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## **PROCEDURAL ITEMS FOR THE CMFA SUMMARY AND RECOMMENDATIONS**

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Items: A1, A2, A3

Action: Pursuant to the by-laws and procedures of CMFA, each meeting starts with the call to order and roll call (A1) and proceeds to a review and approval of the minutes from the prior meeting (A2). After the minutes have been reviewed and approved, time is set aside to allow for comments from the public (A3).

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## **CASA LA MERCED APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	AMG & Associates, LLC
Action:	Initial Resolution
Amount:	\$20,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Los Angeles, Los Angeles County, California
Activity:	Affordable Housing
Meeting:	April 29, 2016

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### Background:

AMG & Associates, LLC ("AMG") is a land development company that specializes in the development of affordable and market rate housing.

The AMG philosophy is to capitalize on the added value opportunities created through assembling the most qualified and trustworthy development and capital partners. AMG believes that the highest yields are achieved through land acquisitions that have been overlooked by developers and investors that do not have the risk appetite for complex land entitlements and financing structures. AMG principals are involved in all aspects of the development process in which all of its projects involve an institutional capital partner and an experienced development partner.

In every land development project that AMG develops, it takes the land acquisition entitlement risk, develops the financing plan, selects the most qualified development and capital partner, and then oversees the project through permanent loan conversion and/or sale. To date, AMG has developed over 3,600 units with a total project cost of over \$450MM, partnering with its strategic development partners in 55 limited partnerships.

Through extensive due-diligence, experience and its own capital at risk, AMG minimizes its capital partner's land development risks. Alexis Gevorgian is the principal of AMG and responsible for all partner and local agency relationships from the acquisition of land through the completion of the project.

### The Project:

The Casa La Merced Apartments project is an acquisition/ rehabilitation of a 129-unit affordable multi-family housing development located at 140 N. Montebello Blvd, Montebello, Los Angeles CA. The project is made up of 43 studio units and 86 one-bedroom units. All units will be restricted to households making 60% or less of Area Median Income. The project was built in 1986 and is in need of rehabilitation. The scope of work will include interior unit repairs such as new cabinets, new flooring, new paint and furniture. Exterior and common area repairs will include, Landscaping upgrades, new commons areas and upgrades hallways. This financing will preserve 128 units of affordable housing for the City of Los Angeles for another 55 years.

### The City of Los Angeles

The City of Los Angeles is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$10,000 as part of the CMFA's sharing of Issuance Fees.

### Construction Financing:

#### Sources of Funds:

Tax-Exempt Bond:	\$ 16,000,000
LIH Tax Credit Equity:	\$ 3,819,059
Misc. Income:	\$ 640,000
Deferred Developer Fee:	<u>\$ 1,706,403</u>
Total Sources:	\$ 22,165,462

#### Uses of Funds:

Land Acquisition:	\$ 2,500,000
Building Acquisition:	\$ 10,500,000
Rehabilitation:	\$ 4,128,000
Construction Contingency:	\$ 206,400
Financing Costs:	\$ 727,662
Architecture & Engineering:	\$ 70,000
Other Soft Costs*:	\$ 730,400
Developer Fees:	\$ 2,453,000
Contingency:	\$ 100,000
Reserves:	<u>\$ 750,000</u>
Total Uses:	\$ 22,165,462

### Terms of Transaction:

Amount:	\$20,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	September 2016

Public Benefit:

128 households will be able to enjoy high quality, independent, affordable housing in the City of Glendale, California.

Percent of Restricted Rental Units in the Project: 100%

100% (128 Units) restricted to 60% or less of area median income households.

Unit Mix: Studio and 1-bedroom units

Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Michael Stein

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$20,000,000 for Casa La Merced Apartments affordable multi-family housing facility 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.

\*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.



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## **LOS ROBLES TERRACE APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant: Peoples' Self-Help Housing Corporation

Action: Initial Resolution

Amount: \$7,000,000

Purpose: Finance Affordable Multifamily Rental Housing Project  
Located in the City of Paso Robles, San Luis Obispo  
County, California

Activity: Multifamily Affordable Housing

Meeting: April 29, 2015

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### **Background:**

The mission of Peoples' Self-Help Housing is to provide affordable housing and programs leading to self-sufficiency for low-income families, seniors and other special needs groups on California's Central Coast.

Peoples' Self-Help Housing ("PSHH") is a national award-winning non-profit organization that creates affordable housing and self-sufficiency programs on California's Central Coast; San Luis Obispo, Santa Barbara, and Ventura Counties.

In 1970 in San Luis Obispo, California, a small group of people and local community leaders were concerned about the lack of affordable housing available to low-income and special needs households. The group learned of a federally sponsored program available to non-profit sponsors to finance the construction of owner built low-income housing. The group incorporated to form Peoples' Self-Help Housing. Since then, the organization has built approximately 1,100 "sweat equity" and 1,400 affordable rental units. They operate 30 affordable housing complexes in San Luis Obispo, Santa Barbara and Ventura counties. PSHH has helped over 1,150 first time home buyers build and purchase their first home (residents contribute over 2,000 hours of 'sweat equity' in building their home).

### The Project:

The Los Robles Terrace Apartments is an Acquisition/ Rehabilitation of an existing 40 unit apartment property for multifamily renters. The project involves the refinance of an existing HUD 202 project with 4% Low Income Housing Tax Credits and tax-exempt bonds. The rehabilitation will include photovoltaic and solar hot water installation, accessibility and security system upgrades, and unit and community space renovations. The project will be made up of studio and one bedroom apartments for families making 50% or less of Area Median Income. The project is located at 2940 Spring Street in the City of Paso Robles, County of San Luis Obispo, CA. The rehabilitation will ensure long-term financial sustainability and extend the useful life of the building, and will also extend the HUD use agreement and ensure long-term affordability for residents. The financing of this project will result in the retaining of 40 affordable apartments for the next 55 years.

### The County of San Luis Obispo:

The County of San Luis Obispo is a member of the CMFA and held a TEFRA hearing on July 21, 2015. Upon closing, the County is expected to receive approximately \$4,364 as part of the CMFA's sharing of Issuance Fees.

### Proposed Construction Financing:

#### Sources of Funds:

Tax-Exempt Bond:	\$ 5,542,776
Seller Loan:	\$ 1,789,137
Transferred Reserves:	\$ 159,345
Income from Operations:	\$ 150,000
Deferred Costs:	\$ 536,392
Equity:	\$ 190,263
Total Sources:	\$ 8,367,913

#### Uses of Funds:

Land Acquisition:	\$ 260,000
Building Acquisition:	\$ 5,229,345
Rehabilitation:	\$ 1,914,907
Architectural & Engineering:	\$ 65,000
Developer Fee:	\$ 711,478
Cost of Issuance:	\$ 187,183
Total Uses:	\$ 8,367,913

### Terms of Transaction:

Amount:	\$7,000,000
Maturity:	17 years
Collateral:	Deed of Trust
Bond Purchasers:	Private Placement
Estimated Closing:	December 2015

Public Benefit:

A total of 40 family households will continue to be able to enjoy high quality, independent, affordable housing in the City of Paso Robles. Amenities at the complex will include TV viewing area, community room and on-site laundry rooms. The project will also receive a new security system. The construction of this project will provide seniors affordable living in the City of Paso Robles for another 55 years.

Percent of Restricted Rental Units in the Project: 100%  
100% (40 Units) restricted to 50% of area median income households.  
Unit Mix: studio & 1 bedroom units  
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Gubb & Barshay LLP
Financial Advisor:	Community Economics, Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$7,000,000 for the Los Robles Terrace Apartments multifamily affordable housing project located in the City of Paso Robles, San Luis Obispo County, California.

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

\*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.



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## **BUCKINGHAM APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	Buckingham Venture, L.P.
Action:	Final Resolution
Amount:	\$16,400,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Los Angeles, Los Angeles County, California
Activity:	Affordable Housing
Meeting:	April 29, 2016

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### Background:

MRK Partners, Inc. is a multi-family real estate investment and asset management firm that specializes in the acquisition, repositioning and preservation of affordable housing. They invest in multi-family real estate in primary U.S. markets including California, Florida, Maryland, Virginia and Washington DC metro area.

MRK Partners was founded by Sydne Garchik, who prior to founding MRK, was directly responsible for the acquisition and asset management of over 3,000 units. Mr. Garchik oversaw the acquisition, renovation and stabilization of over 2,000 affordable units throughout the country, approximately 900 of which were Section 8 properties.

Since its beginning, MRK has developed or acquired more than 2,300 affordable housing units in five states. They are involved in revitalizing California communities through their affordable housing development and property management activities, the partnerships they establish and the investments they make in California neighborhoods, and through the free social services and supportive programs they provide to meet the needs of their residents.

### The Project:

The Buckingham Apartments is an acquisition/ rehabilitation of an existing affordable housing multifamily tax credit project. The project is an 84 unit multifamily residential rental facility consisting of five buildings all within approximately 1/5 of a mile from each other, located at 4706 August St., 4143 Buckingham, 3945 Gibraltar and 4050 Ursula Ave, Los Angeles, CA.

The project was originally built in the 1940s and 1950s, and is in need of substantial rehabilitation. The scope of renovations will include unit interior rehabilitation, including new carpet and flooring, new cabinets and countertops, as well as new appliances. Renovations will also be done to the common areas and building exterior with an emphasis on making the project more energy efficient and to promote water conservation. This financing will preserve a much needed 83 units of affordable housing for the City of Los Angeles for another 55 years.

### The City of Los Angeles:

The City of Los Angeles is a member of the CMFA and held a TEFRA hearing February 5, 2016. Upon closing, the City is expected to receive approximately \$10,250 as part of the CMFA's sharing of Issuance Fees.

### Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond:	\$ 16,400,000	\$ 16,400,000
LIH Tax Credit Equity:	\$ 7,773,884	\$ 7,773,884
Deferred Developer Fee:	\$ 21,707	\$ 21,707
Cash Flow during Const.:	<u>\$ 585,000</u>	<u>\$ 585,000</u>
Total Sources:	\$ 24,780,591	\$ 24,780,591

Uses of Funds:	
Acquisition/ Land Purchase:	\$ 15,805,100
Rehabilitation:	\$ 4,125,678
Architect & Engineering Fees:	\$ 150,000
Permanent Financing:	\$ 1,229,550
Legal Fees:	\$ 295,000
Reserves:	\$ 336,865
Appraisal:	\$ 10,000
Soft Costs, Marketing, etc.*:	\$ 328,428
Developer Costs:	<u>\$ 2,500,000</u>
Total Uses:	\$ 24,780,591

### Terms of Transaction:

Amount:	\$16,400,000
Maturity:	16 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May, 2016

Public Benefit:

A total of 83 families will continue to be able to enjoy high quality, independent, affordable housing in the City of Los Angeles, California.

Percent of Restricted Rental Units in the Project: 100%  
10% (8 Units) restricted to 50% or less of area median income households  
90% (75 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:	Jones Lang Lasalle (Freddie Mac)
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Kutak Rock, LLP
Borrower Counsel:	Downs Pham & Kuei LLP
Financial Advisor:	JLL Capital Markets

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$16,400,000 for Buckingham Apartments affordable multi-family housing facility located in the City of Los Angeles, Los Angeles County, California.

\*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.



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## **SCHILLO GARDENS APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	Schillo Gardens LP
Action:	Final Resolution
Amount:	\$6,700,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Thousand Oaks, Ventura County, California
Activity:	Affordable Housing
Meeting:	April 29, 2016

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### Background:

On August 24, 1979, Many Mansions was incorporated as a California nonprofit corporation. Many Mansions initially devoted itself to rental assistance. Over the next approximately eight years, Many Mansions ran the successful “Adopt-A-Family” program in which donors from the community would donate money to be used as rental assistance for families that needed help. However, Many Mansions had no control over this housing—its condition, its rental levels, and the amenities. During 1986-87, Many Mansions embarked upon its first development project. Many Mansions, along with the City of Thousand Oaks and the Conejo Future Foundation, developed Schillo Gardens. Financed through the federal tax credit program and with assistance from the City of Thousand Oaks, Schillo Gardens housed individuals and families who were low-income and whose rent would be set accordingly. Many Mansions has continued to grow its portfolio and develop affordable housing.

Many Mansions Children and Adult Service Programs have distinguished them from other affordable housing providers. They have led the fight to end homelessness, and their compassionate and supportive services have made them the ideal housing provider of the disabled.

### The Project:

The Schillo Gardens Apartments project is an acquisition/ rehabilitation of an existing 29-unit affordable multifamily rental housing facility. The property is 1.55 acres of land improved with 4 two-story multifamily apartment buildings. The project consists of 7 one-bedroom, 16 two-bedroom and 6 three-bedroom units. Many Mansions is purchasing the Schillo Gardens Apartments from the City of Thousand Oaks. Upon purchase, a significant rehabilitation will take place to address replacement of major building systems, increase energy & water efficiency and improve the individual units. Site amenities include an on-site manager's office, laundry room and playground. The project will offer free food assistance and after-school tutoring/ summer camp for the resident children. Rents will be restricted to households with incomes no greater than 50% and 60% of the area median income. This project is located at 2825-2861 Los Robles Road, Thousand Oaks, California.

### The City of Thousand Oaks:

The City of Thousand Oaks is a member of the CMFA and held a TEFRA hearing September 1, 2015. Upon closing, the City is expected to receive approximately \$4,187 as part of the CMFA's sharing of Issuance Fees.

### Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond:	\$ 6,700,000	\$ 909,000
LIH Tax Credit Equity:	\$ 230,959	\$ 3,849,448
Direct and Indirect Public Funds:	\$ 3,423,257	\$ 6,064,057
Costs Deferred Until Conversion:	\$ 536,787	\$ 0
Income from Operations:	\$ 0	\$ 68,498
Developer Equity:	\$ 100	\$ 100
Total Sources:	\$ 10,891,103	\$ 10,891,103

Uses of Funds:	
Acquisition/ Land Purchase:	\$ 6,250,000
Hard Construction Costs:	\$ 1,745,869
Architect & Engineering Fees:	\$ 90,799
Contractor Overhead & Profit:	\$ 252,278
Developer Fee:	\$ 1,230,155
Legal Fees:	\$ 220,000
Relocation:	\$ 7,235
Cost of Issuance:	\$ 18,563
Operating Reserve:	\$ 80,932
Construction and Permanent Financing:	\$ 380,053
Contingency Costs:	\$ 405,195
Other Soft Costs (Marketing, etc.):*	\$ 210,024
Total Uses:	\$ 10,891,103

Terms of Transaction:

Amount:	\$6,700,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May, 2016

Public Benefit:

A total of 28 families will continue to be able to enjoy high quality, independent, affordable housing in the City of Thousand Oaks, California.

Percent of Restricted Rental Units in the Project: 100%  
25% (7 Units) restricted to 50% or less of area median income households  
75% (75 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:	U.S. Bank N.A.
Bond Counsel:	Quint & Thimmig LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Davis Wright Tremaine LLP
Borrower Counsel:	Goldfarb & Lipman LLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$6,700,000 for Schillo Gardens Apartments affordable multi-family housing facility located in the City of Thousand Oaks, Ventura County, California.

\*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.



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## **JARDIN DE LAS ROSAS APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant: Jardin de las Rosas, L.P.

Action: Final Resolution

Amount: \$9,873,929

Purpose: Finance Affordable Multifamily Rental Housing Project  
Located in the City of Santa Barbara, Santa Barbara County,  
California

Activity: Multifamily Affordable Housing

Meeting: April 29, 2016

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### **Background:**

The Mission of Peoples' Self-Help Housing is to provide affordable housing and programs leading to self-sufficiency for low-income families, seniors and other special needs groups on California's Central Coast.

Peoples' Self-Help Housing ("PSHH") is a national award-winning non-profit organization that creates affordable housing and self-sufficiency programs on California's Central Coast; San Luis Obispo, Santa Barbara, and Ventura Counties.

In 1970 in San Luis Obispo, California, a small group of people and local community leaders were concerned about the lack of affordable housing available to low-income and special needs households. The group learned of a federally sponsored program available to non-profit sponsors to finance the construction of owner built low-income housing. The group incorporated to form Peoples' Self-Help Housing. Since then, the organization has built over 1,100 "sweat equity" and nearly 1,400 affordable rental units. They operate 30 affordable housing complexes in San Luis Obispo, Santa Barbara and Ventura counties. PSHH has helped over 1,150 first time home buyers build and purchase their first home (residents contribute over 2,000 hours of 'sweat equity' in building their home).

### The Project:

The Jardin de las Rosas Apartments is a new construction project consisting of a 40 unit apartment property for affordable multifamily renters. The project is sited on 3 parcels totaling 0.94 acres, which are zoned commercial manufacturing /medium high residential with a priority housing overlay. These parcels will be merged prior to the start of construction. The project site plan consists of 1 three-story building. The first story includes a parking garage and community center. The community center will be 3,000sq ft. which will contain a multipurpose room, kitchen, offices, classrooms, restrooms, laundry room, storage, and a mechanical room. The remaining two stories will be affordable apartments for families. The financing of this project will result in retaining 40 affordable apartments for the next 55 years. The project will be located at 510-520 North Salsipuedes Street and 601 East Haley Street, Santa Barbara, CA.

### The City of Santa Barbara:

The City of Santa Barbara is a member of the CMFA and held a TEFRA hearing on November 10, 2015. Upon closing, the City is expected to receive approximately \$6,171 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:	\$ 9,873,929	\$ 2,759,500
Sponsor Loan:	\$ 5,213,377	\$ 5,237,323
LIH Tax Credit Equity:	\$ 664,188	\$ 6,509,096
Developer Equity:	\$ 100	\$ 100
Deferred Interest During Construction:	\$ 25,667	\$ 25,667
City of Santa Barbara Redevelopment:	\$ 0	\$ 2,000,000
Santa Barbara Housing Trust Fund:	\$ 400,000	\$ 400,000
City of Santa Barbara HOME:	<u>\$ 585,000</u>	<u>\$ 1,400,000</u>
Total Sources:	\$ 16,762,261	\$ 18,331,686

Uses of Funds:	
Acquisition/Land Purchase:	\$ 2,243,177
Construction Interest & Fees:	\$ 745,375
New Construction:	\$ 11,596,420
Architectural & Engineering:	\$ 592,190
Permanent Financing:	\$ 25,000
Legal Fees:	\$ 50,000
Reserves:	\$ 108,030
Contingency Costs:	\$ 493,509
Appraisal:	\$ 15,000
Other Soft Costs (Marketing, etc.):*	\$ 495,290
Developer Costs:	<u>\$ 1,967,695</u>
Total Uses:	\$ 18,331,686

Terms of Transaction:

Amount:	\$9,873,929
Maturity:	17 years
Collateral:	Deed of Trust
Bond Purchasers:	Private Placement
Estimated Closing:	May, 2016

Public Benefit:

A total of 39 family households will now be able to enjoy high quality, independent, affordable housing in the City of Santa Barbara. Amenities at the complex will include TV viewing area, community room and on-site laundry rooms. The construction of this project will provide families affordable living in the City of Santa Barbara for 55 years.

Percent of Restricted Rental Units in the Project: 100%  
41% (16 Units) restricted to 50% of area median income households; and  
59% (23 Units) restricted to 50% of area median income households.  
Unit Mix: 1-, 2- & 3- bedroom units  
Term of Restriction: 55 years

Finance Team:

Lender:	JPMorgan Chase, N.A.
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Thomas K. Vandiver, Esq.
Borrower Counsel:	Gubb & Barshay LLP
Financial Advisor:	Community Economics, Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$9,873,929 for the Jardin de las Rosas Apartments multifamily affordable housing project located in the City of Santa Barbara, Santa Barbara County, California.

\*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.



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## **QUARRY CREEK APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant: Quarry Creek CIC, L.P.

Action: Final Resolution

Amount: \$15,000,000

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

Activity: Affordable Housing

Meeting: April 29, 2016

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### 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 Quarry Creek Apartments will be a new construction 64-unit, large family affordable housing development consisting of five 2-story and three 3-story walkup buildings. The buildings will be wood framed with fire sprinklers on concrete slab and grade foundations. The development will be made up of one-, two- and three-bedroom units. Units will be restricted to 50% and 60% AMI, with one market rate unit set aside as a manager's unit. The project will have a common area with barbeque area and tot lot. The project is also designed with an indoor community area, with community room, kitchen, computer room, leasing offices and outdoor patio area. Each of the five buildings contains a laundry room for tenant use.

This is an inclusionary affordable housing project in the new Quarry Creek master planned community that is being developed by Cornerstone Communities within the City of Carlsbad, California. This financing will create 63 units of affordable housing for the City of Carlsbad for 55 years.

#### The City of Carlsbad:

The City of Carlsbad is a member of the CMFA and held a TEFRA hearing on February 9, 2016. Upon closing, the City is expected to receive approximately \$8,312 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:	\$ 13,300,000	\$ 5,624,000
City of Carlsbad:	\$ 1,280,000	\$ 1,280,000
Master Developer Loan:	\$ 2,835,000	\$ 2,835,000
Citibank Subordinate Loan:	\$ 0	\$ 440,000
Solar Tax Credit Equity:	\$ 0	\$ 145,350
Tax Credit Equity:	\$ 627,965	\$ 9,217,340
Accrued Interest:	\$ 123,450	\$ 123,450
Deferred Fees:	\$ 2,407,972	\$ 909,247
Total Sources:	\$ 20,574,387	\$ 20,574,387

Uses of Funds:	
Acquisition/Land Purchase:	\$ 2,860,001
Construction Interest & Fees:	\$ 936,676
New Construction:	\$ 10,710,197
Architectural & Engineering:	\$ 458,590
Permanent Financing:	\$ 137,375
Legal Fees:	\$ 177,500
Reserves:	\$ 179,027
Contingency Costs:	\$ 535,447
Developer Overhead/Profit:	\$ 2,547,705
Other Soft Costs (Marketing, etc.):	\$ 2,031,869
Total Uses:	\$ 20,574,387

#### Terms of Transaction:

Amount:	\$15,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May 2016

Public Benefit:

A total of 63 families will be able to enjoy high quality, independent, affordable housing in the City of Carlsbad, California. Services that will be offered include health and wellness classes, financial literacy classes and computer classes.

Percent of Restricted Rental Units in the Project: 100%  
11% (7 Units) restricted to 50% or less of area median income households; and  
89% (56 Units) restricted to 60% or less of area median income households  
Unit Mix: One-, two- and three-bedrooms  
Term of Restriction: 55 years

Finance Team:

Lender:	Citibank, NA
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Paul Hastings, LLP
Borrower Counsel:	Odu & Associates

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$15,000,000 for Quarry Creek Apartments affordable multi-family housing facility located in the City of Carlsbad, San Diego County, California.

\*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.



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## MISSION VILLAGE APARTMENTS SUMMARY AND RECOMMENDATIONS

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Applicant:	Mission Village II, LP
Action:	Final Resolution
Amount:	\$12,500,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Los Angeles, Los Angeles County, California
Activity:	Affordable Housing
Meeting:	April 29, 2016

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### Background:

Barker Management, Inc. ("BMI") was formed in 1972 with the concept of providing quality property management services to the affordable housing market.

BMI began managing federally assisted housing, expanding over the years, to include conventional housing and commercial developments; however, its specialty continues to be the management of affordable housing. There are more programs than ever for affordable housing to utilize for subsidy, and Barker Management Incorporated has stayed abreast of the constant changes. Presently BMI manages properties that include a variety of subsidies from various agencies of programs including United States Department of Housing and Urban Development (HUD), Community, Federal and State Low Income Housing Tax Credits, State Bond Issuers, Federal Home Loan Bank's Affordable Housing program and other state and local funding sources.

Barker Management has developed into a full service firm providing a multitude of services to its clients. Barker Construction and Development Company, a division of BMI, is fully bondable and specializes in major rehabilitation of multifamily developments. Another affiliate of BMI, Valued Housing, focuses on the acquisition, development and presentation of affordable housing developments. As a property management firm, BMI handles not only the daily management of a development, but also provides a variety of services. These services include accounting services, budget analysis, maintenance scheduling, monthly account reports, and BMI actively embraces technology to meet the unique and complex needs of our clients. This allows BMI to manage a development based on its specific needs as opposed to trying to make the development fit a standard management template

### The Project:

The Mission Village Apartments is an acquisition rehabilitation of an 84-unit, affordable multi-family housing development. The project consists of one building containing senior-restricted units, five buildings containing family units and 106 surface parking spaces. The 84 units (34 senior-restricted one-bedroom units, 6 two-bedroom family units and 43 three-bedroom family units) will all be restricted to households making no more than 50% and 60% of Area Median Income with the exception of one unit that will be used as the manager's units. The scope of renovations to be done will be improve energy efficiency, upgrade HVAC equipment, new carpet, vinyl and appliances for the unit's kitchens, updates to bathrooms and flooring throughout. Site amenities include on-site management, community room, a separate senior's community room located in the senior-restricted building, computer room, laundry facilities, picnic area and playground. There is also an on-site childcare center that is operated separately from the apartment community. The project is located at 4001 N. Mission Road, Los Angeles, California. This financing will continue to preserve 83 units of affordable housing in the City of Los Angeles for the next 55 years.

### The City of Los Angeles:

The City of Los Angeles is a member of the CMFA and held a TEFRA hearing February 9, 2016. Upon closing, the City is expected to receive approximately \$7,813 as part of the CMFA's sharing of Issuance Fees.

### Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond:	\$ 12,500,000	\$ 6,900,000
Century Housing Corp. Loan:	\$ 7,534,040	\$ 7,534,041
LIH Tax Credit Equity:	\$ 5,032,190	\$ 8,786,812
NOI During Construction:	\$ 0	\$ 82,658
Deferred Developer Fee:	\$ 0	\$ 1,762,719
Total Sources:	\$ 25,066,230	\$ 25,066,230

Uses of Funds:	
Acquisition/ Land Purchase:	\$ 13,575,000
Rehabilitation:	\$ 5,844,480
Relocation:	\$ 252,000
Architectural Fees:	\$ 224,461
Survey & Engineering Fees:	\$ 100,000
Construction Interest & Fees:	\$ 720,000
Permanent Financing:	\$ 562,250
Legal Fees:	\$ 150,000
Reserves:	\$ 248,359
Appraisal:	\$ 10,000
Contingency:	\$ 25,000
Soft Costs, Marketing, etc.*:	\$ 295,177
Developer Costs:	\$ 3,095,503
Total Uses:	\$ 25,066,230

Terms of Transaction:

Amount:	\$12,500,000
Maturity:	32 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May 2016

Public Benefit:

A total of 83 households will continue to be able to enjoy high quality, independent, affordable housing in the City of Los Angeles, California for another 55 years. There is also an on-site childcare center that is operated separately from the apartment community.

Percent of Restricted Rental Units in the Project: 100%  
19% (16 Units) restricted to 50% or less of area median income households  
81% (67 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:	Citibank, NA
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Kantor Taylor Nelson Evatt & Decina PC
Borrower Counsel:	Bocarsly Emdem Cowan Esmail & Arndt
Financial Advisor:	1410 Partners, LLC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$12,500,000 for Mission Village Apartments affordable multi-family housing facility located in the City of Los Angeles, Los Angeles County, California.

\*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.



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## **PORTOLA SENIORS APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	Portola Seniors CIC, LP
Action:	Final Resolution
Amount:	\$13,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Lake Forest, Orange County, California
Activity:	Senior Affordable Housing
Meeting:	April 29, 2016

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### 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 Portola Center South Seniors Apartments is a new construction project located in the City of Lake Forest. The project will be a 58-unit affordable senior complex made up of a single 4-story building with a ground floor retail center, 58 tenant parking spaces and 50 retail center parking spaces. The building will consist of 57 one-bedroom tenant units and a single one-bedroom manager’s unit. The property will include a computer lab and community space with a kitchen and media area. There will be 57 units available to households with incomes no greater than 60% of the area median income with 1 unit set aside as a manager’s unit. The project will be part of a master planned community and CIC has partnered with several of the developers. The financing of this project will result in providing affordable housing for 57 seniors in the City of Lake Forest for 55 years.

The City of Lake Forest:

The City of Lake Forest is a member of the CMFA and held a TEFRA hearing February 2, 2016. Upon closing, the City is expected to receive approximately \$6,938 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond:	\$ 11,100,000	\$ 3,814,000
Master Developer (Seller) Loan:	\$ 5,887,303	\$ 5,887,303
LIH Tax Credit Equity:	\$ 1,186,020	\$ 9,026,732
Deferred Developer Fee:	\$ 0	\$ 1,495,021
Commercial Reimbursement:	\$ 1,765,524	\$ 1,765,524
Deferred Fees & Costs:	\$ 2,049,733	\$ 0
Accrued Soft Loan Interest:	\$ 264,929	\$ 264,929
Total Sources:	\$ 22,253,509	\$ 22,253,509

Uses of Funds:	
Acquisition/ Land Purchase:	\$ 3,757,798
New Construction:	\$ 9,600,000
Development Impact Fees:	\$ 3,179,575
Architectural Fees:	\$ 505,000
Survey & Engineering Fees:	\$ 247,500
Construction Interest & Fees:	\$ 1,103,299
Permanent Financing:	\$ 15,000
Legal Fees:	\$ 180,000
Reserves:	\$ 144,288
Appraisal:	\$ 15,000
Contingency:	\$ 480,000
Soft Costs, Marketing, etc.*:	\$ 531,028
Developer Costs:	\$ 2,495,021
Total Uses:	\$ 22,253,509

Terms of Transaction:

Amount:	\$13,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May 2016

Public Benefit:

A total of 57 senior households will be able to enjoy high quality, independent, affordable housing in the City of Lake Forest, California. Services at the complex will include a shared common space, computer room, laundry room, and a community room. The units will feature high-speed data outlets, energy efficient appliances, low flow water utilities and individual heat and a/c units. This project will create high quality, independent, affordable apartments for 57 senior households in the City of Lake Forest, California for 55 years.

Percent of Restricted Rental Units in the Project: 100%  
11% (6 Units) restricted to 50% or less of area median income households  
89% (51 Units) restricted to 60% or less of area median income households  
Unit Mix: 1-bedroom units  
Term of Restriction: 55 years

Finance Team:

Lender:	Union Bank, NA
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Eichner Norris
Borrower Counsel:	Odu & Associates

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$13,000,000 for Portola Senior Apartments affordable multi-family housing facility located in the City of Lake Forest, Orange County, California.

\*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.



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## **NORTHBAY HEALTHCARE GROUP SUMMARY AND RECOMMENDATIONS**

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**Applicant:** NorthBay Healthcare Group

**Action:** Final Resolution

**Amount:** \$67,000,000

**Purpose:** Finance/ Reimburse Acute Care Hospital Facilities  
Located in the City of Fairfield, Solano County,  
California.

**Activity:** Healthcare Services

**Meeting:** April 29, 2016

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**Background:**

The NorthBay Healthcare System (the “System”) consists of several affiliated non-profit corporations which provide healthcare services primarily to residents of Solano County, in northern California, through an integrated healthcare delivery system that includes two general acute care hospital campuses, multiple primary care and specialty care outpatient medical clinics, a home care agency, a hospice program, an ambulatory surgery center, satellite imaging centers and an occupational health program. The System provides services primarily at campuses in Fairfield, Vacaville and a corporate headquarters campus in Green Valley, California.

Headquartered in Fairfield, California, NorthBay Healthcare Group, is an affiliate of NorthBay Healthcare System. It was incorporated in 1954 as Central Solano County Hospital Foundation, and is responsible for the operations of two nonprofit general acute care hospitals: NorthBay Medical Center in Fairfield and NorthBay VacaValley Hospital in Vacaville. Each hospital provides both inpatient and outpatient health care services. The Fairfield facility provides the region with 24-hour Emergency Medical Care.

In addition, NorthBay Healthcare Group also operates a network of multi-specialty clinics located in Fairfield and Vacaville. The Group contracts with physicians for professional medical services provided at the Clinics, and offers scheduled and same-day appointments at five locations, three in Fairfield and two in Vacaville. The Group contracts with physicians for professional medical services provided at NBMG, and offers scheduled and same-day appointments at five locations, three in Fairfield and two in Vacaville. The Group also offers access to over 100 specialist physician and advanced practice providers at NBMG, including Aesthetics, Cardiology, Cardiovascular Surgery, Dermatology, Endocrinology, Functional Medicine, Gastroenterology, General Surgery, Infectious Disease, Neurology and Neurosurgery, Obstetrics and Gynecology, Occupational Medicine, Medical Oncology, Radiation Oncology, Onco-Plastic Surgery,

Orthopedic Surgery, Osteopathic Medicine, Pain Management, Podiatry, Psychiatry, Psychology, Pulmonology, Rheumatology, Urology and Vascular Surgery.

The Project:

Proceeds will be used (i) to refinance certain health care and related facilities owned and/or operated by the NorthBay Healthcare Obligated Group, including the acute care hospital facilities known as NorthBay Medical Center (the "Fairfield Facility"), located at 1200 B. Gale Wilson Boulevard, Fairfield, California, certain other health care and related facilities located at 4500 Business Center Drive, Fairfield, California (the "Business Center Drive Facilities"), the acute care facilities known as VacaValley Hospital (the "Vacaville Facility"), located at 1000 Nut Tree Road, Vacaville, California, and certain other health care and related facilities located at 1020 Nut Tree Road (the "Wellness Center Facilities"), through the refunding of the California Municipal Finance Authority Variable Rate Revenue Bonds (NorthBay Healthcare Group), Series 2013 A; (ii) to finance and/or reimburse NorthBay Healthcare Obligated Group for its prior payment of the costs of acquiring certain equipment and costs incurred in connection with the construction of certain additional improvements to and/or expansions and renovations of, certain health care and related facilities owned and operated by NorthBay Healthcare Obligated Group, including the Fairfield Facility located at the address set forth above, the Business Center Drive Facilities located at the address set forth above, the Vacaville Facility located at the address set forth above and the Wellness Center Facilities located at the address set forth above; (iii) to fund a reserve fund for the Bonds if required and (iv) to pay certain expenses incurred in connection with the issuance of the Bonds.

The County of Solano:

The County of Solano is a member of the CMFA and held a TEFRA hearing on April 26, 2016. Upon closing, the County is expected to receive approximately \$16,072 as part of CMFA's sharing of Issuance Fees

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 66,436,000
2013 DSRF :	<u>\$ 3,958,000</u>
Total Sources:	\$ 70,394,000

Uses of Funds:

Equipment:	\$ 24,000,000
2013 Refunding:	\$ 39,580,000
Debt Service Reserve Fund:	\$ 5,482,000
Costs of Issuance:	<u>\$ 1,332,000</u>
Total Uses:	\$ 70,394,000

Terms of Transaction:

Amount:	\$67,000,000
Rating:	BBB- (Standard & Poor's)
Maturity:	30 years
Collateral:	Gross Revenue Pledge & Deed of Trust
Bond Purchasers:	Institutional & Retail Investors
Estimated Closing:	June, 2016

Public Benefit:

NorthBay Healthcare Group operates two acute care hospitals: NorthBay Medical Facility in Fairfield is a 132-bed acute care hospital; the NorthBay VacaValley Hospital is a 50-bed acute care hospital. Both locations serve residents of Solano County including those in the Cities of Benicia, Dixon, Fairfield, Rio Vista, Suisun City, Vacaville and Vallejo.

In addition to NorthBay Healthcare Group's exemplary healthcare services, the Group works closely with the community to support community wellness. The Group is an integral part to Solano Coalition for Better Health that serves to provide each member of the community with adequate housing and nutrition, education, employment and a feeling of hope and well-being.

Finance Team:

Underwriters:	Merrill Lynch, Pierce, Fenner & Smith Inc. and KeyBanc Capital Markets, Inc.
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Underwriter's Counsel:	Drinker Biddle & Reath, LLP
Issuer Counsel:	Jones Hall, APLC
Borrower Counsel:	Meyers Nave, LLP
Financial Advisor:	Cain Brothers & Co., LLC
Trustee:	U.S. Bank National Association
Trustee Counsel:	Dorsey & Whitney, LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$67,000,000 for the NorthBay Healthcare Group located in the City of Fairfield, Solano County, California.



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## AUDIT FIRM ENGAGEMENT SUMMARY AND RECOMMENDATIONS

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Subject:           Audit Firm Engagement

Meeting:          April 29, 2016

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Discussion:

The CMFA and CFSC are required to have an audit of the general purpose financial statements conducted each year by an independent audit firm. In addition, the CFPF must file an annual tax return. In January 2016, the CMFA & CFSC extended the Macias Gini & O'Connell ("MGO") engagement for another three years.

The FY2016 audit is the first audit under the new engagement with MGO and will be done at a not-to-exceed cost of \$35,100 as follows.

	<u>2016</u>
CMFA Audit	23,900
CFSC Audit	8,200
CFPF Tax Return	<u>3,000</u>
	\$ 35,100

Recommendation:

The Executive Director recommends the firm of Macias Gini & O'Connell be approved to conduct the FY2016 CMFA and CFSC audits and the CFPF tax return.



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## PROPERTY ASSESSED CLEAN ENERGY (“PACE”) SUMMARY AND RECOMMENDATIONS

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Action	Approve Commercial PACE (“C-PACE”) Fee Schedule
Purpose:	Property Assessed Clean Energy (“PACE”)
Activity:	PACE Financing and Refinancing of Energy Efficiency, Water Efficiency, Renewable Energy Generation and Seismic Improvements
Meeting:	April 29, 2016

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### Background:

Property Assessed Clean Energy (“PACE”) programs help local economies and the environment by providing financing for energy and water efficient improvements and renewable energy systems. Communities with PACE Programs have increased construction activity, created jobs, lowered utility bills and reduced greenhouse gas emissions. Through the PACE program, property owners can apply for low cost financing for improvements such as installing solar energy systems, replacing an old air conditioning system, air sealing and weatherization, and installing insulation. Property owners repay the financing through their property tax bill over the useful life of the installed products.

### Discussion:

The CMFA previously approved fee schedule for Residential (“R-PACE”) and commercial PACE (“C-PACE”) activity. After additional discussions with C-PACE providers it appears that multiple options for C-PACE fees would be beneficial. The proposed C-PACE fee options are as follows:

#### Option A:

0.25% (25bps)	Assignment Fee	
<u>0.50% (50bps)</u>	Bond Issuance Fee	
0.75% (75bps)	Total	(\$5,000 Minimum and \$250,000 Max)

#### Option B:

0.25% (25bps)	Issuance Fee	
<u>0.75% (75bps)</u>	Annual Admin Fee	
1.00% (100bps)	Total	(No Minimum and paid over the lesser of maturity or 10 years.)

Public Benefit:

PACE programs encourage energy and water efficiency and diversifies energy sources, both of which reduce the impact on existing infrastructure. Furthermore, PACE programs provide property owners with a low cost alternative to financing major energy and water efficiency improvements and 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 the CMFA Board of Directors approve the proposed commercial PACE fee schedule.



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## **PROPERTY ASSESSED CLEAN ENERGY (“PACE”) SUMMARY AND RECOMMENDATIONS**

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Action	Approve CMFA PACE Consumer Protection Policy
Purpose:	Property Assessed Clean Energy (“PACE”)
Activity:	PACE Financing and Refinancing of Energy Efficiency, Water Efficiency, Renewable Energy Generation and Seismic Improvements
Meeting:	April 29, 2016

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### Background:

Property assessed clean energy (“PACE”) programs enable an unprecedented range of homeowners to access energy efficiency, renewable energy, water efficiency and seismic measures that improve the financial, functional and environmental aspects of home ownership. Improvements such as these make homes less costly to operate and more comfortable to live in, while simultaneously reducing energy and water consumption. Without PACE Programs many homeowners would have no, or costly, access to such benefits.

### Discussion:

PACE Programs deliver tools and resources that enable homeowners to make smart, informed and responsible choices. Appropriate use of such tools is the responsibility of all Programs, which means that care needs to be taken with homeowners before, during and after origination of Program financing. In other words, consumer protections that serve homeowners must be a core value of the Program.

This PACE Consumer Protection Policy provides homeowners with a greater level of consumer protection than any other form of financing. They also guide the Program’s implementation, enabling the transformation of its potential into tangible benefits for homeowners.

Public Benefit:

PACE programs encourage energy and water efficiency and diversifies energy sources, both of which reduce the impact on existing infrastructure. Furthermore, PACE programs provide property owners with a low cost alternative to financing major energy and water efficiency improvements and 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 PACE Consumer Protection Policy.

# **PACE Consumer Protection Policies**

California Municipal Finance Authority

Residential PACE Program

# Overview

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Property assessed clean energy (“PACE”) programs enable an unprecedented range of homeowners to access energy efficiency, renewable energy, water efficiency and seismic measures that improve the financial, functional and environmental aspects of home ownership. Improvements such as these make homes less costly to operate and more comfortable to live in, while simultaneously reducing energy and water consumption. Without PACE Programs many homeowners would have no, or costly, access to such benefits.

PACE Programs (“PACE Programs” or the “Program”), including the government authority sponsoring and administering them (“Authority”, “Program Administrator” or “Administrator”) and, where applicable, the entity or entities who help implement them (“Partner”), deliver tools and resources that enable homeowners to make smart, informed and responsible choices regarding such measures (“Measures”). Appropriate use of such tools is the responsibility of all Programs, which means that care needs to be taken with homeowners before, during and after origination of Program financing. In other words, consumer protections that serve homeowners must be a core value of the Program, the Authority and the Partner.

The baseline consumer protection policies of the Program cover the following areas:

- Repurchase Guarantee
- Risk
- Disclosures & Documentation
- Funding
- Operations
- Post-Funding Homeowner Support
- Data Security
- Privacy
- Marketing & Communications
- Protected Classes
- Contractor Requirements
- Eligible Products
- Maximum Financing Amount
- Reporting
- Closing & Funding
- Examination

These Policies provide homeowners with a greater level of consumer protection than any other form of financing. They also guide the Program’s implementation, enabling the transformation of its potential into tangible benefits for homeowners.

## 1 REPURCHASE GUARANTEE

### Policy Summary

It is the Partners responsibility to ensure the protection of ALL consumers. Each Partner must agree to repurchase any assessment levied by the program that a) does not meet the Program's eligibility criteria as described in the CMFA Program Handbook, b) was levied without the property owner's consent or understanding, or c) was made with any breach of representations or warranties.

#### 1.1 Policy

Each Partner, Contractor, and Affiliate involved in the origination of assessments financed by the Program must enter into an agreement that obligates them to repurchase any assessment that:

- Does not meet the Programs eligibility criteria as described in the CMFA Program Handbook,
- Was levied without the property owner's consent or understanding, or
- Was made with any breach of representations or warranties.

#### 1.2 Procedures

Upon notification by the Program, Partner shall have thirty days to repurchase such assessment. The repurchase shall be effected through the Prepayment Process as defined in the Assessment Contract. Partner shall also be responsible for expenses related to the Prepayment including all fees and any Prepayment Penalty if applicable as described in the Assessment Contract and Program Handbook.

## 2 RISK

### Policy Summary

The Program blends traditional credit risk considerations together with statutory requirements and legislative policy to develop risk criteria that are fitted to the Program. These criteria take into account the unique risk profile that this form of financing presents to enable qualifying homeowners to access it. While this process will exclude unqualified homeowners and properties, special consideration has been given to developing inclusive standards. These criteria examine five key attributes of every financed project: (i) the real property on which the improvements will be installed ("Property" or "Properties"), (ii) the Property Owners ability to make the increased property tax payments (iii) the encumbrances presently recorded against the Property, (iv) the nature of the improvements to be installed; and (v) the homeowner's mortgage and property tax payment history.

#### 2.1 Properties

Consistent with foundational considerations, it is the policy of the Program to make the Program available to the entirety of the existing residential housing stock in political boundaries of the Program. Properties for which this form of financing is not available include: (i) commercial properties (including residential properties comprising five (5) or more units), (ii) new properties under construction and (iii) tax exempt properties (properties not subject to levy), such as tribal, non-profit or state-owned residential properties. If requested in good faith by the homeowner applying for the Program, the Partner is responsible for completing a "second look" eligibility review of all applications related to properties initially determined to be excluded, re-examining the specific attributes of the Property in question and confirming or modifying the original determination.

#### 2.2 Ability to Pay

The Property owners ability to make the increased property tax payments is critical element of the decisioning process for Program participation. The Program is designed among other things to allow property owners to realize utility savings and environmental benefits associated with the improvements being installed. Such financing is inappropriate if the property owner cannot afford to make the payment. Accordingly, the total amount of the annual assessment levied on the Property shall not exceed five percent (5%) of the property owners stated income at the time Program financing is approved.

#### 2.3 Encumbrances

The encumbrance profile of Properties is an important element of the decisioning process for Program participation. The Program is designed to harness unused financing capacity of homes in which eligible improvements are installed. Such financing is inappropriate if it burdens Properties and their owners too greatly. Accordingly, Properties eligible for Program financing will have the following attributes:

- All mortgage-related debt on the Property may not exceed 90% of the Property's fair market value ("FMV"), or assessed value if market value data is unavailable or unreliable, at the time of initial approval;
- Reliability of the Program FMV model should be verified through an accepted and regular audit process, sampling appraisal data as a means of measurement and verification;
- The financing may not exceed
  - (i) twenty percent (20%) of the FMV of the Property, up to the first seven hundred thousand dollars (\$700,000) of the Property's FMV, and;
  - (ii) ten percent (10%) of the remaining value of the Property above seven hundred thousand dollars (\$700,000);

- The total mortgage-related debt on the underlying Property plus Program financing may not exceed the FMV of the Property; and
- The total amount of any annual property taxes and assessments shall not exceed five percent (5%) of the Property's FMV, determined at the time Program financing is approved.

#### 2.4 Eligible Improvements

The Program provides financing for a broad range of eligible products and projects permanently-affixed to the Property, the details of which are set forth in Section 12. While the Program is responsible for confirming compliance with the Section 12 requirements, it is not responsible for determining post-installation energy performance, savings or efficacy of such products or projects. The Program relies on U.S. Department of Energy, the Environmental Protection Agency, other government agencies and subject matter experts in determining what constitutes an Eligible Improvement.

#### 2.5 Homeowners

PACE Program assessments appear as line items on property tax bills and homeowners repay their financing when they pay their property tax bills. The mortgage and property tax payment history of homeowners of record thus is an important decisioning element of Program eligibility criteria. Accordingly, at the time of application, homeowners eligible for Program financing will have status and payment histories that are consistent with the following:

- The Applicants are the owners of record;
- Property tax payments for the assessed Property are current. Additionally, the homeowner must certify that there is no more than one late payment for the shorter of the previous three years or since the present homeowner acquired the Property;
- Homeowner(s) are current on all mortgage debt, and have not been more than 60 days late on such payments during the 12-month period preceding funding;
- Subject to any additional limitations in the CMFA Program Handbook, no homeowner applicant has had any active bankruptcies within the last 3 years; provided, however, that this criterion can be met if a homeowner's have had no payments (mortgage and non-mortgage) past due for more than 60 days in the most recent 12-month period preceding funding; and
- Homeowner(s) have no involuntary lien(s) recorded against the Property in excess of \$1,000.

### 3 DISCLOSURES & DOCUMENTATION

#### Policy Summary:

The documentation of the Program gives it shape, integrity, and enforceability. Program participation documentation embodies principles key to the Program such as clarity, fairness, compliance, disclosure, knowledge, and completeness. A reader who has spent time with the documentation should develop an unambiguous understanding of each and every right, risk, and obligation associated with the Program's financing product. PACE is a new form of financing that, while sharing some features of traditional financing, presents new considerations for homeowners. Truth-In-PACE™ Disclosures cover the Program financing's unique repayment cycle (annual or semiannual) and the Federal Housing Finance Authority announcement regarding payoff of Program financing at the time of sale or refinance. Best practices counsel the Program to disclose traditional financing terms (e.g., interest rates, financing term, payment amounts) as well. In the end, a homeowner who understands the Program's disclosures will be informed and have a clear understanding of the Program's traditional and non-traditional features.

#### 3.1 Document timing.

Before commencement of any Program-financed project, a homeowner needs to:

- Submit an application;
- Receive approval of the Measures from the Partner; and
- Execute a Truth-In-PACE™ disclosure statement.

Following installation of the Measures, a homeowner needs to:

- Execute an acknowledgement that the installation of the Measures has been completed satisfactorily; and
- Receive a final summary of costs and payments. Delivery to, and execution of all such documentation by, the homeowner is the responsibility of the Partner.

#### 3.2 Terms.

Terms that are fundamental to the Program and that need to be reflected in the Documents comprise:

- The amount financed including fees and capitalized interest,
- A term that does not exceed the useful life of the improvements,
- The rate of interest charged, that is fixed (not variable),
- A payment schedule and amounts that fully amortizes the amount financed,
- The nature of the lien created upon recordation,
- The specific improvements to be installed,
- The 3-day right to cancel the financing, and
- The right to withhold approval of payment until the project is complete, and
- Section 5899.2 rights for solar lease improvements. .

It is the responsibility of the Partner to prepare, deliver, and arrange for execution of documents reflecting such terms.

#### 3.3 Disclosures Policies.

Disclosures heighten homeowner's awareness of key program financing terms and risks that appear in the Program terms and documentation. It is the policy of the Program that Partners

confirm delivery to, and receipt by, homeowners of these disclosures, and obtain written acknowledgement that homeowners have read and understand them. The following comprise the key disclosures of the Program provided by Partners in a Truth-In-PACE™ disclosure statement attached hereto as Attachment A.

Disclosures	Description
Term of financing	The maximum time period of the financing
Amount financed	The total amount financed, including fees and capitalized interest
Annual payment amount	The amount due each year, even if paid in semi-annual installments or through impound payments
Annual interest rate/APR	The effective interest rate after taking into account all fees and capitalized interest
Total Interest Percentage	The total amount of interest paid over the financing term as a percentage of the total Payments.
Improvements financed	The Measures installed
FHFA risks	The risk that the homeowner may need to pay off the PACE assessment at the time of sale or refinance
Right to cancel	The 3-day right to rescind the financing
Prepayment	The right to prepay the Program financing without penalty

The following comprise additional key disclosures of the Program provided by Partners.

Disclosures	Description
Program overview	A document or section of a document that provides a comprehensive summary of the Program, including a summary of a homeowner's rights and obligations
Property tax repayment process	Payment of a homeowner's property tax bill that will include a line item related to the installed Measures
Privacy	A notice describing the privacy policies of the Program
Federal disclosures	Those appearing in the Program application
Foreclosure	The foreclosure process in the event of a homeowner default

## 4 FUNDING

### Policy Summary:

PACE is a new form of financing that, while sharing some features of traditional financing, presents new considerations for financing capital sources and structures. Best practices counsel the Program to proactively solicit feedback from Program stakeholders and homeowners and incorporate learnings into policy improvements which benefit homeowners.

#### 4.1 Interest Rates.

It is the policy of the Program that the Partner offers fixed simple interest rates and payments that fully amortize the obligation. Variable interest rates or negative amortization financing terms are not permitted.

#### 4.2 Sustainable funding source.

It is the policy of the Program that Partners establish a sustainable source of capital for funding PACE financed projects separate from the Authority's general fund or budget and have access to capital markets to ensure funding of qualified projects is available on a consistent basis. A Partner must demonstrate the capacity to fund assessments that the Administrator anticipates originating through such Partner over the six (6) month period immediately following the Administrator's review of such Partners' financial statements.

#### 4.3 Subordination.

The Program is not required but may offer the capability to accommodate homebuyers and homeowners by offering subordination of certain rights of its PACE assessment lien to the lien of a mortgage or deed of trust. The subordination may provide the lien under a mortgage or deed of trust with senior rights such that the lender will be induced to make a loan on a PACE-assessed property. The subordination option may be made available to homebuyers and homeowners in accordance with policy agreed upon by the Authority and the Partner.

## 5 OPERATIONS

### Policy Summary:

Operations delivers the Program to homeowners. Operations commercializes, productizes and draws on the work completed in a broad range of disciplines by the Partner or its Partner, such as sales, training, risk, contractor engagement, municipal engagement, accounting, finance, legal, capital markets, compliance, business development, marketing, government affairs and corporate development. While each operating unit incorporates thoughtful and highly effective consumer protections in the work it produces, Operations is the gatekeeper responsible for assuring that the Program has the people, processes, tools and technology necessary to deliver to homeowners the Program financing product, as well as the consumer protections described in these Policies.

#### 5.1 Operational consumer protection policies.

It is the policy of the Program that the Administrator and its Partner develop and provide people, processes, tools and technology necessary to support the consumer protection measures described in detail elsewhere in this policy, including:

- Risk and underwriting processes;
- Terms and documentation delivery systems;
- Documentation, maintenance and retrieval processes;
- Disclosure development, delivery and acknowledgment receipt;
- Post-funding support for homeowners and other stakeholders such as real estate professionals;
- Data security measures;
- Privacy policy development and protections;
- Marketing and communication oversight;
- Contractor management and engagement;
- Eligible product database and/or list development and maintenance;
- Implementation of the maximum financing amounts; (xiii) key
- Key metrics reporting;
- Closing and funding processes (including the ability to fulfill financing obligations);
- Examination data production; and
- Implementation of procedures to identify and prohibit conflicts of interest within and associated with the Program.

## 6 POST-FUNDING HOMEOWNER SUPPORT

### Policy Summary:

A public/private partnership is at the core of the Program. This partnership carries with it elevated consumer protection responsibilities that apply to the Program with as much significance during the post-funding period as they do during the time of application and origination. Establishing and operating an executive office responsible for customer care that responds to inquiries, complaints, contractor and workmanship concerns, product performance questions and related matters for the lifecycle of the improvements financed is fundamental to the consumer protections that the Program provides.

#### 6.1 Proactive Engagement.

It is the policy of the Program that the Partner and its Partner proactively to monitor and test the consumer protections delivered to homeowners, and to request feedback from homeowners and contractors to identify areas in need of improvement.

#### 6.2 Onboarding.

It is the policy of the Program that Partners develop and implement a post-installation onboarding procedure to reinforce key characteristics of the Program, such as those highlighted in the Program disclosures.

#### 6.3 Payments.

It is the policy of the Program that the Partner have disclosures and resources in place to resolve homeowner questions regarding matters such as impound account catch up payments, payment timing inquiries and payment amount reconciliation. It is also the policy of the Program that the Partner implement procedures for responding to requests for partial or full prepayment of their PACE property tax assessment in a timely and complete manner.

#### 6.4 Inquiries and complaints.

It is the policy of the Program that the Partner receive, manage, track, timely resolve, and report on all inquiries and complaints from homeowners. This policy contemplates development of a team with the skills necessary to perform inspections, meet with homeowners and contractors, investigate matters, and mediate resolutions with homeowners and contractors. The Partner must proactively work to resolve inquiries and complaints in a reasonable and timely manner and in accordance with the Program guidelines and must make communication for homeowners available during regular business hours by phone, email, and facsimile communication.

#### 6.5 Real estate transactions.

It is the policy of the Program that the Partner develop capabilities to assist homeowners who are refinancing or selling their Properties. The Partner must support real estate professionals providing services to refinance and sales transactions for properties with PACE assessments.

## 7 DATA SECURITY

### Policy Summary:

Trust is fundamental to any financing relationship, and Program financing is no exception. The public/private partnership at the center of the Program, as well as the confidential relationship homeowners have with the Program Partner mandate that any market-ready Program be in robust compliance with sturdy cyber-security standards, and in particular develop secure and tested processes that protect homeowner personal identifiable information at points of potential vulnerability, especially during the application process.

#### 7.1 Information systems.

It is the policy of the Program that the Partner develop and comply with secure and tested processes to protect the personal identifiable information of the homeowner described herein. Such secure and tested processes should, at a minimum, include:

- A cyber-security policy and protocol that, at a minimum, requires data encryption “during transmission” and “at rest,” and compliance with sturdy cyber-security standards.
- The Partner is responsible for controlling access to information, based upon, job function and need-to-know criteria.
- The Partner is responsible for taking security measures that protect the security and confidentiality of consumer records and information in proportion to the sensitivity of the information, including, without limitation, requiring all computers and other devices containing any confidential consumer information to have all drives encrypted with industry standard encryption software.
- The Partner is responsible for monitoring and logging all remote access to its systems, whether through VPN or other means.
- Data security policies are subject to auditing and penetration testing conducted by an independent auditor hired by the Authority at least annually and any time a change is made that may have any potential impact on the servers, security policies or user rights.
- The Partner is responsible for ensuring minimum viable configurations are in place on all servers. All firewalls should have continuous logging enabled. In addition, access control lists and audited server configurations should be used to ensure that data security is maintained.

#### 7.2 Personnel.

- The Partner is responsible for informing and enforcing the compliance with the Program’s data privacy and security policies on the part of every employee, contractor, vendor, agent, service provider, representative, and associate who is exposed to personal identifiable information of homeowners.
- The Partner is responsible for implementing protections and controls to prevent unauthorized copying, disclosure, or other misuse of sensitive consumer information.

## 8 PRIVACY

### Policy Summary:

The trusting and confidential relationship that exists between homeowners and Program extends to the Partner's use of homeowner data. Program must protect and manage sensitive consumer information, must respect the privacy of all homeowners, and must implement robust controls to prevent unauthorized collection, use and disclosure of such information.

The following summarizes the Program's privacy policy:

#### 8.1 Privacy policy.

The Program obtains sensitive consumer information from homeowners as part of the application process for Program participation or through other homeowner touch points with the Program. It is the policy of the Program that the Partner develops and delivers to homeowners who apply for the Program or who otherwise provide personal identifiable information (e.g., full name, home address, social security numbers, date of birth,) a privacy policy that complies with state and federal law (e.g., the Gramm-Leach-Bliley Act) and, in particular, prohibits sharing with third parties personal identifying information of homeowners without the homeowners' express authorization except where expressly permitted by state and federal law. Such privacy policy will cover

- The sources from which sensitive consumer information is obtained,
- The Partner's use of sensitive consumer information, and
- A mechanism by which a consumer may opt-out of sharing information.

The Partner will deliver to homeowners any updates to such privacy policies.

#### 8.2 Application process.

It is the policy of the Program that all personal identifying information provided by a homeowner to the Partner during the application process is provided directly by the homeowner to the Partner. The Partners will establish processes and controls to ensure that personal identifiable information of a homeowner is obtained directly from such homeowner (or his verifiable legal representative or attorney in fact) and not from a contractor or other third party.

## 9 MARKETING & COMMUNICATIONS

### Policy Summary:

Clear, informative, truthful, balanced, transparent, and complete communications are essential for the Program. The stakeholders of any Program include (without limitation) homeowners, contractors, the Authority, government officials and staff, investors, finance partners, real estate professionals and lenders. Communications, acts and practices that mislead stakeholders add ineligible expense to PACE financing or to the Program, abuse stakeholders, and otherwise fail to meet the core communication standards of appropriateness for the Program and are not acceptable.

#### 9.1 Prohibited practices.

It is the policy of the Program to prohibit practices that are or could appear to be unfair, deceptive, abusive, and/or misleading, that violate laws or regulations, that provide tax advice, that are inappropriate, incomplete or are inconsistent with the Program's purpose (e.g., use of check facsimiles to dramatize the amount of PACE Program financing available or presented as if a negotiable instrument). Marketing practices that are likely to add unnecessary expense to a homeowner (e.g., paying consumers for applications), that unlawfully use sensitive consumer data or that violate any other law or regulation (including, for example, practices related to telemarketing) are prohibited.

#### 9.2 Permitted practices.

It is the policy of the Program to adhere to all legal and regulatory requirements (e.g., telemarketing) pertaining to its advertising and marketing efforts. On the basis of providing clear and concise communication to consumers, any practice that promotes informed decisioning on the part of homeowners and is not prohibited as described herein is permitted. All Marketing materials must be pre-approved by the Partner prior to publication.

#### 9.3 Tax advice.

It is the policy of the Program that no Partner, contractor or third party (who is not a tax expert) may provide tax advice to consumers regarding their Program financing which includes making affirmative statements or claims as to the tax deductibility of the payments. Homeowners are encouraged to seek the advice of an expert regarding tax matters related to the Program. The Program shall monitor and test the sales practices of employees and contractors to confirm adherence to the policy set forth in this Section 9.3.

#### 9.4 Payments in Exchange for Financing.

It is the policy of the Program that no Partner, contractor or Affiliated Individual may provide a direct cash payment or other thing of value to a homeowner explicitly in exchange for such homeowner's selecting Program financing. For avoidance of doubt, the limitations provided in this Section 9.4 are not intended to prevent the Program from offering to homeowners, contractors or Affiliated Individuals promotions that are not explicitly part of the exchange referred to in the preceding sentence.

## 10 PROTECTED CLASSES:

*It is the Partner's responsibility to ensure compliance with all state and federal laws that cover individuals in protected classes (e.g., race, religion, color, marital status, sex, national origin, citizenship, presence of children, disability, gender, age and/or sexual orientation because an applicant receives income from a public assistance program, or because an applicant has in good faith exercised any right under the Consumer Credit Protection Act.) Heightened protections for homeowners over 64 years old, such as confirming understanding of financing terms and project specifications, is a focus of the Program. The Partner is responsible for protecting against intended and unintended non-compliance with such standards, and in particular for providing legally unbiased access to, and decisioning of, requests for Program financing.*

- 10.1. General. It is the policy of the Program that controls be designed to monitor and test compliance with all state and federal laws covering homeowners in protected classes.
- 10.2. Elders. It is the responsibility of the Partner to develop and implement a program that validates elder homeowner (i.e., homeowners over 64 years old) understanding of the eligible improvement project for which they are seeking Program financing, including the terms of such financing.
- 10.3. Financing Access and Decisioning. It is the responsibility of the Partner to provide legally unbiased access to, and decisioning of, requests for Program Participation

## 11 CONTRACTOR REQUIREMENTS

### Policy Summary:

Contractors and their sales persons are one of the primary means through which homeowners become aware of Program participation options. Contractors and their sales persons enter into contracts with the Partner, and register with all relevant state and local licensing boards and agencies. Contractors are required to follow a code of conduct, maintain policies of insurance, post bonds, follow marketing requirements, complete training courses, among other similar obligations, all of which are designed to assure positive and productive homeowner interaction with the Program.

#### 11.1 Policies.

It is the policy of the Program that all contractors who sell, install, or manage subcontractors who install, eligible improvements will have executed and that all such contractors and all employees, entities, owners, partners, principals, independent contractors, third party agents or other person who perform any services for the contractor in connection with a Program financing (collectively, the "Affiliated Individuals") meet the requirements of the Program's Contractor Participation Agreement, which include:

- Maintenance of an active license, and be in good standing, with the California Contractor State License Board ("CSLB"), including compliance with the CSLB (or equivalent agency or program) insurance and bonding requirements;
- Execution of the Program's Contractor Participation Agreement only by a person who is listed as an Responsible Managing Owner ("RMO"), Responsible Managing Employee ("RME"), Responsible Managing Manager ("RMG"), Responsible Managing Member ("RMM"), sole owner or qualifying partner with the CSLB and who is authorized to act on behalf of, and who is responsible for the actions of, a Registered Contractor (a "Qualifying Individual");
- Oversight and management of employees, independent contractors and subcontractors who provide services to Registered Contractors accessing the Program;
- Meeting all other state and local licensing, training and permitting requirements;
- Compliance with the Program's marketing policies; and
- Ensuring all Affiliated Individuals register with the Program.

#### 11.2 Code of Conduct

Each contractor shall enter into an agreement that includes a code of conduct with the minimum requirements to:

- Treat Property Owners Respectfully, Fairly and Honestly at all times.
- Perform Duties in Compliance with all Federal State and Local Laws and avoid involvement in any illegal, unethical or improper conduct.
- Conduct duties in in conformance with E3's Policies and procedures, with the highest standards of ethical and legal conduct.
- Ensure that work is completed with care, guided by prudent judgment and good business practices.
- Assume responsibility for knowing, understanding and having a practical working knowledge of the laws and regulations applicable to the Program and work performed in connection with the program.

### 11.3 New Contractors.

Regarding Registered Contractors new to the Program, it is the policy that the Partner: Has a specified probationary period (i.e., place the new Registered Contractors on a watch list) until the new Registered Contractors have completed the required number of Measures;

- Has procedures in place, during the Registered Contractor probationary period, to provide additional quality assurance steps for Measures completed by the Registered Contractors on the watch list; and
- Has procedures in place to review Registered Contractor work to confirm satisfactory completion of projects conducted during the probationary period for which Program financing is used.

### 11.4 Contractor Management.

It is the policy that the Partner implement contractor management systems and procedures that manage and track contractor training and compliance violations on an individual and company basis.

### 11.5 Contractor Training.

It is the policy of the Program that each Partner make available contractor training regarding, at a minimum, the following:

- The applicable contractor code of conduct terms as required by the Program,
- Protected classes, including, without limitation, elder protection, and
- Other consumer protection measures as required by the Program.

### 11.6 Remedial Action.

Partners shall warn, suspend, or terminate a Registered Contractor and/or Affiliated Individual from the Program based on violations of the Contractor Participation Agreement. The Program does not accept Program applications processed by suspended or terminated contractors and/or associated representatives.

## 12 ELIGIBLE PRODUCTS

### Policy Summary:

The Program enables and encourages homeowners to install Measures on their homes that are designed but not guaranteed to save water or energy. The Program is responsible for implementing practices and controls (e.g., eligible product databases and product confirmation processes) ensuring that financing is used only for eligible Measures, and that it is not provided for ineligible ones. Program product eligibility criteria ensure that property owners are financing improvements that are industry recognized for achieving *higher levels of home* energy efficiency, water efficiency, or seismic retrofits. While the Program is responsible for confirming compliance with the initial capacities of such products, it is not responsible for determining post-installation performance, savings, or efficacy of such Measures.

### 12.1 Policies.

Consistent with the objectives of the PACE enabling legislation, it is the policy of the Program through consultation with the Partner and the Authority to:

- Establish and maintain an eligible products database and/or list, documenting the associated eligibility specifications for each product that conform to the requirements outlined in Attachment B hereto;
- Define a process for adding or modifying the eligible product database;
- Ensure that eligible product performance standards are quantifiable using performance criteria that the U.S. Department of Energy, U.S. Environmental Protection Agency, the California Energy Commission and/or other federal and state agencies or other reputable third parties has established;
- Use credible third party sources to determine the useful life of the product, which will be used to set the maximum term for the Program's financing; and
- Require that the product be permanently affixed to the Property.

### 12.2 Procedures.

It is the policy of the Program that the Partner establish procedures confirming that the homeowner applying for Program financing intends to install eligible products, and that at the time of funding such improvements have been installed.

### 12.3 Ineligible Products.

- Financing of ineligible products under the Program is prohibited.
- Products that are not included on the eligible products list or in the eligible products database can be submitted for review by the Program, if a homeowner has a good faith reason to believe they should have been included.

## 13 MAXIMUM FINANCING AMOUNT

### Policy Summary:

Many homeowners cannot readily access price information regarding the installation of energy efficiency, renewable energy, water conservation, and seismic improvements for their homes, and cost often is a key economic consideration. While the Program does not set price controls, it implements a maximum financing amount ("MFA") procedure based upon the fair market value of the Measures. The MFA sets the ceiling for amounts that can be financed.

The Program's maximum financing amount policies provide as follows:

- It is the policy of the Program to develop maximum financing amounts based on market data and the Partner's experience, but not to set pricing for installation of eligible products and projects. In evaluating project pricing, the Partner takes into account regional factors that may contribute to the pricing of improvements.
- It is the policy of the Program that each Partner will, at a minimum, establish an MFA for each product type (e.g. for central air conditioners, solar PV systems, solar thermal systems and artificial turf). Within each MFA, there is a range of justifiable pricing, depending on the particular product within a product type (e.g. there may be different types of central air conditioners, solar PV systems, solar thermal systems and artificial turf). It is the policy of the Program that each Partner will establish product/project attribute related pricing rules that dictate what pricing within such MFA range is justified.
- It is the policy of the Program that each Partner establish processes and systems for purposes of enforcing the MFA rules for every project.
- A product may only be funded for an amount that is greater than the MFA for such product if the amount exceeding the MFA is justified by reasonable standards that are validated and documented through processes and systems acceptable to the Authority.

## 14 REPORTING

### Policy Summary:

Reporting the economic and environmental results of Program participation is essential for the Program, Partners, elected officials, environmental agencies, the investment community, the real estate and mortgage industry and many other stakeholders. Metrics such as economic stimulus dollars invested, greenhouse gas reduction, the number of Measures funded, the amounts funded, renewable energy production and energy savings serve this need. The Partner is responsible for producing, on a quarterly basis, a key metrics report.

#### 14.1 Reporting categories.

It is the policy of the Program that Program statistics reporting and estimated impact metrics in the following categories be developed and reported quarterly to the Authority:

- Number of projects funded,
- Project amount funded,
- Estimated amount of energy savings,
- Estimated amount of renewable energy produced,
- Estimated amount of water savings,
- Estimated amount of greenhouse gas emissions reductions, and
- Estimated number of jobs created.

#### 14.2 Reporting standards.

It is the policy of the Program that all data collected for the quarterly metrics reports be developed and collected using standardized, third party verified methodologies. The methodologies and supporting assumptions and/or sources must be made available to the Authority by the Partner. It is the responsibility of the Partner to develop reports consistent with each of categories listed above and to test and verify the data collection and reporting methods and models used. All reports shall include only aggregate data, excluding any sensitive customer information.

## 15 CLOSING & FUNDING

### Policy Summary:

The Program provides limited purpose financing to homeowners, and not general purpose financing that is common among traditional sources of financing. The Program has front-end (e.g., eligible product database) and pre-funding (e.g., completion certificates and permits) procedures designed to confirm that their financing dollars are used for permissible purposes. A policy requiring such procedures is essential to protecting the integrity of the Program.

#### 15.1 Installation Completion Sign-off.

It is the policy of the Program to confirm, before funding, that the eligible products financed are installed, operational and in a condition that is acceptable to the homeowner and the contractor, and to require that the homeowner and the contractor attest to such by signing a document stating that all products have been installed to the homeowner's satisfaction and in accordance with product specifications. It is the responsibility of the Partner to confirm any such document is signed within the maximum allowable installation time as specified by the Program

#### 15.2 Permits.

It is the policy of the Program for homeowners seeking Program financing to obtain required permits for the installation of Measures and provide verification thereof upon request.

#### 15.3 Funding.

It is the policy of the Program to withhold final payment of funds until projects are complete.

#### 15.4 Recording.

It is the policy of the Program to record the Notice of Assessment and Payment of Contractual Assessment Required documentation in a manner consistent with state law.

#### 15.5 Asset verification.

It is the policy of the Program to confirm that product(s) listed on the Completion Certificate and for which Program financing has been provided have been installed and that the Partner develop and implement a randomized onsite inspection protocol acceptable to the Authority.

# Attachment A

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## Truth-In-PACE™ Disclosure Statement

### Property Information

Owners	[Owner Names]
Address	[Property Address]
APN	[Assessor Parcel Number]
Transaction #	[E3 File ID]

### Summary of your Financing

Amount Financed	Financing Term	Interest Rate	Payment Amount
[\$0]	[0] Years	[0.00]%	[\$0]
Cost of your Improvements	Number of years that payments will be added to the Property Tax Bill.	The annual cost of the financing, as a percentage.	The estimated amount due on your Semi-Annual Property Tax Bill

### Important Dates

Application Date	Expiration Date	Recording Date	First Payment Date
[01/01/2016]	[01/01/2016]	[01/01/2016]	[01/01/2016]
Date your application was submitted.	Your Improvements must be completed before this date to be eligible for Financing.	The estimated Date that the Assessment is recorded on the Property with the County.	The first payment date on the related municipal Bond.

If your Assessment is recorded on or before May 30, [2016] your first payment will be included on your November 2015 property tax bill. If your Assessment is recorded After May 30, [2016] your first payment will be included on your November [2002] property tax bill. Upon receiving your payments, your county will remit payment to service debt on the related municipal bond each March 2<sup>nd</sup> and September 2<sup>nd</sup> during the Financing Term.

## Items payable in connection with Financing

Program Administrative Expenses	\$[0]
The estimated costs to provide financing for your Improvements. Includes; Processing, Ongoing annual administrative and Bond Issuance expenses.	
Recording Fee	\$[0]
Fee paid to your County to Record and process your Assessment.	
Interest Before First Payment	\$[0]
The estimated amount of interest accrued between the Recording Date and First Payment Date.	
Reserve Deposit	\$[0]
Deposit for debt servicing on related Bond.	
Other Costs	\$[0]
[Description]	

## Calculations

Total Settlement Charges	\$[0]
The Dollar Amount that the Financing will costs you.	
Prepaid Amount	\$[0]
The Dollar Amount Prepaid to your contractor.	
Total Assessment Amount	\$[0]
The total Assessment levied on your property.	
Annual Assessment Amount	\$[0]
The Amount added to your property taxes each year during the Term, Includes Principal, Interest and \$95 for Administrative expenses.	
Total of Payments	\$[0]
The total amount you will have paid after you make all payments principal, interest settlement charges and fees.	
Annual Percentage Rate	[0.00]%
Your cost over the term of the financing, expressed as a rate. This is not your interest rate.	
Total Interest Percentage	[0.00]%
The total amount of interest you will pay over the financing term as a percentage of the total Payments.	

## Important Financing Terms

Is the Interest Rate Fixed?	Yes
Can the Balance Increase?	No
Is there a Prepayment Penalty?	No
Is there a Balloon Payment?	No
Is the Interest Tax Deductible?	Consult with a tax professional

## Understanding what can change at Settlement

This Truth-in-PACE Disclosure Statement estimates your settlement charges based on an Assessment Recording date of [01/01/2016]. Actual amounts will be calculated based the Actual recording date of your Assessment and will be listed in the Final Cost and Payment Summary.

### Items that Cannot Increase at settlement

- Interest Rate
- Amount Financed
- Recording Fee
- Reserve Deposit.

### Items that Can Increase at settlement

- Program Administrative Expense
- Interest before first payment

## Questions

If you have questions about the financing terms or costs on this form, contact Energy Efficient Equity at:

Phone        1 310 307 4940  
eMail        info@energyefficientequity.com  
Address      10880 Wilshire Blvd Suite 1101  
                 Los Angeles CA 90024  
                 www.EnergyEfficientEquity.com

## Acknowledgements

I understand that by participating in the Program an Assessment will be levied on my property which will result in an additional payment that will be added to my Property Tax Bill and (a) if I refinance my property, my mortgage company may require me to pay off the remaining balance, (b) if I sell my property, the Buyer or their mortgage company may require me to pay off the remaining balance, (c) if I pay my property taxes using an impound account I need to save an estimated \$[o] for my first payment in November [2016] or cause the trustee of such impound account to adjust my payments upon settlement, (d) I should consult a qualified tax professional regarding the tax deductibility of the interest payments and other potential tax benefits of participation in the Program and ownership of eligible improvements financed by the Program.

I declare that I have received, read, and understand this Truth-in-PACE™ disclosure statement.

[Owner Full Name]	<i>[Signature]</i>		
Identity Verification Code	[ID Code]	Date	[01/01/2016]
[Owner Full Name]	<i>[Signature]</i>		
Identity Verification Code	[ID Code]	Date	[01/01/2016]

# Attachment B

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## Eligible Improvements

Renewable Energy	Solar Panels Inverters Wind Power generators Solar Water Heating Micro Turbines Internal Combustion Engines Fuel Cells
Energy Efficiency	High Efficiency Ventilation & Air Conditioning Windows, Doors & Skylights Cool Wall Coatings High Performance Roofing Attic, Wall & Under Floor Insulation Radiant Barriers & Air Sealing High Efficiency Lighting
Water Efficiency	High Efficiency Water Heating High Efficiency Pool Equipment Indoor Water Efficiency Outdoor Water Efficiency Drought Tolerant Landscaping Artificial Turf
Charging stations	Vehicle Charging stations Energy Storage Systems Stationary Fuel Cells
Seismic Retrofits	Structural Improvements Improvements to avoid falling hazards
Custom Projects	Any project permanently affixed to the property that has a quantifiable renewable energy generation, energy savings, water savings or seismic component.



## CALIFORNIA MUNICIPAL FINANCE AUTHORITY

### Criteria for New PACE Administrators

1. Administrator must have capability (individually or as a team) to provide all services necessary to launch and operate a successful PACE program<sup>1</sup>
  - a. Origination
  - b. Servicing
  - c. Assessment/Special Tax Expertise (e.g. coordination with County Assessor, collections and delinquency monitoring and management)
  - d. General Program Administration
  - e. Financing
2. Administrator must identify as part of its team a trustee that (a) is acceptable to CMFA and (b) demonstrates a willingness and ability to act as trustee for a PACE program.
3. Administrator must supply evidence of working relationships with or other access to and ability to manage a network of contractors.
4. Residential PACE Administrators must agree to abide by the CMFA Consumer Protection Policy
5. Administrator must have "committed" access to at least \$5 million in financing to purchase or warehouse PACE loans (or bonds backed by such loans).
6. Administrator must commit to cover all CMFA costs, including costs of validation action(s) to validate documents to be used in its program.
7. Administrator will take the lead in obtaining agreements or other documentation by which counties and cities opt into its program.
8. In the case of residential PACE programs, program documents must include an accurate disclosure to homeowners describing prior FHFA statements regarding PACE and highlighting potential risks associated with such financings.
9. In the case of any public sale of CMFA bonds, program documents must include an official statement containing complete and accurate disclosure of all material information.
10. Administrator will take responsibility for all post-issuance compliance matters, including
  - a. Continuing disclosure
  - b. Any required filings with CDIAC, State Controller or other state agencies
11. Administrator will provide to CMFA such additional items and services as may reasonably be required, such as
  - a. Periodic Reports to CMFA Board (which may include number of projects, cities or counties in which located, whether residential or commercial, etc.)
  - b. Maintaining and updating CMFA web site page(s) describing program, if applicable

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<sup>1</sup> Administrators are encouraged to provide references.



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## **PROPERTY ASSESSED CLEAN ENERGY (“PACE”) SUMMARY AND RECOMMENDATIONS**

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Action	Approve BlueFlame Energy Finance and Structured Finance Associates Program Administrator Agreements
Purpose:	Property Assessed Clean Energy (“PACE”)
Activity:	PACE Financing and Refinancing of Energy Efficiency, Water Efficiency, Renewable Energy Generation and Seismic Improvements
Meeting:	April 29, 2016

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### Background:

Property Assessed Clean Energy (“PACE”) programs help local economies and the environment by providing financing for energy and water efficient improvements and renewable energy systems. Communities with PACE programs have increased construction activity, created jobs, lowered utility bills and reduced greenhouse gas emissions. Through the PACE Program, property owners can apply for low cost financing for improvements such as installing solar energy systems, replacing an old air conditioning system, air sealing and weatherization, and installing insulation. Property owners repay the financing through their property tax bill over the useful life of the installed products.

### Discussion:

On April 8, 2016 the CMFA approved initiating discussions with BlueFlame Energy Finance as a potential program administrator under the CMFA Open PACE Program. In addition, Structured Finance Associates, who the CMFA approved in 2013 as a program administrator under the prior SB555 PACE program, has approached the CMFA to request inclusion in the CMFA AB811 Open PACE Program. Both administrators meet the CMFA Criteria for New PACE Administrators. The Agreements have been reviewed by Jones Hall.

### Public Benefit:

PACE programs encourage energy and water efficiency and diversifies energy sources, both of which reduce the impact on existing infrastructure. Furthermore, PACE programs provide property owners with a low cost alternative to financing major energy and water efficiency improvements and 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 the CMFA Board of Directors approve BlueFlame Energy Finance and Structured Finance Associates Program Administrator Agreements with the CMFA.



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## CALIFORNIA CONTRACT CITIES ASSOCIATION CONFERENCE

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Subject: California Contract Cities Association Conference  
Sponsorship

Meeting: April 29, 2016

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Background:

The Mission of the California Contract Cities Associations (CCCA) is: *“To assist member cities by advocating and advancing the benefits of the contracting model, protecting local control, embracing public/private partnerships and providing educational opportunities for our membership.”* Many of the CCCA member cities are current CMFA members and have previously worked with the CMFA to promote public benefit projects in their jurisdictions.

The California Contract Cities Association's 57th Annual Municipal Seminar is designed to provide opportunities to hear from industry leaders, build and enhance skills and get the latest on cities working together through Finance, Public Safety, and the power of Women and Latinos.

The conference will be held May 12-15, 2016 at the Renaissance Hotel in Indian Wells. The requested sponsorship will not exceed \$1,000.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve sponsorship for the California Contract Cities Association's 57th Annual Municipal Seminar Dinner.



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## INFORMATIONAL ITEMS FOR THE CMFA SUMMARY AND RECOMMENDATIONS

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Item:	Administrative Issues; A., B., C., D., E., F., G.
Action:	Each meeting, the board has the opportunity to discuss, without taking any formal actions on items;  A. Executive Director Report B. Marketing Update C. Membership Update D. Transaction Update E. Legislative Update F. Internal Policies and Procedures G. Legal Update

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## **PROCEDURAL ITEMS FOR THE CMFA SUMMARY AND RECOMMENDATIONS**

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Items: A1, A2, A3

Action: Pursuant to the by-laws and procedures of CMFA, each meeting starts with the call to order and roll call (A1) and proceeds to a review and approval of the minutes from the prior meeting (A2). After the minutes have been reviewed and approved, time is set aside to allow for comments from the public (A3).

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## **CULVER CITY ROTARY PLAZA APARTMENTS SUMMARY AND RECOMMENDATIONS**

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**Applicant:** Retirement Housing Foundation

**Action:** Initial Resolution

**Amount:** \$24,000,000

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

**Activity:** Affordable Housing

**Meeting:** April 29, 2016

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### **Background:**

Retirement Housing Foundation (RHF) is a non-profit organization of 170 communities in 26 states, Washington, D.C., Puerto Rico, and the U.S. Virgin Islands.

RHF provides housing and services to more than 18,000 older adults, low-income families, and persons with disabilities.

The RHF logo symbolizes a program that has grown from the very modest beginnings of a \$7,000 investment. With this investment, combined with the efforts of three United Church of Christ (UCC) visionaries, RHF has grown to be one of the largest organizations devoted to building and preserving affordable housing for the most vulnerable members of society.

The Mission of RHF is to provide various housing options and services for older adults, low income families, and persons with disabilities in an environment which enhances their quality of life physically, mentally, and spiritually. RHF is committed to serving its residents and their local communities.

The Vision of RHF is a society in which all persons have quality, affordable housing thus reducing the difficult choices which would otherwise need to be made between the basic necessities of life. The RHF philosophy and core values state the beliefs of their board of directors, local community boards, and national staff of 2,800.

### The Project:

The Culver City Rotary Plaza is the acquisition/ rehabilitation of an existing age-restricted (62+) and income restricted community consisting of 100-units located at 5100 Overland Avenue, Culver City, CA. The unit mix is made up of twenty-five studio units, sixty-four one-bedroom units and eleven one-bedroom units that are handicap accessible. Built in 1985, the improvements sit on a 53,143 square foot site with surface area for twenty-six parking spaces. Because of the age of the development, substantial renovations are needed. Renovations include the retrofitting of major building systems to increase the physical lifetime and energy efficiency of each building and increase the financial sustainability of the project. The financing of this project will result in preservation of affordable housing for 99 low income senior households in Culver City for the next 55 years.

### The City of Culver City:

The City of Culver City is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$9,926 as part of the CMFA's sharing of Issuance Fees.

### Proposed Construction Financing:

#### Sources of Funds:

Tax-Exempt Bond:	\$ 15,882,656
GP & LP Equity:	\$ 90,079
Seller Loan:	\$ 7,940,000
Deferred Fees:	\$ 876,066
Acquired Reserves:	\$ 453,900
Deferred Developer Fees:	\$ 2,500,000
Total Sources:	\$ 27,742,701

#### Uses of Funds:

Land Acquisition:	\$ 3,460,000
Building Acquisition:	\$ 7,680,000
Hard Construction Costs:	\$ 7,949,145
Architectural & Engineering:	\$ 475,000
Legal & Professional:	\$ 225,000
FF & E:	\$ 200,000
Relocation:	\$ 1,457,450
Other Soft Costs:	\$ 3,633,560
Developer Fee:	\$ 2,500,000
Costs of Issuance:	\$ 162,546
Total Uses:	\$ 27,742,701

Terms of Transaction:

Amount:	\$24,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	September 2016

Public Benefit:

A total of 100 senior households will be able to enjoy high quality, independent, affordable housing in the City of Culver City for another 55 years.

Percent of Restricted Rental Units in the Project: 100%  
100% (70 Units) restricted to 60% or less of area median income households, and  
30% (30 Units) restricted to 50% or less of area median income households.  
Unit Mix: Studio & one-bedroom units  
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	TBD
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Bocarsly Emden Cowan Esmail & Arndt LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$24,000,000 for Culver City Rotary Plaza Apartments affordable multi-family housing facility located in the City of Culver City, Los Angeles County, California.

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

\*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.



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## **COURSON ARTS COLONY WEST APARTMENTS SUMMARY AND RECOMMENDATIONS**

---

Applicant: Meta Housing Corporation

Action: Initial Resolution

Amount: \$39,000,000

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

Activity: Affordable Housing

Meeting: April 29, 2016

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### **Background:**

As one of Southern California's most experienced and trusted developers of affordable and market-rate apartment communities for seniors and families, Meta Housing Corporation has built one of the industry's most successful track records, developing more than 6,000 multifamily residential units.

Meta is a mission-driven, for-profit organization specializing in developing life-enhancing apartment communities. Through these communities, they deliver pride and satisfaction to residents, the Cities they serve, and the partners they work with.

Meta Housing takes pride in developing life-enhancing communities by combining thoughtful design, solid financial resources and important on-site social programs to create outstanding apartment communities.

Their projects are unique in actively engaging the tenants in educational and community programs which enrich the lives of the residents, while enhancing the Cities and neighborhoods in which they live.

### The Project:

The Courson Arts Colony West Apartments project is the proposed new construction development of an 80-unit multifamily apartment project located on a vacant 2.58 acre site seated at the NE corner of East Ave and 9<sup>th</sup> St East, Palmdale, CA. The project will offer one-, two- and three-bedroom units, including 1 two-bedroom manager's unit. All units with the exception of the manager's unit will be restricted to households making between 23% and 45% of Area Median Income. Furthermore, the project will designate supportive services for a total of 40 units. Thirty-six of these units will target an adult tenant population that are Veterans who are chronically homeless or homeless that qualify for the Project Based Vouchers for Veterans Affairs Supportive Housing (PBVASH). The other four units are set aside for Veterans who do not qualify for PBVASH. Common areas will consist of a community room, clubhouse, leasing office, two outdoor lounge areas and an outdoor stage area. The financing of this project will result in creation of affordable housing for 79 low income households in the City of Palmdale for the next 55 years.

### The City of Palmdale:

The City of Palmdale is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$13,000 as part of the CMFA's sharing of Issuance Fees.

### Proposed Construction Financing:

#### Sources of Funds:

Tax-Exempt Bond:	\$ 23,000,000
County of LA Funds:	\$ 2,578,000
City of Palmdale – LAND/HAT:	\$ 1,488,000
AHP:	\$ 1,185,000
Deferred Fee:	\$ 3,891,527
LIH Tax Credit Equity:	<u>\$ 2,656,665</u>
Total Sources:	\$ 34,799,192

#### Uses of Funds:

Land Acquisition:	\$ 6,482,697
New Construction:	\$ 27,594,414
Architectural & Engineering:	\$ 465,581
Legal & Professional:	\$ 140,000
Costs of Issuance:	<u>\$ 116,500</u>
Total Uses:	\$ 34,799,192

### Terms of Transaction:

Amount:	\$39,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	September 2016

Public Benefit:

A total of 79 households will be able to enjoy high quality, independent, affordable housing. The project will provide services and affordable housing for Veterans living in the City of Palmdale for 55 years.

Percent of Restricted Rental Units in the Project: 100%  
100% (79 Units) restricted to 46% or less of area median income households.  
Unit Mix: One, two & three 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:	Bocarsly Emden Cowan Esmail & Arndt LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$39,000,000 for Courson Arts Colony West Apartments affordable multi-family housing facility located in the City of Palmdale, Los Angeles County, California.

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

\*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.



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## **SEA BREEZE TERRACE APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant: MRK Partners, Inc.

Action: Initial Resolution

Amount: \$17,500,000

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

Activity: Affordable Housing

Meeting: April 29, 2016

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### **Background:**

MRK Partners, Inc. is a multi-family real estate investment and asset management firm that specializes in the acquisition, repositioning and preservation of affordable housing. They invest in multi-family real estate in primary U.S. markets including California, Florida, Maryland, Virginia and Washington DC metro area.

MRK Partners was founded by Sydne Garchik, who prior to founding MRK, was directly responsible for the acquisition and asset management of over 3,000 units. Mr. Garchik oversaw the acquisition, renovation and stabilization of over 2,000 affordable units throughout the country, approximately 900 of which were Section 8 properties.

Since its beginning, MRK has developed or acquired more than 2,300 affordable housing units in five states. They are involved in revitalizing California communities through their affordable housing development and property management activities, the partnerships they establish and the investments they make in California neighborhoods, and through the free social services and supportive programs they provide to meet the needs of their residents.

### The Project:

The Sea Breeze Terrace Apartments is an acquisition/ rehabilitation of an existing affordable housing multifamily project. The project is a 92-unit multifamily residential rental facility, located at 3610 Samuel Ave, Oxnard, CA. Due to the age and condition of the project, it is in need of substantial rehabilitation. The scope of renovations will include unit interior rehabilitation, including new carpet and flooring, new cabinets and countertops, as well as new appliances. Renovations will also be done to the common areas and building exterior with an emphasis on making the project more energy efficient and to promote water conservation. This financing will preserve a much needed 92 units of affordable housing for the City of Oxnard for another 55 years.

### The City of Oxnard:

The City of Oxnard is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$9,313 as part of the CMFA's sharing of Issuance Fees.

### Proposed Construction Financing:

#### Sources of Funds:

Tax-Exempt Bond:	\$ 14,900,000
Deferred Developer Fee:	\$ 16,920
Equity:	<u>\$ 6,023,312</u>
Total Sources:	\$ 20,940,232

#### Uses of Funds:

Land Acquisition:	\$ 1,500,000
Building Acquisition:	\$ 13,500,000
Rehabilitation:	\$ 1,840,000
Architectural & Engineering:	\$ 150,000
Legal & Professional:	\$ 200,000
Acquisition Costs:	\$ 55,100
Project Debt & Reserves:	\$ 481,594
Developer Fees:	\$ 2,318,966
Costs of Issuance:	<u>\$ 894,572</u>
Total Uses:	\$ 20,940,232

### Terms of Transaction:

Amount:	\$17,500,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	July 2016

Public Benefit:

A total of 92 low-income households will be able to enjoy high quality, independent, affordable housing in the City of Oxnard for another 55 years.

Percent of Restricted Rental Units in the Project: 100%  
79% (73 Units) restricted to 60% or less of area median income households and  
21% (19 Units) restricted to 50% or less of area median income households.  
Unit Mix: One & two-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:	Downs Pham & Kuei LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$17,500,000 for Sea Breeze Terrace Apartments affordable multi-family housing facility located in the City of Oxnard, Ventura County, California.

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



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## VALENTINE COURT APARTMENTS SUMMARY AND RECOMMENDATIONS

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Applicant: Peoples' Self- Help Housing Corporation

Action: Initial Resolution

Amount: \$8,000,000

Purpose: Finance Affordable Multifamily Rental Housing Facility  
Located in the City of Santa Maria, County of Santa  
Barbara, California

Activity: Affordable Housing

Meeting: April 29, 2016

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### Background:

The Mission of Peoples' Self-Help Housing is to provide affordable housing and programs leading to self-sufficiency for low-income families, seniors and other special needs groups on California's Central Coast.

Peoples' Self-Help Housing ("PSHH") is a national award-winning non-profit organization that creates affordable housing and self-sufficiency programs on California's Central Coast; San Luis Obispo, Santa Barbara, and Ventura Counties.

In 1970 in San Luis Obispo, California, a small group of people and local community leaders were concerned about the lack of affordable housing available to low-income and special needs households. The group learned of a federally sponsored program available to non-profit sponsors to finance the construction of owner built low-income housing. The group incorporated to form Peoples' Self-Help Housing. Since then, the organization has built over 1,100 "sweat equity" and nearly 1,400 affordable rental units. They operate 30 affordable housing complexes in San Luis Obispo, Santa Barbara and Ventura counties. PSHH has helped over 1,150 first time home buyers build and purchase their first home (residents contribute over 2,000 hours of 'sweat equity' in building their home).

### The Project:

The Valentine Court Apartments is an Acquisition/ Rehabilitation of an existing 35 unit apartment property for multifamily renters. The project involves the refinance of an existing HUD 202 project with 4% Low Income Housing Tax Credits and tax-exempt bonds. The rehabilitation will include photovoltaic and solar hot water installation, accessibility and security system upgrades, and unit and community space renovations. The project will be made up of studio and one bedroom apartments for families making 50% or less of Area Median Income. The project is located at 280 E. Newlove, City of Santa Maria, County of Santa Barbara, CA. The rehabilitation will ensure long-term financial sustainability and extend the useful life of the building, and will also extend the HUD use agreement and ensure long-term affordability for residents. The financing of this project will result in retaining 35 affordable apartments for the next 55 years.

### The City of Santa Maria:

The City of Santa Maria is a member of the CMFA and held a TEFRA hearing on October 7, 2014. Another TEFRA is scheduled for June 7, 2016. Upon closing, the City is expected to receive approximately \$3,877 as part of the CMFA's sharing of Issuance Fees.

### Proposed Construction Financing:

#### Sources of Funds:

Tax-Exempt Bond:	\$ 6,203,713
Seller Loan:	\$ 1,059,759
Transferred Reserves:	\$ 136,702
Income from Operations:	\$ 158,000
Deferred Costs:	\$ 318,260
Deferred Developer Fee:	\$ 443,416
Equity:	<u>\$ 150,164</u>
Total Sources:	\$ 8,470,014

#### Uses of Funds:

Land Acquisition:	\$ 380,000
Building Acquisition:	\$ 2,326,702
Rehabilitation:	\$ 4,960,329
Architectural & Engineering:	\$ 60,000
Developer Fee:	\$ 561,155
Cost of Issuance:	<u>\$ 181,828</u>
Total Uses:	\$ 8,470,014

### Terms of Transaction:

Amount:	\$8,000,000
Maturity:	17 years
Collateral:	Deed of Trust
Bond Purchasers:	Private Placement
Estimated Closing:	February, 2017

Public Benefit:

A total of 35 family households will be able to enjoy high quality, independent, affordable housing in the City of Santa Maria. Amenities at the complex will include TV viewing area, community room and on-site laundry rooms. The project will also receive a new security system. The construction of this project will provide seniors affordable living in the City of Santa Maria for another 55 years.

Percent of Restricted Rental Units in the Project: 100%  
100% (35 Units) restricted to 50% of area median income households.  
Unit Mix: studio & 1 bedroom units  
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Gubb & Barshay LLP
Financial Advisor:	Community Economics, Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$8,000,000 for the Valentine Court Apartments multifamily affordable housing project located in the City of Santa Maria, Santa Barbara County, California.

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



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## **PROCEDURAL ITEMS FOR THE CFSC SUMMARY AND RECOMMENDATIONS**

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Items: A1, A2, A3

Action: Pursuant to the by-laws and procedures of CFSC, each meeting starts with the call to order and roll call (A1) and proceeds to a review and approval of the minutes from the prior meeting (A2). After the minutes have been reviewed and approved, time is set aside to allow for comments from the public (A3).

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## CHARITABLE GRANT GUIDELINES

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Recipient: Board Members of the California Foundation for Stronger Communities

Purpose: To Provide an Outline of Charitable Grant Guidelines

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### **CHARITABLE GUIDELINES:**

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

<b>Name</b>	<b>Nominated</b>	<b>Page #</b>
Coastside Medical Dental Clinics Inc aka Sonrisas Community Dental Ce	04/29/2016	7
Families for Children	04/29/2016	11
South Central Scholars	04/29/2016	18
Calicinto Ranch, Inc.	03/18/2016	3
Center Therapy for Handi-Capable Equestrians aka T.H.E. Center	03/18/2016	5
Corona-Norco Settlement House, Inc.	03/18/2016	8
Education Synergy Alliance	03/18/2016	10
South Bay Community Services, Chula Vista Promise Neighborhood Proj	03/18/2016	17
Independent Cities Association, Inc	02/05/2016	14
Alzheimer's Family Services Center	12/11/2015	1
Arrowhead United Way	12/11/2015	2
Home on the Green Pastures	12/11/2015	13
OneOC	12/11/2015	16
The Pure Game	11/20/2015	19
Children's Law Center of California	10/30/2015	6
Tomorrow's Aeronautical Museum	10/09/2015	20
Los Angeles Regional Food Bank	09/18/2015	15
Hispanic Chamber of Commerce Education Foundation	08/28/2015	12
Desert AIDS Project	08/07/2015	9
CCEF (California Consortium of Educational Foundations)	06/26/2015	4

# Index of Charities

Name	List Date	Page #
Alzheimer's Family Services Center	12/11/2015	1
Arrowhead United Way	12/11/2015	2
Calicinto Ranch, Inc.	3/18/2016	3
CCEF (California Consortium of Educational Foundations)	6/26/2015	4
Center Therapy for Handi-Capable Equestrians aka T.H.E. Center	3/18/2016	5
Children's Law Center of California	10/30/2015	6
Coastside Medical Dental Clinics Inc aka Sonrisas Community Dental	4/29/2016	7
Corona-Norco Settlement House, Inc.	3/18/2016	8
Desert AIDS Project	8/7/2015	9
Education Synergy Alliance	3/18/2016	10
Families for Children	4/29/2016	11
Hispanic Chamber of Commerce Education Foundation	8/28/2015	12
Home on the Green Pastures	12/11/2015	13
Independent Cities Association, Inc	2/5/2016	14
Los Angeles Regional Food Bank	9/18/2015	15
OneOC	12/11/2015	16
South Bay Community Services, Chula Vista Promise Neighborhood	3/18/2016	17
South Central Scholars	4/29/2016	18
The Pure Game	11/20/2015	19
Tomorrow's Aeronautical Museum	10/9/2015	20

Alzheimer's Family Services Center

9451 Indianapolis Avenue

Huntington Beach , CA 92646

County

Orange

www.afscenter.org

FEIN

95-3463975

Founded: 2007

Previous Donation: ☐ Yes ☒ No

List Date 12/11/2015

**Mission:**

Alzheimer's Family Services Center was the first dementia care program established in Orange County and has been improving the quality of life for families challenged by dementias for 35 years.

Alzheimer's Family Services Center is the only day care facility in Orange County dedicated exclusively to the care of people with Alzheimer's or another dementia.

Our mission is to improve quality of life for families challenged by Alzheimer's disease or another dementia through services tailored to meet individual needs.

Our vision is to be the premier provider of innovative programs and services dedicated to compassionate, individualized care that improves the lives of individuals and families living with dementia.

**Impact:**

A donation would assist the organization in the continuance of their mission

**Financial Information:** IRS Form 990 for FY 2015

Revenues:	Amount	%	Notes
Government/Earned	\$2,361,796	49.7%	
Contributions	2,392,819	50.3%	
Other	<u>456</u>	<u>0.0%</u>	
Total Revenue:	<u>\$4,755,071</u>	<u>100.0%</u>	
Expenses:			
Program	\$3,502,057	86.3%	
Administration	256,241	6.3%	
Fund Raising	<u>298,744</u>	<u>7.4%</u>	
Total Expenses:	<u>\$4,057,042</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$698,029</u>		
Net Assets:	<u>\$2,076,978</u>		

BOD: Mary Lou Shattuck; Richard Milo; Tiffany Scurry; Peter Foulke; James Remick; Larry Brose; William Burding; Gregory R. Joslyn; Martin Kleinhart; Lisa LaFourcade; Thomas M. Linden; Gwyn Parry; Douglas A. Schaaf; Hong Shune; Tom Sparks; Michael Stephens

Arrowhead United Way

646 N D Street

San Bernardino , CA 92401

County San Bernardino

arrowheadunitedway.org

FEIN

95-1934586

Founded: 1891

Previous Donation: ☒ Yes ☐ No \$40,000 12/11/2015 List Date 12/11/2015

**Mission:**

All donations received will go to the San Bernardino United Relief Fund as Arrowhead United Way will NOT be deducting an administration or any other fees. Donations will be used to address the needs of families, victims, and others affected by the December 2nd shooting.

We here at Arrowhead United Way express our condolences and support for everyone affected by the recent events. San Bernardino is a strong and resilient county that will make it through these trying times with the help of individuals in the community.

Thank you to the all the first responders, law enforcement, and county employees that assisted in this difficult situation.

To the families of the victims, may the love of those around you help you through the days ahead.

**Impact:**

A donation would be restricted to alleviate the challenges that the families of those slain by the recent terrorist attack.

**Financial Information:** Not Applicable

Revenues:	Amount	%	Notes
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Government/Earned

Contributions

Other

Total Revenue:

Expenses:

Program

Administration

Fund Raising

Total Expenses:

Excess/(Deficit) of

Revenues Over Expenses:

Net Assets:

BOD:

Calicinto Ranch, Inc.

PO Box 1225

San Jacinto , CA 92581

County

Riverside

www.calicintoranch.org

FEIN

42-1579061

Founded: 2002

Previous Donation: ☐ Yes ☒ No

List Date 3/18/2016

**Mission:**

Our target population is children, ages seven to fifteen, of incarcerated parents. There are over 70,000 of these victims in Southern California, and statistics show that these children are five times more likely to end up in prison (The Barna Research Group).

The founding family chose to serve this population because of a child's cry to God in a Sunday school classroom for his Daddy that was taken away to prison. Sunday school teacher Sophia Pirelli shared with her family how this little boy touched her heart! That day the Lord put a desire and passion in the hearts of the family to serve and minister to these vulnerable children, and at that point the family chose to dedicate the family ranch to these high-risk forgotten hurting and needy victims.

**Impact:**

A donation would assist the organization in the furtherance of their mission.

**Financial Information:** IRS Form 990 for FY 2013

Revenues:	Amount	%	Notes
Government/Earned	\$221,462	42.4%	
Contributions	300,968	57.6%	
Other			
Total Revenue:	<u>\$522,430</u>	<u>100.0%</u>	
Expenses:			
Program	\$426,891	78.8%	
Administration	85,413	15.8%	
Fund Raising	<u>29,605</u>	<u>5.5%</u>	
Total Expenses:	<u>\$541,909</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$19,479)</u>		
Net Assets:	<u>(\$97,992)</u>		

BOD: Henry Pirelli; Sophia Pirelli; Marcela Pirelli Thompson; Carmela Pirelli Heikkila; Daniela Pirelli; Hanns Manship; Jeff McKinley; Darrel Dixon; Hal Adams; Joe Mudd; Kurt Johnston; Eddie Yeh; Joanne Pirelli; Mel Kennedy; Steve Jordan; Jerry Damato; Bill Cramer

CCEF (California Consortium of Educational Foundations)

PO Box 19290

Stanford , CA 94309 County Santa Clara

www.cceflink.org

FEIN

94-3080595

Founded: 1982

Previous Donation: ☐ Yes ☒ No

List Date 6/26/2015

**Mission:**

The vision of CCEF is to ensure that there are adequate resources to deliver a high-quality education to every child in California. CCEF's mission is to enable all local education foundations to have the knowledge, capacity, and resources to effectively support education in their communities. Improve the capacity of local education foundations to effect positive community engagement, resource development, and educational outcomes for every student in California's public schools. Be the trusted voice for all local education foundations in California by advocating for statewide awareness and policies that better support the work they do. Promote leading practices and standards for nonprofit organizations by being an efficient, ethical, and effective statewide coalition and by sharing best practices among local education foundations. Increase sustainable revenue from diversified sources to build our own capacity to deliver services and support the crucial work we do on behalf of local education foundations.

**Impact:**

A donation would assist the organization in the furtherance of their mission

**Financial Information:** IRS Form 990 for FY 2015

Revenues:	Amount	%	Notes
Government/Earned	\$15,005	52.8%	
Contributions	720	2.5%	
Other	<u>12,677</u>	<u>44.6%</u>	
Total Revenue:	<u>\$28,402</u>	<u>100.0%</u>	
Expenses:			
Program	\$35,328	87.2%	
Administration	4,684	11.6%	
Fund Raising	<u>502</u>	<u>1.2%</u>	
Total Expenses:	<u>\$40,514</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$12,112)</u>		
Net Assets:	<u>\$13,364</u>		

BOD: Caroline O. Boitano; Joan Fauvre; Wayne Padover; Tom Delapp; Lawrence M. Schwab;  
Linda Greenberg Gross; David Cash; Neal Waner

Center Therapy for Handi-Capable Equestrians aka T.H.E. Center

27260 Girard St.

Hemet , CA 92544 County Riverside

www.t-h-e-center.org

FEIN 33-0119318

Founded: 1990

Previous Donation: ☐ Yes ☒ No

List Date 3/18/2016

**Mission:**

Therapeutic Riding Instruction involves teaching children & adults with special needs horse care and horseback riding. Horses can give riders who need help with the ordinary tasks of daily living a sense of freedom and independence. Other benefits include but are not limited to: improved self confidence, increased feelings of accomplishment, improved concentration, improved listening and communication skills, improved sensory awareness, development of empathy and patience, improved balance, and motor and social skill development.

**Impact:**

A donation would assist the organization in the furtherance of their mission

**Financial Information:** IRS Form 990 for FY 2014

Revenues:	Amount	%	Notes
Government/Earned	\$19,836	11.7%	
Contributions	147,834	86.9%	
Other	<u>2,379</u>	<u>1.4%</u>	
Total Revenue:	<u>\$170,049</u>	<u>100.0%</u>	
Expenses:			
Program	\$142,230	50.5%	
Administration	138,059	49.1%	
Fund Raising	<u>1,148</u>	<u>0.4%</u>	
Total Expenses:	<u>\$281,437</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$111,388)</u>		
Net Assets:	<u>\$1,301,173</u>		

BOD: Nadene Funkhouser; Scott Elsmore; Mary Snow; Susan Weeks; Rick Crimeni; Bonnie Wright; Lorraine Ferrini; Paula Henke

Children's Law Center of California

201 Centre Plaza Drive

Monterey Park , CA 91754

County Los Angeles

www.clccal.org

FEIN

95-4252143

Founded: 1990

Previous Donation: ☐ Yes ☒ No

List Date 10/30/2015

**Mission:**

Children's Law Center of California (CLC) is a non profit, public interest law firm that provides legal representation for tens of thousands of children impacted by abuse and neglect. We provide an unparalleled level of expertise in and out of the courtroom. Our highly skilled, passionate and committed attorneys, investigators, and support staff fight to ensure the well being and future success of our clients through a multi-disciplinary, independent and informed approach to advocacy. We are a powerful voice for our clients fighting for family reunification, permanence, educational opportunity, health and mental health services, self-sufficiency and overall well-being. We are a driving force in local, statewide and national policy change and child welfare system reform.

They have offices in Los Angeles, Sacramento, and Lancaster

**Impact:**

A donation would assist them in their mission

**Financial Information:** IRS Form 99p for FY 2013

Revenues:	Amount	%	Notes
Government/Earned	\$21,313,282	97.7%	
Contributions	500,326	2.3%	
Other	<u>4,212</u>	<u>0.0%</u>	
Total Revenue:	<u>\$21,817,820</u>	<u>100.0%</u>	
Expenses:			
Program	\$19,168,268	87.7%	
Administration	2,682,974	12.3%	
Fund Raising	<u>8,756</u>	<u>0.0%</u>	
Total Expenses:	<u>\$21,859,998</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$42,178)</u>		
Net Assets:	<u>\$4,837,190</u>		

BOD: Richard E. Drooyan; Rusty Areias; Gerald Caplan; Frank C. Damrell; Alexandra Denman; Paul L. Reese, Jr.; Leslie Starr Heimov; Rex S. Heinke; Tom Holliday; Nancy Platt Jacoby; Barbara Yanow Johnson; Jo Kaplan; Neal Kaufman; Edward P. Lazarus; Jan Levine; Joseph D. Mandel; Jennifer Perry Tom Pfister; Patricia Phillips; Darrell Steinberg

Coastside Medical Dental Clinics Inc aka Sonrisas Community Dental Center

210 San Mateo Road, Suite 104

Half Moon Bay , CA 94019 County San Mateo

www.sonrisasdental.org

FEIN 94-3390196 Founded: 2001

Previous Donation: ☒ Yes ☐ No \$20,000 2/3/2012 List Date 4/29/2016

**Mission:**

The Sonrisas Community Dental Center was created by of a group of concerned community volunteers in 2001. We are lucky to have such dedicated people aboard to make sure we continue to achieve our mission of providing access to dental care for all low-income Coastside residents. We're also lucky to receive the generous support of individuals and foundations without whom we would be unable to provide care.

Sonrisas offers a full range of general dental services, including: cleanings, fillings, x-rays, root canals, bridges, crowns and dentures

We also educate families in our community on proper dental hygiene so they can maintain oral health throughout their lifetime. Our staff makes sure every patient we treat understands how to prevent problems from recurring, and how to avoid them from developing in infants and children.

**Impact:**

A donation would assist the organization in the furtherance of their mission

**Financial Information:** IRS Form 990 for FY 2014

Revenues:	Amount	%	Notes
Government/Earned	\$245,181	60.4%	
Contributions	160,323	39.5%	
Other	<u>431</u>	<u>0.1%</u>	
Total Revenue:	<u>\$405,935</u>	<u>100.0%</u>	
Expenses:			
Program	\$402,072	77.5%	
Administration	94,689	18.3%	
Fund Raising	<u>21,774</u>	<u>4.2%</u>	
Total Expenses:	<u>\$518,535</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$112,600)</u>		
Net Assets:	<u>\$434,493</u>		

BOD: Nigel Taverner; Andrea Hayes; Paula Krogh; Andrea Braun; Clyde Hinshelwood; Judy Macias; Brian sheppard

Corona-Norco Settlement House, Inc.

507 S. Vicentia Ave

Corona , CA 92882 County Riverside

WWW.settlementhouse.net

FEIN 95-1882915 Founded: 1912

Previous Donation: ☐ Yes ☒ No List Date 3/18/2016

**Mission:**

The mission of the Settlement House is to be a major source of compassion, information, and emergency support for people in the Corona-Norco community facing personal crises that threaten their stability, safety, housing and health.

The Settlement House, an outgrowth of Associated Charities, was founded in 1912 to provide aid to the itinerant farmers coming to Corona to work in the citrus groves. The agency was renamed the Settlement House in 1918 to maintain a program of home education and relief among the needy. Our focus has always remained the same — to help those in need. Programs offered by the Settlement House have evolved to meet the needs and resources in the community. Given recent economic instability those resources are quickly drying up.

**Impact:**

A donation would assist the organization in the furtherance of their mission

**Financial Information:** IRS Form 990 for FY 2014

Revenues:	Amount	%	Notes
Government/Earned	\$44,426	3.5%	
Contributions	1,242,948	96.5%	
Other			
Total Revenue:	<u>\$1,287,374</u>	<u>100.0%</u>	
Expenses:			
Program	\$1,217,437	93.8%	
Administration	70,308	5.4%	
Fund Raising	<u>10,351</u>	<u>0.8%</u>	
Total Expenses:	<u>\$1,298,096</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$10,722)</u>		
Net Assets:	<u>\$353,364</u>		

BOD: Bill Fresquez; Kathy Fichtelman; Sally Carlson; Michelle Krickl; Justice Bishop; Ann Glickman; Christopher Bowen; Amelia Riggs; Rita Wuelfing; Lynne Pullin; Rhonda Mumm; Bonnie Schoof;

Desert AIDS Project  
1695 N. Sunrise Way  
Palm Springs , CA 92262 County Riverside  
www.desertaidsproject.org

FEIN 33-0068583 Founded: 1984

Previous Donation: ☒ Yes ☐ No \$10,000 8/7/2015 List Date 8/7/2015

**Mission:**

Desert AIDS Project is a comprehensive HIV/AIDS service provider, operating an on-site medical clinic, dental clinic, behavioral clinic and a full range of client support services. DAP provides comprehensive HIV education and prevention service including free and confidential HIV testing.

**Impact:**

A donation will contribute to continuing operation of the organization.

**Financial Information:** IRS Form 990 for FY 2013

Revenues:	Amount	%	Notes
Government/Earned	\$14,447,854	67.1%	
Contributions	6,868,904	31.9%	
Other	<u>218,287</u>	<u>1.0%</u>	
Total Revenue:	<u>\$21,535,045</u>	<u>100.0%</u>	
Expenses:			
Program	\$15,967,802	85.2%	
Administration	1,937,049	10.3%	
Fund Raising	<u>829,327</u>	<u>4.4%</u>	
Total Expenses:	<u>\$18,734,178</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$2,800,867</u>		
Net Assets:	<u>\$12,623,343</u>		

BOD: Stephen R. Winters; Gregory E. Seller; Lanny Seese; Sheila A. Williams; Garry C. Kief; Jim Casey; Temi Ketover; Ted Briggs; Keven Bass; Carolyn Caldwell; Robert J. Karl Jr.; Steve Kaufer; Bruce J. Purdy; Curtis Ringness; Frederick J. Drewette; Tammy Fox; Steve Lachs; Barbara Keller

Education Synergy Alliance  
123 Camino del la Reina, Suite 202 South  
San Diego , CA 92108 County San Diego  
sdedsynergy.org

FEIN 27-2938491 Founded: 2012

Previous Donation: ☐ Yes ☒ No List Date 3/18/2016

**Mission:**

When we fail to provide for the education of the next generation, we fail our community. There are sparks of incredible education models throughout San Diego, but too often they remain isolated in their original school or region, or falter before they begin. Launched in October 2013, The Education Synergy Alliance (ESA) is a group of educators, business leaders, community members and innovators charged with scaling the isolated successes in our region.

Our goal is lasting system change, not short-term fixes. We believe we can make this happen by connecting change agents in the community to the partners, ideas and information they need to ensure these initiatives succeed. However, we do not implement programs. We believe the schools and their non-profit partners do it best.

**Impact:**

A donation would assist the organization in the furtherance of their mission

**Financial Information:** IRS Form 990 for Mission Edge for FY 2014

Revenues:	Amount	%	Notes
Government/Earned	\$1,039,646	19.8%	<b>Education Synergy Alliance is a fiscally-sponsored project of Mission Edge San Diego</b>
Contributions	4,210,318	80.2%	
Other			
Total Revenue:	<u>\$5,249,964</u>	<u>100.0%</u>	
Expenses:			
Program	\$2,662,287	81.5%	
Administration	578,870	17.7%	
Fund Raising	<u>24,630</u>	<u>0.8%</u>	
Total Expenses:	<u>\$3,265,787</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$1,984,177</u>		
Net Assets:	<u>\$2,156,990</u>		

BOD: David Lynn; Duane Trombly; Steve Hermes; Molly Cartmill; Cami Mattson; Robin Ritch

Families for Children  
2990 Lava Ridge Court Suite 170  
Roseville , CA 95661  
www.families4children.com

County Placer

FEIN 94-3083329 Founded: 1989

Previous Donation: ☒ Yes ☐ No \$15,000 10/11/2013 List Date 4/29/2016

**Mission:**

Families For Children, Inc is a full service California licensed private Non-Profit 501c(3) Adoption & Foster Family Agency, established in 1989. Our mission is to assist in finding permanent adoptive families for the thousands of California children currently in foster care and provide caring short term foster homes for children temporarily removed from their biological parents. Our experienced professional staff, dedicated donors and volunteers have worked together to build our established reputation for quality services.

Families For Children offers services throughout Northern California for adoptive and foster parents providing care for children in their communities with offices centrally located in Roseville, Chico, Stockton, Fairfield, Oakland, and Santa Clara, California.

**Impact:**

A donation would assist the organization in the continuance of their mission.

**Financial Information:** IRS Form 990 for FY 2013

Revenues:	Amount	%	Notes
Government/Earned	\$3,019,522	99.1%	
Contributions	28,396	0.9%	
Other	<u>211</u>	<u>0.0%</u>	
Total Revenue:	<u>\$3,048,129</u>	<u>100.0%</u>	
Expenses:			
Program	\$2,507,406	83.2%	
Administration	505,360	16.8%	
Fund Raising			
Total Expenses:	<u>\$3,012,766</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$35,363</u>		
Net Assets:	<u>\$389,870</u>		

BOD: Bill Porter; Richard Gray; Aron Brock; Thomas Wilson; Robert Coe

Hispanic Chamber of Commerce Education Foundation

2130 E. 4th Street, Suite 160

Santa Ana , CA 92705

County

Orange

www.ochcc.com

FEIN

90-0100601

Founded: 2004

Previous Donation: ☒ Yes ☐ No \$10,000 3/20/2009 List Date 8/28/2015

**Mission:**

The Lead Center for the Orange County/Inland Empire SBDC, hosted by California State University, Fullerton awarded the Orange County Hispanic Chamber of Commerce as the new host for the Hispanic Small Business Development Center (SBDC) in Orange County. "CSUF is proud to name the Orange County Hispanic Chamber of Commerce as the Hispanic Serving Small Business Development Center for Orange County. As a long standing 'Hispanic Serving Institution' (HSI), CSUF has maintained a commitment to serving and enhancing the contributions of the fastest growing population of students, entrepreneurs, and future leaders. This program will serve as the first of its kind in Southern California and as a model for the rest of the nation." stated Dr. Anil Puri, the Dean of the Mihaylo College of Business & Economics at CSUF.

**Impact:**

This program will provide valuable technical assistance to the small business community. A donation would assist in the program

**Financial Information:** Internal Financials for FY 2015

Revenues:	Amount	%	Notes
Government/Earned Contributions	102,739	100.0%	
Other			
Total Revenue:	<u>\$102,739</u>	<u>100.0%</u>	
Expenses:			
Program	\$86,330	100.0%	
Administration			
Fund Raising			
Total Expenses:	<u>\$86,330</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$16,409</u>		
Net Assets:	<u>\$15,708</u>		

BOD: Clemente Gonzalez; Dr. Anil K. Puri; Reuben D. Franco; Alicia Maciel; David Ceballos; Don Martinez; Eddie Marquez; Isis Calvario; Jose Miguel Amozurrutia; Leila Mozaffari; Maria Cervantes; Michael Cooper; Mitch Seigel; Nydia Kush; Oswaldo Dorantes; Patty Juarez; Paula Garcia-Young; Pricilla Lopez; Richard Porras; Rick Rodriguez Jr.; Sylvia Acosta; Troy Harrison

Home on the Green Pastures  
705 W. La Veta Ave Suite 204C  
Orange , CA 92868  
www.hogp.org/eng/index.html

County Orange

FEIN 33-0572943 Founded: 1993

Previous Donation: ☐ Yes ☒ No

List Date 12/11/2015

**Mission:**

HOGP's mission is simple and yet addresses a profound issue that has serious social consequences. We are dedicated to helping victims of domestic violence in a holistic approach. This approach includes initial contact through the 24-hour hotline, to counseling, to providing shelter, and through relocation. Within these general categories of service there exists a wide range of needs that HOGP works to meet.

HOGP's shelter lies at the heart of the residential program. Women and children who are displaced due to incidents of domestic violence are provided safe, clean, housing, and necessities. The shelter is managed by trained staffs and volunteers who are also acting liaison to the organization's administrative office.

**Impact:**

A donation would assist the organization in the furtherance of their mission

**Financial Information:** IRS Form 990 for FY 2013

Revenues:	Amount	%	Notes
Government/Earned Contributions	177,654	97.2%	Program expenses are low because most of the services are performed by volunteers.
Other	<u>5,211</u>	<u>2.8%</u>	
Total Revenue:	<u>\$182,865</u>	<u>100.0%</u>	
Expenses:			
Program	\$54,633	32.1%	
Administration	95,561	56.2%	
Fund Raising	<u>19,789</u>	<u>11.6%</u>	
Total Expenses:	<u>\$169,983</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$12,882</u>		
Net Assets:	<u>\$612,411</u>		
BOD: Choon Ja Whang; Yeong Hee Choi; Jennifer Kim; Myong Shin Jo; Lee D. Ohm; Patricia Y Uhm			

Independent Cities Association, Inc  
1601 N. Sepulveda Blvd No 744  
Manhattan Beach , CA 90266 County Los Angeles  
www.icacities.org

FEIN 95-3891400 Founded: 1961

Previous Donation: ☐ Yes ☒ No

List Date 2/5/2016

**Mission:**

The ICA Board, in conjunction and in coordination with its legislative consultant, review every single bill and budget proposal that might have impact to the Association. Once items of import have been identified the Board will take action on a limited number of proposals to engage and educate policy makers on the cost/benefit of a proposed item. Because the ICA chooses to actively engage on a select amount of items per year, the Association's track record for success is quite exceptional. Instead of diluting our voice by engaging hundreds of bills, the ICA will target specific items and work hard to achieve an outcome in the best interest of its members.

**Impact:**

A donation would assist them in the continuance of their mission.

**Financial Information:** IRS Form 990 for FY 2014

Revenues:	Amount	%	Notes
Government/Earned Contributions	\$396,050	99.9%	Their Income is from Registration, Membership, Sponsorships, and Commissions
Other	<u>298</u>	<u>0.1%</u>	
Total Revenue:	<u>\$396,348</u>	<u>100.0%</u>	
Expenses:			
Program	\$343,964	87.3%	
Administration	50,198	12.7%	
Fund Raising			
Total Expenses:	<u>\$394,162</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$2,186</u>		
Net Assets:	<u>\$173,116</u>		
BOD: Marie Fellhauer; Micheal O'Leary; Vivian Romero; Robert Gonzales; Ralph Franklin; Laura Friedman + 20 other directors.			

# Los Angeles Regional Food Bank

1734 East 41st Street

Los Angeles , CA 90058 County Los Angeles

www.lafoodbank.org

FEIN

95-3135649

Founded: 1973

Previous Donation: ☒ Yes ☐ No \$5,000 3/4/2011 List Date 9/18/2015

## **Mission:**

The Food Bank, founded in 1973, provides food and other products to people seeking food assistance throughout Los Angeles County. We also energize the community to get involved and support hunger relief through volunteerism, food and fund drives, financial and in-kind support. The Food Bank also conducts hunger education and awareness campaigns and advocates for public policies that alleviate hunger. With the help of 31,000 volunteers and financial supporters, the Food Bank distributed over 60 million pounds of food in 2011 including 14 million pounds of fresh produce. We serve over 1 million individuals throughout Los Angeles County each year. The Food Bank also has nutrition education classes for local schools. Additionally, we make every effort to educate the public about the problem of hunger

## **Impact:**

A donation would assist them in the continuation of their mission

## **Financial Information:** IRS Form 990 for FY 2013

Revenues:	Amount	%	Notes
Government/Earned	\$27,808,691	35.7%	
Contributions	49,995,295	64.3%	
Other	<u>499</u>	<u>0.0%</u>	
Total Revenue:	<u>\$77,804,485</u>	<u>100.0%</u>	
Expenses:			
Program	\$76,648,777	97.3%	
Administration	568,562	0.7%	
Fund Raising	<u>1,522,729</u>	<u>1.9%</u>	
Total Expenses:	<u>\$78,740,068</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$935,583)</u>		
Net Assets:	<u>\$15,858,498</u>		

BOD: Dino Barajas; Karl E. Block; Christina E. Carroll; Bradford E. Chambers; Ravi Chatwani; Joseph E. Davis; Stephanie Edens; Jonathan Friedman; Richard Fung; Whitney Jones Roy; Robert W. Kelly; Gary Kirkpatrick; David Luwisch; Barry Siegal; Mark A. Stegemoeller; Cary STrouse; James A. Thomson; Susan Leonard; Karen Pointer

OneOC

1901 E. 4th Street, Suite 100

Santa Ana , CA 92705

County

Orange

www.oneoc.org

FEIN

95-2021700

Founded: 1958

Previous Donation: ☐ Yes ☒ No

List Date 12/11/2015

**Mission:**

OneOC was founded in 1958 as Newport Bureau of Volunteerism, the very first community service project of the Junior League of Orange County. Newport Bureau of Volunteerism then became the Volunteer Center Orange County. In 2010, the organization rebranded to become OneOC, signaling our expanded services to nonprofits across the county. Since our early beginnings, we have developed ways for people to best use their valuable time and talent to help others. OneOC holds a 57-year track record of encouraging people to become personally involved in making our community a good and welcoming place to live, work, and raise a family. We have grown and matured into the largest and most comprehensive of the 250 volunteer centers nationwide, partnering with Points of Light Institute, HandsOn Network and California Volunteers. In 2015, OneOC launched the Center for Business & Community Partnerships, which helps companies build and grow their giving and employee volunteering programs.

**Impact:**

A donation would assist the organization in the furtherance of their mission

**Financial Information:** IRS Form 990 for FY 2014

Revenues:	Amount	%	Notes
Government/Earned	\$3,343,478	46.8%	
Contributions	3,794,788	53.1%	
Other	<u>6,210</u>	<u>0.1%</u>	
Total Revenue:	<u>\$7,144,476</u>	<u>100.0%</u>	
Expenses:			
Program	\$6,354,448	89.1%	
Administration	441,182	6.2%	
Fund Raising	<u>335,962</u>	<u>4.7%</u>	
Total Expenses:	<u>\$7,131,592</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$12,884</u>		
Net Assets:	<u>\$4,116,866</u>		

BOD: Rob Reindl; Gary Meister; Dave Copley; Mark Tillotson; Marna Bullard; Bassam Fawaz; Jeffrey Bird; Daniel McQuaid

South Bay Community Services, Chula Vista Promise Neighborhood Program

430 F. Street

Chula Vista , CA 91910 County San Diego

www.cvpromise.org and www.southbaycommunityservices.org

FEIN

Founded: 1971

Previous Donation: ☐ Yes ☒ No

List Date 3/18/2016

**Mission:**

Since 1971, South Bay Community Services (SBCS) has developed programs on the belief that family struggles do not remain isolated - families as a whole are affected as well as the communities in which they live. That's why it made perfect sense for SBCS and its collaborative partners to bring the Promise to Chula Vista - a city long recognized as a city of partnerships. Together with SBCS, CVPromise Partners developed an impressive plan for a holistic and seamless continuum of 'cradle to career' solutions to provide a clear and viable pathway to college and career success.

**Impact:**

A donation would assist the organization in the furtherance of their mission

**Financial Information:** IRS Form 990 for FY 2014 South Bay

Revenues:	Amount	%	Notes
Government/Earned	\$23,324,540	93.6%	
Contributions	1,168,011	4.7%	
Other	<u>418,558</u>	<u>1.7%</u>	
Total Revenue:	<u>\$24,911,109</u>	<u>100.0%</u>	
Expenses:			
Program	\$21,832,981	88.4%	
Administration	2,787,794	11.3%	
Fund Raising	<u>82,724</u>	<u>0.3%</u>	
Total Expenses:	<u>\$24,703,499</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$207,610</u>		
Net Assets:	<u>\$538,254</u>		

BOD: Charles Moore; Maria Mora; Dave Rowlands; Anthony Perez; Fran Muncey; Sue Belmonte; Adolfo Gonzales; Ceanne Guerra; Diane Rose; John Nelson; Nancy Kerwin

South Central Scholars  
29000 S WESTERN AVE STE 207  
Rancho Palos Verdes , CA 90275 County  
southcentralscholars.org

FEIN 20-2820261 Founded: 2005

Previous Donation: ☐ Yes ☒ No

List Date 4/29/2016

**Mission:**

At South Central Scholars, our mission is to help motivated, underserved students break the cycle of marginalization and achieve success in college, career and beyond. Working in Los Angeles County, South Central Scholars is committed to bridging the college achievement gap for first generation college students through a unique seven-step replicable model proven to establish a foundation for lifelong success. Many high-achieving high school students from low income families lack the necessary resources to define and support their educational and professional goals. Our core belief is that a college education is the only reliable and predictable way for underserved youth to achieve their full potential.

**Impact:**

A donation would assist the organization in the furtherance of their mission

**Financial Information:** IRS Form 990 for FY 2014

Revenues:	Amount	%	Notes
Government/Earned			
Contributions	1,757,699	98.5%	
Other	<u>27,316</u>	<u>1.5%</u>	
Total Revenue:	<u>\$1,785,015</u>	<u>100.0%</u>	
Expenses:			
Program	\$1,377,625	86.1%	
Administration	189,666	11.9%	
Fund Raising	<u>33,114</u>	<u>2.1%</u>	
Total Expenses:	<u>\$1,600,405</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$184,610</u>		
Net Assets:	<u>\$1,633,503</u>		

BOD: James T. London; Patricia London; Paul Blavin; Brian DePersia; Robert G. Funari; Samuel Garrison; Zelda Harrison; Joan Herman; Rick Hess; Gayle Holcomb; Ramsey Jay, Jr.; Stuart A. Liner; Michael Quick; Jason Rednour; W. Scott Rombach; Cassandra Roy; Alexander Rubalcava; Meiko Takayama; Timothy M. Teagle; Kari Van Gundy; Jeffrey Weiss; R. Douglas Woodruff

The Pure Game  
1505 E. 17th Street, Suite 211  
Santa Ana , CA 92705  
www.thepuregame.org

County Orange

FEIN 26-4083785 Founded: 2009

Previous Donation: ☐ Yes ☒ No

List Date 11/20/2015

**Mission:**

Pure Game is a nonprofit organization that provides mentors "Field Champions" to help children develop character through experiential learning. Pure Game's character education curriculum is facilitated through the game of soccer.

Our Vision is a community of children and youth that are realizing their potential, contributing to the community as young leaders and confidently making positive choices that reflect their unique strengths and personalities.

**Impact:**

A donation would assist the organization in the continuance of their mission.

**Financial Information:** IRS Form 990 for FY 2015

Revenues:	Amount	%	Notes
Government/Earned	\$23,367	7.3%	
Contributions	298,874	92.7%	
Other			
Total Revenue:	<u>\$322,241</u>	<u>100.0%</u>	
Expenses:			
Program	\$211,685	70.4%	
Administration	41,289	13.7%	
Fund Raising	<u>47,518</u>	<u>15.8%</u>	
Total Expenses:	<u>\$300,492</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$21,749</u>		
Net Assets:	<u>\$7,670</u>		

BOD: Tony Everett; Chris Panaia; Jeanette Valencia; Octavio Valente; Jimmy Puccini; Sven Johnston; Erik Woodbury; Zena Peltier; Andy Downer; Mike Franz; Zajid Cova; Frank Acosta; James Dagostino; Ian Thomas; Doug Hall; Erik McGrath

# Tomorrow's Aeronautical Museum

961 W. Alondra Blvd

Compton , CA 90220 County Los Angeles

www.tamuseum.org

FEIN

33-0830637

Founded: 1998

Previous Donation: ☒ Yes ☐ No \$10,000 11/16/2012 List Date 10/9/2015

## **Mission:**

Mission - Tomorrow's Aeronautical Museum is a living classroom bringing aviation history to life and empowering the dreams of youth to take flight. Interactive exhibits explore racial diversity in the evolution of modern flight, while our dynamic nonprofit flight academy and after-school programs offer STEM (science, technology, engineering, and math) enrichment as a compelling alternative to drugs, gangs, violence and other self-destructive activities.

Vision - We envision healthy communities where all youth receive the support they need to graduate high school, go to college, give back to their communities, and become future contributors in the fields of science, aeronautics, and technology.

## **Impact:**

A donation would assist them in their program.

## **Financial Information:** IRS Form 990 for FY 2011

Revenues:	Amount	%	Notes
Government/Earned	\$233,146	70.2%	
Contributions	99,099	29.8%	
Other			
Total Revenue:	<u>\$332,245</u>	<u>100.0%</u>	
Expenses:			
Program	\$346,177	79.5%	
Administration	60,902	14.0%	
Fund Raising	<u>28,528</u>	<u>6.5%</u>	
Total Expenses:	<u>\$435,607</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$103,362)</u>		
Net Assets:	<u>(\$430,193)</u>		

BOD: Tony Marshall; Omarosa Manigault; Susan Viach; Mark D. Collins; Andy Harber; Ttis Hooper; Gary Roy; John Schneider; Robin Petgrave; Joseph R. Turner



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## AUDIT FIRM ENGAGEMENT SUMMARY AND RECOMMENDATIONS

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Subject:           Audit Firm Engagement

Meeting:          April 29, 2016

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Discussion:

The CMFA and CFSC are required to have an audit of the general purpose financial statements conducted each year by an independent audit firm. In addition, the CFPF must file an annual tax return. In January 2016, the CMFA & CFSC extended the Macias Gini & O'Connell ("MGO") engagement for another three years.

The FY2016 audit is the first audit under the new engagement with MGO and will be done at a not-to-exceed cost of \$35,100 as follows.

	<u>2016</u>
CMFA Audit	23,900
CFSC Audit	8,200
CFPF Tax Return	<u>3,000</u>
	\$ 35,100

Recommendation:

The Executive Director recommends the firm of Macias Gini & O'Connell be approved to conduct the FY2016 CMFA and CFSC audits and the CFPF tax return.

## Donations as of 4/8/16

