to be able to enjoy high quality, independent, affordable housing in the City of Los Angeles. Services at the complex will include a common community Kitchen and computer room. The construction of this project will continue to provide affordable living in the City of Los Angeles for 55 years.

Percent of Restricted Rental Units in the Project: 100%
25% (4 Units) restricted to 50% or less of area median income households; and
75% (12 Units) restricted to 60% or less of area median income households.
Unit Mix: 1, 2 and 3 bedroom units.

Term of Restriction: 55 years

Finance Team:

Lender:	GreyStone Servicing Corp, Inc.
Bond Counsel:	Kutak Rock LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Ballard Spahr
Borrower Counsel:	Elkins, Kalt, Weintraub, Reuben, Gartside LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$3,000,000 for the Witmer City Lights affordable housing project located in the City of Los Angeles, Los Angeles County, California.

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



BEVERLY CITY LIGHTS APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	Grand Resource Consulting – Los Angeles, LLC
Action:	Initial Resolution
Amount:	\$9,000,000 (Not to Exceed)
Purpose:	Finance Senior Affordable Multi-Family Rental Housing Facility Located in the City of Los Angeles, County of Los Angeles, California
Activity:	Affordable Housing
Meeting:	January 17, 2014

Background:

Grand Resource Consulting-Los Angeles, INC, (GRCLA) is an affordable housing developer. Over the past seven years, Grand Resource Consulting-Los Angeles, INC has developed affordable housing throughout Southern California with a focus on preserving existing affordable housing. GRCLA also acts as a multi-faceted real estate development company that deals in Tax-Credit Affordable developments, market rate mix-use developments, shopping centers, and vacant land acquisitions and development.

KHEIR is a multi-million dollar non-profit broad-based agency that provides services to the indigent population in four interrelated areas: Human Services, Affordable Housing, Adult Day Health Care, and Healthcare Services. KHEIR provides critical in-language healthcare and human services support to the residents of Metro Los Angeles and its neighboring communities. Annually, KHEIR Center offers over 30,000 Human Services case visits, 100,000 hot meals to seniors, and 10,000 patient visits. KHEIR is acting as the nonprofit for this transaction.

The Project:

The Beverly City Lights Apartment project is an acquisition/ rehabilitation of a 40 unit multifamily affordable housing facility located in Los Angeles, California. The units are restricted to households between 50-60% of AMI. The project will continue to provide 61 affordable apartments for seniors in Los Angeles for the next 55 years.

The City of Los Angeles:

The City of Los Angeles is a member of the CMFA and will need to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$4,375 as part of CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 6,448,470
Tax Credit Equity:	\$ 1,832,323
Deferred Developer Fee:	\$ 834,635
Equity:	<u>\$ 2,892,645</u>
Total Sources:	\$ 12,008,073

Uses of Funds:

Land Acquisition:	\$ 385,000
Building Acquisition:	\$ 7,385,000
Rehabilitation:	\$ 1,966,272
Legal, Professional:	\$ 134,400
Architectural & Engineering:	\$ 56,000
Financing Costs & Reserves:	\$ 218,879
Developer Fee:	\$ 1,479,064
Contingencies & Other Soft Costs	\$ 289,800
Cost of Issuance:	<u>\$ 93,660</u>
Total Uses:	\$ 12,008,073

Terms of Transaction:

Amount:	\$7,000,000 (not to exceed)
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	August 2014

Public Benefit:

A total of 40 multifamily households will continue to be able to enjoy high quality, independent, affordable housing in the City of Los Angeles. Services at the complex will include a common community Kitchen and computer room. The project will continue to provide affordable living in the City of Los Angeles for 55 years.

Percent of Restricted Rental Units in the Project: 100%
25% (10 Units) restricted to 60% or less of area median income households; and
75% (30 Units) restricted to 50% or less of area median income households.
Unit Mix: 1, 2 and 3 bedroom units.
Term of Restriction: 55 years

Finance Team:

Lender:	GreyStone Servicing Corp, Inc.
Bond Counsel:	Kutak Rock LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Ballard Spahr
Borrower Counsel:	Elkins, Kalt, Weintraub, Reuben, Gartside LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$9,000,000 for the Beverly View affordable housing project located in the City of Los Angeles, Los Angeles County, California.

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



CAMINO ESPERANZA APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Cabrillo Economic Development Corporation

Action: Initial Resolution

Amount: \$8,000,000 (Not to Exceed)

Purpose: Finance Affordable Multi-Family Rental Housing Facility
Located in the City of Simi Valley, County of Ventura,
California

Activity: Affordable Housing

Meeting: January 17, 2014

Background:

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

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

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

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

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

The Project:

The Camino Esperanza Apartments is a new construction project of a 31-unit affordable multifamily rental housing facility located at 1384 Katherine Road South, Simi Valley, California. The project will consist of five six-unit apartment buildings and cater to adults with developmental disabilities. The units are restricted to households between 25-50% of AMI. The financing of this project will result in the creation of 31 affordable apartments for the next 55 years.

The City of Simi Valley:

The City of Simi Valley will need to become a member of the CMFA and hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$5,000 as part of CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$	5,175,733
HOME:	\$	4,500,000
Deferred Developer Fee:	\$	281,600
Deferred Costs:	\$	575,900
Capital Contribution:	\$	<u>343,841</u>
Total Sources:	\$	10,877,074

Uses of Funds:

Land Acquisition:	\$	2,047,000
Building Acquisition:	\$	837,000
Rehabilitation:	\$	3,756,715
Architectural & Engineering:	\$	557,000
Legal, Professional:	\$	250,000
Other Soft Costs:	\$	1,721,188
Reserves:	\$	337,050
Construction & Perm Financing:	\$	150,000
Developer Fee:	\$	1,041,100
Cost of Issuance:	\$	<u>180,021</u>
Total Uses:	\$	10,877,074

Terms of Transaction:

Amount:	\$8,000,000 (not to exceed)
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	August 2014

Public Benefit:

A total of 31 households will be able to enjoy high quality, independent, affordable housing in the City of Simi Valley. Services at the complex will include a common community building, onsite service manager, and support programs. The construction of this project will provide affordable living in the City of Simi Valley for 55 years.

Percent of Restricted Rental Units in the Project: 97%
35% (11 Units) restricted to 25% or less of area median income households; and
10% (3 Units) restricted to 35% or less of area median income households; and
52% (16 Units) restricted to 50% or less of area median income households.
Unit Mix: 1 bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Quint & Thimmig LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Goldfarb & Lipman LLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$8,000,000 for the Camino Esperanza Apartments affordable housing project located in the City of Simi Valley, Ventura County, California.

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



STRAWBERRY CREEK LODGE APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	Satellite Affordable Housing Associates
Action:	Final Resolution
Amount:	\$13,325,000
Purpose:	Finance a Senior Affordable Multi-Family Rental Housing Facility Located in the City of Berkeley, Alameda County, California
Activity:	Senior Affordable Housing
Meeting:	January 17, 2014

Background:

Satellite Affordable Housing Associates (“SAHA”) provides quality affordable homes and services that empower people and strengthen neighborhoods.

SAHA begins from the idea that every person deserves a home. Their work is inspired by a belief that quality homes and empowering services should be in reach for all of the Bay Area’s community members and that despite the many obstacles to providing housing for people with low-incomes and special needs, this goal is possible.

SAHA’s innovative properties provide more than 3,000 residents in seven counties in northern California with much-needed affordable housing and services. With a commitment to high-quality design and thoughtful, ongoing supportive services, they empower their residents to build better lives and create healthier, safer communities.

SAHA was created out of the strengths of two of the Bay Area’s leaders in providing affordable housing for low-income and special needs populations, Satellite Housing and Affordable Housing Associates. They want to advance the field of affordable housing, and guide their work in housing development, property management, and resident services by the following principles:

- They believe that every person deserves a home
- They commit to communities for the long term
- Their comprehensive housing services empower their residents to thrive

- High quality design inspires people and builds community
- Green building practices lead to a healthy, sustainable society
- Innovation and thoughtful risk-taking are part of how they pursue excellence
- Financial health and sustainability are essential to the endurance of their mission
- Diversity and inclusion are fundamental to their work

The Project:

The Strawberry Creek Lodge project is an acquisition/ rehabilitation of a 150-unit senior rental housing project, located at 1320 Addison Street, in the City of Berkeley, California. Strawberry Creek Lodge was originally developed in 1962 and holds a community of 150 senior households active in the Berkeley community. SAHA is partnering with Strawberry Creek Lodge Foundation to refinance and remodel the Lodge including seismic and building upgrades, common space upgrades, energy efficiency upgrades and ADA upgrades. SAHA will also provide property management services; instructor led educational, health and wellness services, as well as provides an on-site service coordinator. The rehabilitation of this project will provide affordability for another 55 years in the City of Berkeley.

The County of Alameda:

The County of Alameda is a member of the CMFA and held a TEFRA hearing on July 16, 2013. Upon closing, the County is expected to receive approximately \$8,328 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond:	\$ 13,325,000	\$ 3,914,357
Direct/Indirect Public Funds:	\$ 86,000	\$ 1,604,367
Deferred Developer Fee:	\$ 1,311,400	\$ 1,311,400
LIH Tax Credit Equity:	\$ 170,152	\$ 6,230,518
Project Reserves	\$ 576,881	\$ 576,881
Other (Seller Financing/Costs deferred to Perm):	\$ 7,440,359	\$ 9,272,269
Total Sources:	\$ 22,909,792	\$ 22,909,792

Uses of Funds:

Acquisition/Land Purchase:	\$ 8,900,000
Total Hard Construction Costs:	\$ 5,896,380
Architectural & Engineering:	\$ 450,000
Contractor Overhead & Profit:	\$ 302,070
Developer Fee:	\$ 2,500,000
Relocation:	\$ 150,000
Cost of Issuance:	\$ 371,136
Capitalized Reserves:	\$ 614,024
Other Soft Costs (Marketing, etc.):	\$ 3,726,183
Total Uses:	\$ 22,909,793

Terms of Transaction:

Amount:	\$13,325,000
Maturity:	30 years
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	January 2014

Public Benefit:

A total of 119 senior households will be able to continue to enjoy high quality, independent, affordable housing in the City of Berkeley. The seismic and energy efficiency upgrades will improve the resident's quality of life.

Percent of Restricted Rental Units in the Project: 80%
61% (91 Units) restricted to 50% or less of area median income households; and
19% (28 Units) restricted to 60% or less of area median income households
Unit Mix: Studio and One bedroom
Term of Restriction: 55 years

Finance Team:

Lender:	Union Bank N.A.
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Rutan & Tucker, 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 \$13,325,000 for the Strawberry Creek Lodge senior affordable housing project located in the City of Berkeley, Alameda County, California.



COVENANT MANOR APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: be.group

Action: Final Resolution

Amount: \$15,000,000

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

Activity: Affordable Senior Housing

Meeting: January 17, 2014

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're here to help seniors be themselves.

The Project:

The Covenant Manor Apartments is an acquisition/ rehabilitation of a 100-unit senior affordable rental housing project. The project will consist of one- and two-bedroom apartments for seniors who earn at or below 50% and 60% of the area median income. The project includes private patios and balconies, a common area, outdoor courtyard, common laundry facilities and community facilities. Improvements contemplated as part of the rehabilitation include new heating, ventilating, air conditioning systems, domestic boilers, energy efficiency upgrades and exterior painting, waterproofing and balcony deck coating. The acquisition/ rehabilitation of this project will continue to provide affordability for 100 seniors for 55 years in the City of Long Beach.

The City of Long Beach:

The City of Long Beach is a member of the CMFA and held a TEFRA hearing on August 6, 2013. Upon closing, the City is expected to receive approximately \$9,375 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond:	\$ 15,000,000	\$ 10,239,000
LIH Tax Credit Equity:	\$ 1,393,343	\$ 6,981,351
Other:	<u>\$ 7,182,165</u>	<u>\$ 6,355,157</u>
Total Sources:	\$ 23,575,508	\$ 23,575,508

Uses of Funds:

Acquisition/Land Purchase:	\$ 15,841,808
Total Hard Construction Costs:	\$ 2,801,887
Architectural & Engineering:	\$ 200,000
Contractor Overhead & Profit:	\$ 168,113
Developer Fee:	\$ 2,460,600
Cost of Issuance:	\$ 359,100
Capitalized Reserves:	\$ 518,000
Other Soft Costs (Marketing, etc.):	<u>\$ 1,226,000</u>
Total Uses:	\$ 23,575,508

Terms of Transaction:

Amount:	\$15,000,000
Maturity:	30 years
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	January 2014

Public Benefit:

A total of 100 seniors will continue to be able to enjoy high quality, independent, affordable housing in the City of Long Beach. Services at the complex will include a community room, central laundry facility, professional on-site management and green areas.

Percent of Restricted Rental Units in the Project: 100%
30% (30 Units) restricted to 50% or less of area median income households and
70% (69 Units) restricted to 60% or less of area median income households.
Unit Mix: One- and two-bedroom
Term of Restriction: 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 & BarshayLLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$15,000,000 for the Covenant Manor Apartments affordable senior housing project located in the City of Long Beach, Los Angeles County, California.



MONTGOMERY PLAZA APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	Eden Housing, Inc.
Action:	Final Resolution
Amount:	\$5,866,800
Purpose:	Finance an Affordable Senior Rental Housing Facility Located in the City of Hayward, Alameda County, California
Activity:	Senior Affordable Housing
Meeting:	January 17, 2014

Background:

Eden Housing was founded in May of 1968 by six community activists who were greatly concerned about the lack of non-discriminatory, affordable housing in Alameda County. Eden's housing now includes rental apartments, first-time homeowner opportunities, cooperatives, and supportive living environments for families, seniors and people with disabilities.

Although Eden Housing's initial home base for development was Alameda County, Eden's charter calls for the organization to work wherever there is a need for affordable housing in California. Eden has so far partnered with twenty-seven cities in seven counties and is expanding its geographical operations at a rapid pace to new communities, including the San Joaquin Valley.

In the mid-1980s, in an effort to guarantee that its properties remain well-kept and affordable for the long term, Eden incorporated an affiliated property management company, Eden Housing Management, Inc., (EHMI). EHMI currently provides quality onsite management and maintenance of more than 4,000 affordable homes in ten counties throughout California. Eden also expanded the scope of affordable housing development to include the provision of free onsite support services and programs for its residents. To design and implement its resident support services, Eden founded an additional affiliate, nonprofit Eden Housing Resident Services, Inc.

This will be the CMFA's 9th Eden Housing affordable housing project.

The Project:

The Montgomery Plaza Senior Apartment project is an Acquisition/Rehabilitation of a senior housing development located in the City of Hayward. The original project was built 30 years ago. The project consists of 50 units within one building with three floors. Each unit consists of one bedroom, one bath and a private patio/balcony. The scope of work will include replacement of all windows and sliding doors with modern double-glazed vinyl windows, ADA upgrades to all common areas, deck repair, resurfaced counters and new sinks and faucets, flooring, carpet, and the creation of a small service coordination office.. This financing will continue to provide 49 units of affordable senior housing in the city of Hayward for 55 years.

The County of Alameda:

The County of Alameda is a member of the CMFA and held a TEFRA hearing on July 30, 2013. Upon closing, the County is expected to receive approximately \$3,667 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond:	\$ 5,941,000	\$ 0
Taxable FHA 223f:	\$ 448,100	\$ 4,123,300
Taxable Sect 8 223f:	\$ 0	\$ 2,265,800
Construction Period Income:	\$ 0	\$ 0
Deferred Costs:	\$ 696,834	\$ 0
Deferred Developer Fee:	\$ 532,712	\$ 532,712
Capital Contributions:	<u>\$ 2,752,148</u>	<u>\$ 3,448,982</u>
Total Sources:	\$ 10,370,794	\$ 10,370,794

Uses of Funds:	
Land Acquisition:	\$ 253,000
Building Acquisition:	\$ 4,772,000
Rehabilitation:	\$ 1,744,200
Architectural & Engineering:	\$ 235,000
Legal & Professional:	\$ 136,000
Relocation:	\$ 60,000
Other Soft Costs:	\$ 1,968,798
Reserves:	\$ 718,503
Construction & Perm Financing:	\$ 71,030
Cost of Issuance:	<u>\$ 412,263</u>
Total Uses:	\$ 10,370,794

Terms of Transaction:

Amount:	\$5,866,800
Maturity:	2 years.
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	February, 2014

Public Benefit:

A total of 49 Senior Citizens will be able to enjoy high quality, independent, affordable housing in the City of Hayward. Services at the complex will include a community room, lounge, elevator and space for seating and relaxing. The acquisition and rehabilitation of this project will provide affordable living in the City of Hayward for 55 years.

Percent of Restricted Rental Units in the Project: 100%
30% (15 Units) restricted to 50% or less of area median income households; and
68% (34 Units) restricted to 60% or less of area median income households.
Unit Mix: One bedroom
Term of Restriction: 55 years

Finance Team:

Lender:	Huntoon Hastings, a Johnson Capital Company
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Ballard Spahr, LLP
Borrower Counsel:	Gubb & Barshay, LLP
Borrower Consultant:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$5,866,800 for Montgomery Plaza Senior Apartments located in the City of Hayward, County of Alameda, California.



LAS BRISAS MOBILE HOME PARK SUMMARY AND RECOMMENDATIONS

Applicant:	Villa Del Arroyo Moorpark, LLC/ Augusta Communities
Action:	Final Resolution
Amount:	\$13,000,000
Purpose:	Finance the Acquisition, Improvement, Renovation and Equipping of a Mobile Home Park Located in the City of Long Beach, Los Angeles County, California
Activity:	Affordable Housing (Mobile Home Park)
Meeting:	January 17, 2014

Background:

Augusta Communities is a non-profit housing organization that was founded in 1998 to provide affordable housing opportunities for households of modest means through the acquisition, rehabilitation or preservation of existing mobilehome park communities.

Unlike for-profit owners, Augusta Communities does not make rent, maintenance, capital improvement or other ownership decisions based on optimizing profits. They make these decisions based on how they can make their communities cleaner, safer and more enjoyable places to live, while keeping their focus on affordability.

Augusta Communities is particularly sensitive to the impact rent increases can have on the homeowners living in our mobilehome parks. In their parks, rent increases are often lower than permitted under local rent control ordinances. They also offer rent subsidies to qualified households because protecting residents from large or unanticipated rent increases is important.

Villa Del Arroyo Moorpark, LLC will be the single purpose entity for the Las Brisas Mobile Home Park.

The Project:

The Borrower will use the proceeds of the Loan to (i) finance the acquisition and improvement of the Las Brisas Mobile Home Park located in the City of Long Beach, California and (ii) make deposits to various Accounts and Funds established under the Indenture. Specifically, the

proceeds of the Bonds will be used to make deposits to the Project Fund, the Costs of Issuance Fund, the Restricted Account of the Replacement Reserve Fund and the Debt Service Reserve Fund.

Las Brisas Mobile Home Park is located at 400 E. Arbor Street, in Long Beach. The property consists of two parcels of residential land on the eastern end of Arbor Street. It consists of 96 mobile home Spaces. Two spaces are vacant. The Project includes interior streets with all utilities available to each space. Park site improvements include a park office, a restroom, laundry room, and an outdoor pavilion. Resident parking is provided on the street near each space and in the parking lot. The Project is centrally located with easy freeway access and walking distance to shopping and school.

The City of Long Beach:

The City of Long Beach is a member of the CMFA and held a TEFRA hearing on January 14, 2014. Upon closing, the City is expected to receive approximately \$8,125 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 11,670,000
Taxable Bond Proceeds:	\$ 355,000
Total Sources:	\$ 12,025,000

Uses of Funds:

Acquisition:	\$ 10,010,000
Original Issue Discount:	\$ 99,144
Underwriters Discount:	\$ 240,500
Debt Reserve Fund:	\$ 825,167
Repair & Replacement Fund:	\$ 500,000
Working Capital:	\$ 35,000
Cost of Issuance:	\$ 315,189
Total Uses:	\$ 12,025,000

Terms of Transaction:

Amount:	\$13,000,000
Rate:	Fixed
Maturity:	2049
Collateral:	Deeds of Trust on property
Bond Purchasers:	Institutional & Retail
Estimated Closing:	February 2014
Expected Rating:	anticipated: BBB-

Public Benefit:

Financing allows the residents to continue to enjoy affordable rents.

Las Brisas Mobile Home Park:

Percent of Restricted Rental Pads in the Project: 20%

20% (19 of 95 total spaces) restricted to 50% or less of area median income household

Finance Team:

Underwriter:	Newcomb Williams Financial Group
Bond Counsel:	Ballard Spahr, LLP
Issuer Counsel:	Jones Hall, APLC
Underwriter's Counsel:	Ballard Spahr, LLP
Borrower Counsel:	Goldfarb & Lipman
Trustee:	U.S. Bank National Association
Rating Agency:	Standard & Poor's
Oversight Agent:	Wolf & Company Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$13,000,000 for the Las Brisas Mobile Home Park project located in the City of Long Beach, Los Angeles County, California

PROFESSIONAL SERVICES AGREEMENT

This **PROFESSIONAL SERVICES AGREEMENT** dated as of _____, 2014 (this "Agreement"), is among Sierra Management Group, LLC, California Municipal Finance Authority, California Foundation for Stronger Communities and California Foundation for Public Facilities.

WITNESSETH:

WHEREAS, the California Municipal Finance Authority ("CMFA") is a joint exercise of powers authority created pursuant to the Joint Exercise of Powers Act to facilitate financings for its members by providing a number of financing programs to its members; and

WHEREAS, the California Foundation for Stronger Communities ("CFSC") is a nonprofit public benefit corporation created pursuant to the California Nonprofit Public Benefit Corporation Law to act as the governing board of the Authority and to administer a grant program on behalf of itself and the Authority; and

WHEREAS, the California Foundation for Public Facilities ("CFPF" and together with CMFA and CFSC, the "Authority Entities") is a nonprofit public benefit corporation created pursuant to the California Nonprofit Public Benefit Corporation Law to reduce the burdens of local government; and

WHEREAS, Sierra Management Group, LLC ("Sierra") is a limited liability corporation established to provide professional advisory services with respect to taxable and tax-exempt financing for corporations, governmental entities, and non-profit institutions; and,

WHEREAS, the Authority Entities have elected to engage Sierra to act as their professional advisor;

NOW, THEREFORE, in consideration of the mutual covenants herein set forth, and for other good and valuable consideration, the receipt of which are hereby acknowledged, Sierra, CMFA, CFSC and CFPF hereby agree as follows:

Section 1. Services and Duties of Sierra. Sierra shall provide certain professional, advisory and administrative services required by the Authority Entities for the period and on the terms set forth in this Agreement. Sierra shall be engaged by CMFA to perform the services to CMFA as described in **Exhibit A** attached hereto. Sierra shall be engaged by CFSC to perform the services to CFSC described in **Exhibit B** attached hereto. Sierra shall be engaged by CFPF to perform the services to CFPF described in **Exhibit C** attached hereto.

Section 2. Payment of Fees and Expenses.

(a) Minimum Fee for Services. As compensation for services and duties by Sierra for the Authority Entities, as described above, Sierra shall be entitled to a minimum fee for each completed financing transaction of 50 basis points (.50%) times the par amount in the case of

financings for property-assessed clean energy (“PACE”) projects, Manufacturing, Solid Waste, Housing or other Exempt Facilities Projects, 25 basis points (.25%) times the par amount in the case of financings for Non-Profit corporations and public private partnerships requiring ownership through a CMFA affiliate, and 2.5 basis points (.025%) times the par amount in the case of Government transactions. It is understood that such fees due to Sierra shall be paid upfront, in the form of issuance fees, and over a period of years in the form of annual fees, and shall be paid to Sierra by the Authority Entities according to the formulas described below. In the event that this agreement is terminated without cause, Sierra shall be entitled to the remaining minimum amount of fees due for each completed transaction. The Minimum Fee is due only in the event there are sufficient Issuance and Annual Fees from each specific transaction based on the agreed upon fee sharing arrangements between the nonprofit, municipality, the Authority Entities and Sierra. It is expressly understood that no fee shall be due and payable to Sierra until such time as an Authority Entity has received payment of the fee from the borrower.

(b) Payment of Issuance Fee. The issuance fee (the “Issuance Fee”) due and payable to Sierra shall consist of an amount equal to 40% of the Gross Amount of Issuance Fees, except school district, public private partnerships requiring ownership through an Authority Entity or affiliate or government transactions, for which Sierra shall share 50% of the Gross Amount of Issuance Fees due and payable to an Authority Entity for its role as Issuing Authority for the initial issuance of tax-exempt bonds authorized, facilitated and/or issued by CMFA. Gross Amount of Issuance Fees shall be that amount due and payable to the Authority Entity equal to the amount of bonds authorized, facilitated and/or issued by the Authority Entity times the issuance fee percentage applicable to such financing without respect to any reduction, rebate or contribution given to non-profit or governmental borrowers. Such fee shall be paid by the Authority Entity to Sierra within a reasonable period after receipt by the Authority Entity. It is expressly understood that no fee shall be due and payable to Sierra until such time as the Authority Entity has received payment of the fee from the borrower.

(c) Payment of Annual Fee. The annual fee (the “Annual Fee”) due and payable to Sierra shall consist of an amount equal to 50% of ongoing, periodic fees received by any Authority Entity with respect to tax-exempt bonds previously issued through the Authority Entity. Such Annual Fee shall be payable to Sierra within a reasonable period after such fees are received by the Authority Entity. At such time during any calendar year that Annual Fees received by Sierra exceed \$1,000,000, then the Annual Fee due to Sierra, for all amounts received in excess of \$1,000,000, shall be reduced to 33.3% of such excess. It is understood that the Authority Entities shall retain the right to adjust such fee percentage above \$1,000,000 in Annual Fees due to Sierra as it deems appropriate and equitable at the time, such change not to be unreasonable or punitive in nature. It is expressly understood that no fee shall be due and payable to Sierra until such time as an Authority Entity has received payment of such fee from the borrower.

(d) Sharing of Application Fees. Sierra shall be entitled to receive \$1,000 of each Application Fee (the “Application Fee”) received by an Authority Entity as compensation for administrative activities performed by Sierra. Such Application Fees shall be payable to Sierra within a reasonable period of time after such fees are received by the Authority Entity. Application Fees paid to Sierra shall be non-refundable and not count towards the Minimum Fee for Services due to Sierra but shall cease at such time as this contract is terminated.

(e) Payment of Expenses. Sierra shall be entitled to seek reimbursement from the Authority Entity for all costs and expenses incurred by it on behalf of the Authority Entities for the following: the costs of preparation of tax returns, financial statements and reports, surety bond and insurance premiums (for the Board and Officers of the Authority Entities only), filing fees, bank fees, the costs and expenses of holding any meetings of the Authority Entities, fees of consultants and professionals engaged by and on behalf of the Authority Entities, and the costs of preparing books, presentations and other materials for the Authority Entities. Sierra shall also be entitled to reimbursement for other expenses, so long as such expenses are approved in advance by an authorized representative of an Authority Entity. It is expressly understood that Sierra shall be responsible for its own travel, entertainment, administrative, insurance and out-of-pocket costs incurred in the ongoing performance of its services hereunder. It is expressly understood that Sierra shall pay all legal fees incurred by CMFA and CFSC in connection with any legal review caused by any action of a representative of Sierra resulting from or in any way related to the intentional misconduct or gross negligence of Sierra or any of Sierra's directors, officers, employees or agents in the performance of this Agreement.

(f) Prohibition of Financial Gain. Sierra shall not engage in activities which result in a direct or indirect financial gain to Sierra as a consequence of any bond issue for which Sierra provides services to an Authority Entity, other than the herein agreed upon compensation to Sierra, except as may be otherwise approved by the Authority Entity in writing.”

Section 3. Contract Term. This Agreement shall become effective on the date first set forth above and shall remain in effect for a period of three years from the date hereof, such date to be the “termination date.” Upon termination of this agreement for any reason other than Termination for Cause, as defined herein, Sierra shall be entitled to receive its remaining Minimum Fee for Services for all completed transactions based on its proportionate share of Issuance and Annual Fees received from each bond issue completed during the period covered by this Agreement. The Minimum Fee is due only in the event there are sufficient Issuance and Annual Fees from each specific transaction based on the agreed upon fee sharing arrangements between the nonprofit, municipality, the Authority Entity and Sierra. It is expressly understood that no fee shall be due and payable to Sierra until such time as an Authority Entity has received payment of the fee from the borrower.

Section 4. Termination for Cause. The Authority Entities reserve the right to terminate this Agreement for “Cause” at any time, upon 15 days written notice to Sierra. In the event of such termination for Cause, Sierra shall be entitled to receive only the Fee for Services (in accordance with Section 2(b) and 2(c), but not 2(a)) for each completed transaction but shall not be entitled to any fees beyond such amounts. Sierra shall be entitled to payment of any reimbursable expenses owing but unpaid. Sierra shall not be entitled to any Issuance or Annual fees for any transactions pending but not yet closed at the time of such Termination for Cause. For purposes of this Agreement, the term “Cause” shall mean any of the following with respect to any officer or employee of Sierra associated with an Authority Entity: (A) conviction of a crime (including conviction on a nolo contendere plea) involving a felony; (B) deliberate and continued refusal to perform the duties and responsibilities required under this Agreement after thirty (thirty) days written notice by an Authority Entity of such failure to perform specifying that the failure to perform constitutes Cause under this Agreement; (C) fraud, malfeasance or embezzlement as determined in good faith by an Authority Entity or any outside investigative

firm hired by an Authority Entity; (D) gross negligence or gross misconduct in connection with the performance of the duties and responsibilities of this Agreement. It shall be understood that, in the event that any member or employee of Sierra shall be convicted of embezzlement of funds from an Authority Entity, then all such fees due to Sierra under this Agreement shall be considered fully paid and Sierra will not be entitled to any further compensation or fees from the Authority Entities.

Section 5. Amendment to Agreement. No provision of this Agreement may be changed, discharged or terminated without the prior written consent and agreement of all parties to this Agreement.

Section 6. Materials and Documents. Upon final termination of this Agreement, Sierra will promptly deliver to CMFA, or its designee, all files documents and materials related to the Authority Entities generated, or in the possession of Sierra, and related to the performance of its duties contained herein.

Section 7. Notice. All notices, statements, demands or requests by any party to the other parties shall be in writing and shall be sufficiently given and served upon the other party, if sent by United States Mail, return receipt requested, postage prepaid and addressed as shown below, or to such other address or addresses as such party may designate to the others by notice given in accordance with the provisions of this Section:

To Sierra Management Group, LLC:

Sierra Management Group, LLC
John P. Stoecker
2111 Palomar Airport Rd, Suite 320
Carlsbad, CA 92011

To any Authority Entity:

In Care of Ronald E. Lee, Esq.
Jones Hall, APLC
650 California Street, 18th Floor
San Francisco, California 94108

Section 8. Representative of Sierra. During the term of the Agreement, the representatives of Sierra performing the services and duties hereunder shall be Lee McCormick, John P. Stoecker, Ben Barker, Mona Dmitrenko, Anthony Stubbs and Jean Gard or any other person identified to the Authority Entities in writing who is acceptable to the Authority Entities. Such acceptance to be evidenced by an approving action of the Board of CMFA.

Section 9. Nontransferability. It is expressly understood that this agreement is for professional services and shall not be transferable or assignable by Sierra to any other party or entity, including any entity which acquires, is acquired by, or merges with Sierra, except upon the written approval of the Authority Entities.

Section 10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 11. Counterparts. This Agreement may be executed, manually or by facsimile signature, in any number of counterparts, each of which shall be deemed to be an original and all of which shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed and delivered as of the date first written above.

SIERRA MANAGEMENT GROUP, LLC

By _____
Lee A. McCormick
President

CALIFORNIA MUNICIPAL FINANCE AUTHORITY

By _____
Member, Board of Directors

CALIFORNIA FOUNDATION FOR STRONGER COMMUNITIES

By _____
Member, Board of Directors

CALIFORNIA FOUNDATION FOR PUBLIC FACILITIES

By _____
Member, Board of Directors

EXHIBIT A
SERVICES TO BE PROVIDED BY SIERRA TO CMFA

A. Fiduciary Duty. Sierra will owe a fiduciary duty to the Authority Entities.

B. Program Marketing: Sierra will perform the following advisory services in connection with the ongoing business development of CMFA:

- (1) Meet with cities, counties and other potential CMFA members to obtain participation.
- (2) Pursue market development opportunities to attract qualified borrowers to CMFA's programs.
- (3) Prepare, maintain, and as necessary, staff CMFA's promotional and marketing materials, including brochures, website, and phone number.
- (4) Provide interested parties with materials (e.g., applications, program descriptions, etc.) and address inquiries regarding the use of and access to CMFA financing programs.
- (5) Maintain CMFA's financing standards and policies (e.g., credit quality, public benefit/purpose, etc.).
- (6) Maintain CMFA's application for financings and description of financing programs.

C. Pre-Issuance/Application Process: Sierra will perform the following activities for CMFA in connection with ongoing financing activities.

- (1) Collect, review and process all applications, ensuring completeness and qualification with CMFA's financing standards and policies.
- (2) Prepare and submit to the Executive Director a "staff" report summarizing the financial standing of applicant, a description of the project and projected compliance with CMFA's financing standards and policies.
- (3) Once borrower applications are approved, be available to answer questions from, and if requested, participate in meetings with, the financing team to ensure that all aspects of the financing plan maintain compliance with CMFA's financing standards and policies as well as State and federal laws and regulations.
- (4) If a new jurisdiction is required to join CMFA in connection with a project, make initial contact with the jurisdiction to add the new jurisdiction as a CMFA member. Attend approval meeting.

- (5) Make contact with CMFA member to coordinate the TEFRA process through the CMFA member. Attend TEFRA hearing.
- (6) Verify that CMFA standard provisions are contained in CMFA financing documents
- (7) If necessary or appropriate, be available to attend all bond closings as CMFA's representative.

D. Post-Issuance – Documentation and Compliance Reporting: Sierra will perform the following advisory services for CMFA relating to the post-issuance activities.

- (1) If necessary or appropriate, confirm that the required rebate reports have been filed by CMFA.
- (2) If necessary or appropriate, confirm that the annual continuing disclosure reports have been filed by CMFA, if required.
- (3) If necessary or appropriate, confirm that the trustee has received the notices and other documentation required from CMFA under the financing documents.
- (4) Respond to post-issuance questions from borrowers.
- (5) Manage, in consultation with CMFA's counsel, any post-financing issues that may arise.

E. General Administration: Sierra will perform the following administrative services to CMFA.

- (1) Schedule, coordinate, and attend all board meetings of CMFA in conjunction with the Executive Director.
- (2) Absorb the costs associated with the office space of the CMFA. No reimbursement for any travel or administrative expenses will be made without prior approval of the CMFA Board.
- (3) Prepare, circulate and coordinate with the Executive Director the posting of the agenda for board meetings of the CMFA and maintain files of the agendas for all board meetings of the CMFA.
- (4) Prepare agenda packages for each CMFA meeting, which includes a copy of each resolution to be adopted by the CMFA and a copy of all documents to be approved by the CMFA by such resolution.
- (5) Undertake responsibility as designated filing officer for the receipt of disclosure statements required to be filed pursuant to the Conflict of Interest Code.

- (6) Maintain and periodically update the membership list for Members of the CMFA.
- (7) All other reasonable administrative items as delineated by the CMFA Board of Directors.

F. Financial Administration: Sierra will perform the following services as Professional Advisor to the CMFA related to finance and accounting.

- (1) Perform all functions necessary to process customer invoicing and vendor payments as well as other cash management duties for CMFA.
- (2) Reconcile monthly bank statements against accounting records.
- (3) Prepare quarterly and annual financial statements for Board review.
- (4) If necessary or appropriate, prepare and review other financial reports related to financial management of CMFA.
- (5) Undertake responsibility for preparing audit schedules and acting as primary point of contact related to the annual financial audit.

G. Governmental, Legislative and Regulatory Affairs: Sierra will perform the following services as Professional Advisor to the CMFA related to governmental, legislative and regulatory affairs.

- (1) Act as CMFA's liaison and primary point of contact to all governmental, legislative and regulatory bodies for all CMFA-related matters, and all consultants and other third parties in connection with such matters.
- (2) If necessary or appropriate, manage, administer and respond to all inquiries audits, investigations and other proceedings relating to CMFA.
- (3) If necessary or appropriate, review and prepare or administer the preparation of reports and other communications.
- (4) Provide appropriate advice to the CMFA.

EXHIBIT B
SERVICES TO BE PROVIDED BY SIERRA TO CFSC

A. Marketing for Grant Program: Sierra will perform the following activities to market the grant program for California Foundation for Stronger Communities (“CFSC”).

- (1) Prepare, maintain, and as necessary, staff CFSC’s promotional and marketing materials for the grant programs, including brochures, website, and phone number.
- (2) Provide interested parties with grant applications and address inquiries regarding CFSC’s grant programs.
- (3) Consult with CFSC in developing its standards and policies for awarding grants.
- (4) Advise CFSC, in developing its grant applications and description of grant programs.

B. Grant Application Process: Sierra will perform the following advisory services for CFSC in connection with grant application review and grant award distribution.

- (1) Assist the Executive Director to collect, review and process all grant applications, ensuring completeness and qualification with CFSC’s standards and policies.
- (2) Assist the Executive Director to prepare and submit to CFSC a “staff” report summarizing the grant request and projected compliance with CFSC’s standards and policies.
- (3) Once grant applications are approved, oversee distribution of grant and be available to answer questions from the grant applicants.

C. General Administration: Sierra will perform the following advisory services for CFSC in connection with the general administration and recordkeeping of CFSC.

- (1) Schedule, coordinate, and attend all board meetings of CFSC.
- (2) Assist the Executive Director to prepare, circulate and coordinate the posting of the agenda for board meetings of CFSC and maintain files of the agendas for all board meetings of CFSC.
- (3) Assist the Executive Director to prepare agenda packages for each CFSC meeting, which includes a copy of each resolution to be adopted by CFSC and a copy of all documents to be approved by CFSC by such resolution.

- (4) Assist the Executive Director to prepare, post and circulate the agendas for all board meetings of CFSC.
- (5) Confirm that 501(c)(3) annual filings are made (e.g., IRS Form 990 filings, and FTB Form 199).
- (6) Confirm that the necessary Attorney General annual filings are made (e.g., RRF-1 filings).
- (7) Confirm that the required Secretary of State Statement of Officers and Directors is filed.
- (8) All other reasonable administrative items as delineated by the CFSC Board of Directors.

D. Financial Administration: Sierra will perform the following services as Professional Advisor to the CFSC related to finance and accounting.

- (1) Perform all functions necessary to process customer invoicing and vendor payments as well as other cash management duties for the CFSC.
- (2) Reconcile monthly bank statements against accounting records.
- (3) Prepare quarterly and annual financial statements for Board review.
- (4) If necessary or appropriate, prepare and review other financial reports related to financial management of the CFSC.
- (5) Undertake responsibility for preparing audit schedules and acting as primary point of contact related to the annual financial audit.

E. Governmental, Legislative and Regulatory Affairs: Sierra will perform the following services as Professional Advisor to the CFSC related to governmental, legislative and regulatory affairs.

- (1) Act as CFSC's liaison and primary point of contact to all governmental, legislative and regulatory bodies for all CFSC-related matters, and all consultants and other third parties in connection with such matters.
- (2) If necessary or appropriate, manage, administer and respond to all inquiries audits, investigations and other proceedings relating to CFSC.
- (3) If necessary or appropriate, review and prepare or administer the preparation of reports and other communications.
- (4) Provide appropriate advice to the CFSC.

EXHIBIT C
SERVICES TO BE PROVIDED BY SIERRA TO CFPPF

- A. Fiduciary Duty. Sierra will owe a fiduciary duty to CFPPF.
- B. Program Marketing: Sierra will perform the following advisory services in connection with the ongoing business development of CFPPF:
- (1) Pursue market development opportunities to attract qualified borrowers to CFPPF's programs.
 - (2) Prepare, maintain, and as necessary, staff CFPPF's promotional and marketing materials, including brochures, website, and number.
 - (3) Provide interested parties with materials (e.g., applications, program descriptions, etc.) and address inquiries regarding the use of and access to CFPPF financing programs.
 - (4) Maintain CFPPF's financing standards and policies (e.g., credit quality, public benefit/purpose, etc.).
 - (5) Maintain CFPPF's application for financings and description of financing programs.
- C. Pre-Issuance/Application Process: Sierra will perform the following activities for CFPPF in connection with ongoing financing activities.
- (1) Collect, review and process all applications, ensuring completeness and qualification with CFPPF's financing standards and policies.
 - (2) Prepare and submit to the Executive Director a "staff" report summarizing the financial standing of applicant, a description of the project and projected compliance with CFPPF's financing standards and policies.
 - (3) Once borrower applications are approved, be available to answer questions from, and if requested, participate in meetings with, the financing team to ensure that all aspects of the financing plan maintain compliance with CFPPF's financing standards and policies as well as State and federal laws and regulations.
 - (4) Coordinate the TEFRA process and attend TEFRA hearing.
 - (5) Verify that CFPPF standard provisions are contained in CFPPF financing documents
 - (6) If necessary or appropriate, be available to attend all bond closings as CFPPF's representative.

D. Post-Issuance – Documentation and Compliance Reporting: Sierra will perform the following advisory services for CFPF relating to the post-issuance activities.

- (1) If necessary or appropriate, confirm that the required rebate reports have been filed by CFPF.
- (2) If necessary or appropriate, confirm that the annual continuing disclosure reports have been filed by CFPF, if required.
- (3) If necessary or appropriate, confirm that the trustee has received the notices and other documentation required from CFPF under the financing documents.
- (4) Respond to post-issuance questions from borrowers.
- (5) Manage, in consultation with CFPF's counsel, any post-financing issues that may arise.

E. General Administration: Sierra will perform the following administrative services to CMFA.

- (1) Schedule, coordinate, and attend all board meetings of CFPF
- (2) Absorb the costs associated with the office space of the CFPF. No reimbursement for any travel or administrative expenses will be made without prior approval of the CFPF Board.
- (3) Prepare, circulate and coordinate with the CMFA Executive Director the posting of the agenda for board meetings of the CFPF and maintain files of the agendas for all board meetings of the CFPF.
- (4) Prepare agenda packages for each CFPF meeting, which includes a copy of each resolution to be adopted by the CFPF and a copy of all documents to be approved by the CFPF by such resolution.
- (5) Undertake responsibility as designated filing officer for the receipt of disclosure statements required to be filed pursuant to the Conflict of Interest Code.
- (6) All other reasonable administrative items as delineated by the CFPF Board of Directors.

F. Financial Administration: Sierra will perform the following services as Professional Advisor to the CFPF related to finance and accounting.

- (1) Perform all functions necessary to process customer invoicing and vendor payments as well as other cash management duties for CFPF.
- (2) Reconcile monthly bank statements against accounting records.

- (3) Prepare quarterly and annual financial statements for Board review.
- (4) If necessary or appropriate, prepare and review other financial reports related to financial management of CFPPF.
- (5) Undertake responsibility for preparing audit schedules and acting as primary point of contact related to the annual financial audit.

G. Governmental, Legislative and Regulatory Affairs: Sierra will perform the following services as Professional Advisor to the CFPPF related to governmental, legislative and regulatory affairs.

- (1) Act as CFPPF's liaison and primary point of contact to all governmental, legislative and regulatory bodies for all CFPPF-related matters, and all consultants and other third parties in connection with such matters.
- (2) If necessary or appropriate, manage, administer and respond to all inquiries audits, investigations and other proceedings relating to CFPPF.
- (3) If necessary or appropriate, review and prepare or administer the preparation of reports and other communications.
- (4) Provide appropriate advice to the CFPPF.