



PROCEDURAL ITEMS FOR THE CMFA SUMMARY AND RECOMMENDATIONS

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).



APPROVE AUDIT SUMMARY AND RECOMMENDATIONS

Subject: Approve Audit

Meeting: May 18, 2018

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 FY2018 audit is the third audit under the current engagement with MGO and will be done at a not-to-exceed cost of \$35,760 as follows.

	<u>2018</u>
CMFA Audit	24,300
CFSC Audit	8,400
CFPF Tax Return	<u>3,060</u>
	\$ 35,760

Recommendation:

The Executive Director recommends the firm of Macias Gini & O'Connell be approved to conduct the FY2018 CMFA and CFSC audits and the CFPF tax return.



2018 CMFA/ CFSC/ CFPF Regular Meeting Schedule

Meetings will begin at 11:00 am at City Hall, 200 S. Anaheim Blvd, 6th Floor, Anaheim, CA 92805 unless noted with an *.

January '18						
Su	M	Tu	W	Th	F	Sa
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28	29	30	31			

February '18						
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March '18						
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April '18						
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May '18						
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June '18						
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July '18						
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August '18						
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September '18						
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October '18						
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November '18						
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December '18						
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CMFA Meetings



Holidays

* Please refer to posted agenda for correct time and addresses of meeting.



RESCIND RESOLUTION 13-97

Subject: Rescind Resolution Number 13-97 Adopted on October 11, 2013 Relating to the Approving of Local Goals and Policies Concerning the Use of the Mello-Roos Community Facilities Act of 1982.

Meeting: May 18, 2018

Background:

On October 11, 2013, the Board, by unanimous vote, adopted a resolution (resolution 13-97) approving CMFA local goals and policies for Community Facilities Districts, as required under the Mello-Roos Community Facilities Act of 1982, as amended. The Board is considering updated local goals and policies for Community Facilities Districts which enable the CMFA to better serve the state.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors Rescind Resolution Number 13-97 Adopted on October 11, 2013.



DISCUSS AND APPROVE THE LOCAL GOALS AND POLICIES OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY FOR COMMUNITY FACILITIES DISTRICTS

Action:	Approval of Local Goals and Policies of the California Municipal Finance Authority for Community Facilities Districts
Purpose:	Finance Public Infrastructure Throughout California to Help Increase Housing in the State
Activity:	Infrastructure Financing
Meeting:	May 18, 2018

Background:

New residential development often challenges the mission of municipalities to provide infrastructure and schools in a timely manner, since new development triggers the need to construct, acquire, or otherwise provide additional public facilities to accommodate that growth.

Many municipalities throughout California use Community Facilities District (“CFD”) financing which utilizes the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53311 et seq.) to raise revenues for the capital improvement needs of participating local agencies. CFD financing offers financing flexibility commonly used by cities, schools and other local agencies throughout the State to generate funds for the timely payment of public facilities, including development impact fees for facilities.

Program:

The proposed Bond Opportunities for Land Development (“BOLD”) program (sometimes referred to herein as the “Program”) is intended to be offered by the California Municipal Finance Authority (“CMFA”) and designed to help developers, municipalities and schools throughout the State work together to cost effectively finance public infrastructure projects and development impact fees through bonds issued by a CFD formed under the California Mello-Roos Act.

The Program offers developers the opportunity to finance public infrastructure, as well as impact fees associated with new development, for municipalities and school districts, with the favorable interest rates associated with tax-exempt bonds. Repayment of the annual debt service on the bonds is facilitated by the levy of a special tax, under the special taxing authority provided by a

CFD, on property within the boundaries of the Project and payable by home buyers or other end users - a typical financing method for new development in California

Sections 53312.7(a) and 53345.8 of the California Government Code require that the CMFA consider and adopt local goals and policies concerning the use of the Mello-Roos Community Facilities Act of 1982 (the "Act"), prior to the initiation of proceedings to establish a new community facilities district ("CFD") under the Act.

These Local Goals and Policies for Community Facilities Districts (these "Policies") provide guidance and conditions for the conduct by the CMFA of proceedings for, and the issuance of bonds secured by special taxes levied in, a CFD established under the Act. These Policies are intended to be general in nature; specific details will depend on the nature of each particular financing. These Policies are applicable to financings under the Act and are intended to comply with Section 53312.7 (a) of the Act. These Policies may be amended or supplemented by resolution of the Board of Directors at any time.

Risk Profile:

While the amount of CFDs issued annually changes based on the level of development, in 2017 there were 75 CFD bond issues in California for \$1.4 billion. As of May 2018, there were \$16.9 billion in outstanding Mello-Roos bonds for 921 separate districts, with 1,455 different series of bonds issued. These bonds were issued by cities, counties, special districts and school districts. Local agencies typically agree to form a CFD to encourage development and to provide for accelerated funding of infrastructure.

While there have been some defaults in this sector, the actual number of defaults is extremely low due to how these bonds are structured. Compared to other transactions, these financings are typically structured with higher value to lien ratios. As outlined in the CMFA Goals and Policies, the value of the property within a CFD that is financed by CMFA through the BOLD program must have value more than four times the bonds being issued. For example, if \$5 million was being raised, the underlying property would have to have an appraised value of at least \$20 million. Additionally, property taxes have a priority lien over any private lien (mortgage, etc.). So, to the extent that a property owner misses a tax payment, their lender will make up the shortfall or have their lien extinguished. Finally, these districts typically begin as unrated credits but as they mature they become eligible for investment grade ratings and bond insurance.

According to a report produced by the Committee of Assessments, Special Taxes & Other Financing Facilities (CASTOFF), during the period from 2000 to 2013, there were 1,510 CFD bonds issued, and only two had payment defaults on the bonds.

Public Benefit:

The adoption of the Local Goals and Policies is a prerequisite for the creation of any CFD by CMFA and must occur prior to the establishment of a CFD in connection with the Program. The CMFA BOLD program is designed to finance required public infrastructure to be delivered when needed to meet the needs of new housing developments. The benefit provided from this infrastructure program will assist in the development of new housing, which is desperately needed to meet the current lack of available supply within California.

Anticipated Finance Team:

Underwriter:	Piper Jaffray & Co.
Bond/Disclosure Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Special Tax Consultants:	Goodwin Consulting and Koppel & Gruber
Appraiser:	Integra Realty Resources

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Local Goals and Policies concerning the use of the Mello-Roos Community Facilities Act of 1982.



LAX INTEGRATED EXPRESS SOLUTIONS, LLC

Applicant: LAX Integrated Express Solutions, LLC

Action: Initial and Final Resolution

Amount: \$1,500,000,000

Purpose: Finance and/or Refinance the Design, Acquisition, Construction, Reconstruction, Development, Expansion, Improvement, Equipping and/or Modifications of the Automated People Mover Train System at Los Angeles International Airport, City of Los Angeles, Los Angeles County, California.

Activity: Airport Facilities

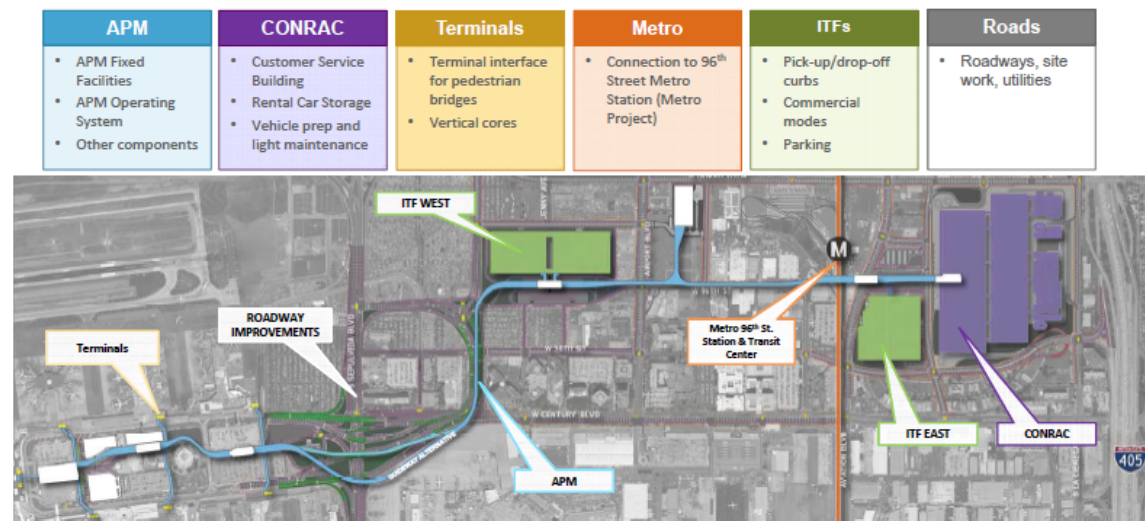
Meeting: May 18, 2018

Background:

According to ACI statistics, Los Angeles International Airport ("LAX") was the busiest origin/destination airport in the United States in 2016, reporting traffic figures of approximately 80.9 million passengers, with approximately 50% of departing passengers arriving at the airport by car, resulting in over 6,000 cars per hour entering the airport during peak periods. Current traffic projections of the Los Angeles World Airports (the "Department") forecast a passenger growth to over 96 million by 2030.

The Automated People Mover Project (the "APM Project") is part of a multi-billion dollar modernization program being undertaken by the Department at LAX. This program includes terminal renovations, airside improvements and the LAX Landside Access Modernization Program ("LAMP"). The APM Project is a key element of the LAMP, as it will connect the LAX Central Terminal Area ("CTA") airline terminals and airport garages with two anticipated intermodal transportation facilities ("ITFs"), an expected Consolidated Rent-A-Car Facility ("ConRAC") and existing and future Metro facilities. Other than the APM Project, the other projects contemplated in the LAMP are in various stages of development, including analysis of financing such projects, and the additional elements may be modified or abandoned by the Department for any reason.

Overview of LAMP:



The APM Project is being undertaken by LAX Integrated Express Solutions LLC, a Delaware limited liability company (“LINXS” or the “Borrower”), pursuant to a Design-Build-Finance-Operate-Maintain Agreement (the “DBFOM Agreement”). Under the DBFOM Agreement, the Department has granted to the Borrower and the Borrower has accepted the obligation to design, build, finance, operate and maintain the APM Project, including the supply of the passenger vehicles, running surfaces or track, switches, other guideway equipment, active graphics, platform barrier doors, platform barrier walls, power distribution, central control and automated train control, communications, maintenance equipment, and all other equipment which, when integrated, results in the operation of the vehicles in conformance with the contractual requirements described in the DBFOM Agreement (the “APM Operating System”), the performance of renewal work related to the capital replacement, reconstruction, overhaul, refurbishment and reinstatement of the APM Project, the handback of the APM Project at the end of the expiration or earlier termination of the Term, and performance of all other activities relating to the foregoing not specifically retained by the Department for the APM Project.

The Term of the DBFOM Agreement commenced on April 11, 2018 and will expire 30 years after the Financial Close Date, subject to the right of the parties to terminate the DBFOM Agreement earlier in accordance with its terms.

The Department is designated a proprietary department of the City. The City is a municipal corporation and chartered city duly organized and existing under and pursuant to the provisions of the Constitution of the State of California and the Charter of the City of Los Angeles. The City, acting through the Department, operates and maintains Los Angeles International Airport and Van Nuys Airport.

The Department is not a party to any of the Financing Documents other than the Lender’s Direct Agreement and the Department Continuing Disclosure Certificate and is not subject to any of the covenants or other restrictions contained in any of the other Financing Documents. The Department is not restricted from issuing additional bonds or incurring any other debt which may be supported by or secured by the Department’s revenues and the payment of which may be senior to any of the payments to be made by the Department to the Borrower pursuant to the DBFOM Agreement. None of the amounts due to the Borrower from the Department pursuant to the DBFOM Agreement are secured by any lien on any funds or assets of the Department.

Pursuant to the DBFOM Agreement, the Department is required to make (i) Milestone Payments to the Borrower upon its completion of certain design and construction milestones, (ii) Additional D&C Payments to the Borrower upon the occurrence of certain dates and conditions and (iii) during the O&M Period, Availability Payments to the Borrower for the APM Project available for passenger service in accordance with the requirements therein, subject to Deductions for the Borrower's failure to meet certain performance and maintenance standards as described therein. Milestone Payments, Additional D&C Payments and Availability Payments are the Borrower's sole expected source of Project Revenues. In addition, in certain circumstances, the Department is required to make a payment to the Borrower in connection with certain compensation events and early termination of the DBFOM Agreement

Developer:

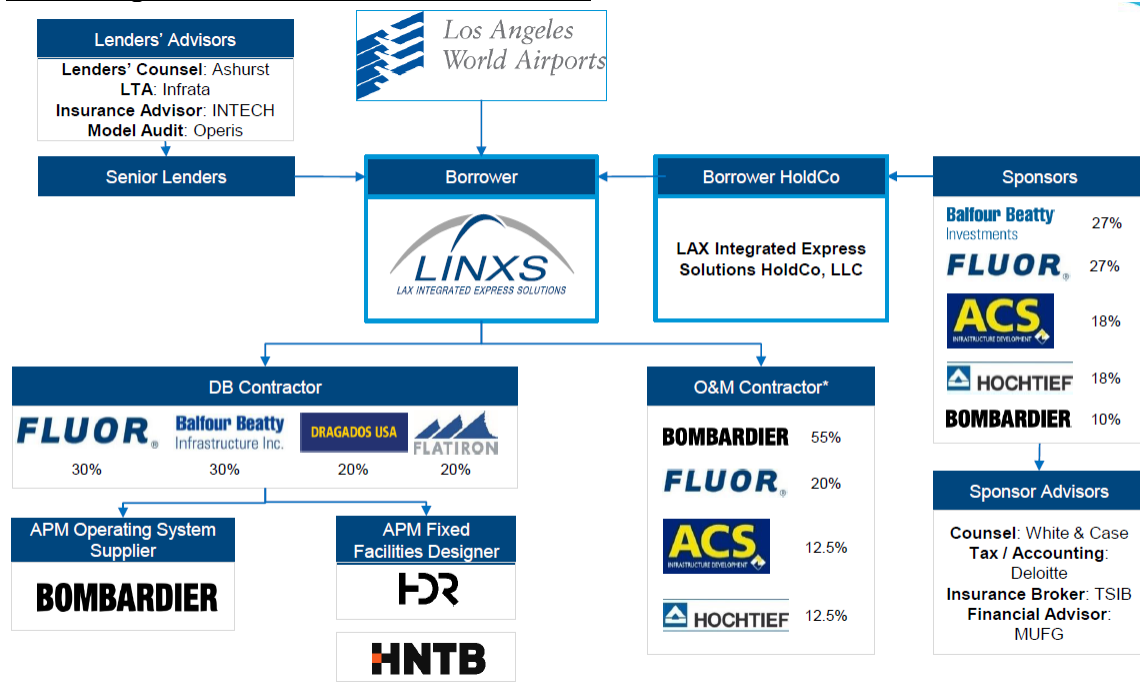
The developer, LINXS, is a special purpose vehicle, formed as a Delaware limited liability company, for the sole purpose of undertaking the APM Project. LAX Integrated Express Solutions HoldCo, LLC ("Borrower HoldCo") is the direct holder of one percent of the outstanding members interest of the Borrower. Borrower Holdco is directly owned by ACS LINXS Holdings, LLC, Balfour Beatty Investments, Inc., Bombardier Transportation (Holdings) USA Inc., Fluor Enterprises, Inc. and HOCHTIEF LINXS Holding, LLC (collectively, the "Equity Members").

The Borrower's obligations under the loan agreement are non-recourse obligations of the Borrower and in no event will all or any of the Equity Members or their parent companies have any obligation with respect to any payment related to the bonds (except as relating to the Equity Members' equity contributions solely to the extent contemplated in the respective equity contribution agreements).

The supply of the INNOVIA APM 300 vehicles (driverless transportation system specially designed to serve airports and dense urban areas) is being undertaken by the Bombardier Transportation (Holdings) USA Inc., as a subcontractor to the Design-Build Contractor, pursuant to the APM Operating System Subcontract.

Pursuant to the DBFOM Agreement, commencing on the Passenger Service Availability Date, the Borrower is required to operate and maintain the portion of the APM Project located within the O&M Limits. Substantially all of the operation and maintenance work relating to the APM Project within the O&M Limits is being undertaken by an unincorporated joint venture of ACS LINXS O&M Holdings, LLC, HOCHTIEF Operators Holding, LLC, Bombardier Transportation (Holdings) USA Inc. and Fluor Enterprises, Inc., doing business as LINXS Operators (the "O&M Contractor") pursuant to the O&M Contract.

LINXS Organizational and Contractual Structure:



The Project:

The Borrower has requested that the CMFA participate in the issuance of one or more series of bonds, notes, certificates or other obligations in an aggregate principal amount not to exceed \$1,500,000,000 (collectively, the “Bonds”) for the design, acquisition, construction, reconstruction, development, expansion, improvement, equipping and/or modification, as appropriate, of certain capital improvements relating to the 2.25 mile long automated people mover train system (the “Project”), running from a consolidated rental car facility to be constructed located near La Cienega Boulevard and the 405 Freeway and terminating at the Tom Bradley International Terminal at LAX in the City of Los Angeles, California (the “City”), which will be owned and operated by the Department. The Project will include, among other things, approximately 2.25 miles of elevated guideway, passenger cars that will travel along the guideway transporting passengers to and from LAX, six passenger stations (three located inside the Central Terminal Area (“CTA”) at LAX and three located outside the CTA), pedestrian passenger walkway structures connecting the stations inside the CTA with the terminals at LAX, parking garage improvements, a maintenance and storage facility (to be located east of Airport Boulevard between Arbor Vitae and 96th Street), various utility and roadway improvements, and certain other improvements related to the Project.

The Borrower anticipates that the costs to complete the design and construction of , and supply of vehicles for, the APM Project will be paid from the following sources (in no particular order): (i) equity contributions received by the Borrower from the Equity Members on the terms and conditions set forth in the Equity Contribution Agreement, (ii) the proceeds of the issuance of the Series 2018 Bonds and interest income on such proceeds, (iii) the proceeds of the Design-Build Loan Facility, (iv) Milestone Payments received from the Department under the DBFOM Agreement, (v) Additional D&C Payments received from the Department under the DBFOM Agreement and (vi) interest earned on amounts held in the Construction Account during construction.

City of Los Angeles:

The project is located in the City of Los Angeles. The City is a member of the Authority and held a TEFRA hearing May 1, 2018 and the financing was approved by Certificate of the Mayor on May 3, 2018. The City will share a portion of the issuance fees as part of CMFA's fee sharing. Additionally, a local non-profit(s) will also benefit through a charitable donation.

Proposed Financing:

Sources of Funds (Construction):

ST Bank Facility	\$	262,912,000
LT PABs – Proceeds Account Drawdown		1,285,040,000
Equity Distribution		96,116,000
Releases from Milestone Payment Account		1,031,667,000
Interest Income During Construction		48,819,000
Total Sources	\$	2,724,554,000

Uses of Funds (Construction):

Design Build Construction Costs	\$	1,970,693,000
Funding of Utility Owners' Cost Account		50,000,000
SPV, Insurance, Development		57,208,000
O&M Mobilization		18,186,000
Financing/DSRA/Equity LC		52,662,000
Interest Paid During Construction		286,656,000
Principal Repayment – ST Bank Facility		262,912,000
Taxes Paid During Construction		26,237,000
Total Uses	\$	2,724,554,000

The amounts presented above are preliminary and subject to change.

Terms of Transaction:

Amount:	\$1,500,000,000
Rate:	Fixed rate
Rating:	Estimated BBB+
Maturity:	June 2048
Security:	Direct, secured and unconditional obligations of the Borrower
Project Revenues:	Department agrees in the DBFOM Agreement to make Milestone Payments, Additional D&C Payments and Availability Payments to the Borrower. The Borrower will assign its right to receive these amounts to the Collateral Agent for the benefit of all Secured Lenders (including Bond Owners)
Department Payments:	Unsecured contractual obligation without priority
Offering:	Public
Estimated Closing:	June 2018

Public Benefit:

LAX was the busiest origin/destination airport in the United States in 2016, reporting traffic figures of approximately 80.9 million passengers. Some of the challenges LAX is experiencing today include heavy traffic congestion during peak hours; buses, shuttles and cars competing for limited space; and passengers stuck in crowded and uncomfortable conditions along the curb. The APM and other components of the LAMP will accomplish the following:

- Relieve traffic congestion within the Central Terminal Area and the surrounding street network
- Give passengers a fast and reliable way to get to their flights
- Create new convenient locations for passenger pick-up, drop-off and parking outside of the Central Terminal Area
- Reduce vehicle emissions and improve air quality
- Provide a direct connection to public transit (including Metro's regional rail and bus system)

LINXS's sole purpose is to design, build, finance, operate and maintain the Automated People Mover Project. The development, construction and operation of the Project is a legitimate government function and burden in connection with their obligation to plan, manage, operate and improve Los Angeles International Airport for the benefit of the residents of the City of Los Angeles, the State of California and the traveling public.

Finance Team:

Underwriter:	Bank of America Merrill Lynch, Citigroup, Ramirez & Co.
Underwriter Counsel:	Ashurst LLP
Bond Counsel:	Nixon Peabody LLP
Borrower Counsel:	White & Case LLP
Issuer Counsel:	Jones Hall, APLC
LAWA Counsel:	Nossaman LLP, Polsinelli LLP
Financial Advisor:	MUFG Project Finance
Trustee/ Collateral Agent:	U.S. Bank National Association
Rating Agency:	Fitch
Project Consultant:	Infrata

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial and a Final Resolution in the amount of up to \$1,500,000,000 in senior lien revenue bonds to design, build, finance, operate and maintain the automated people mover at Los Angeles International Airport located in the City of Los Angeles, County of Los Angeles.



KENSINGTON CAMPUS II APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: InSite Development, LLC

Action: Initial Resolution

Amount: \$13,000,000

Purpose: Finance Affordable Multifamily Rental Housing Facility
Located in the City of Lancaster, County of Los Angeles,
California

Activity: Affordable Housing

Meeting: May 18, 2018

Background:

InSite Development acquires, rehabilitates and develops properties in the Southern California area for their own portfolio. Insite's affiliated company, Ironwood Management, operates and manages the day to day business of this 2,600+ unit, quarter billion-dollar portfolio. InSite's 15+ years of experience in both market rate and affordable multi-family housing allows the team to see opportunities where others may not. The purpose of InSite is to leverage their team's intrinsic energy, creativity, relationships and experience to unleash existing financial resources in partnerships with local social service providers and community leaders to create a true social impact through the creation of new housing. InSite's core strength is the company's ability to identify and move quickly on undervalued land and acquisition/rehabilitation properties and then to creatively secure financing sources to execute its vision for quality housing. The company's geographic focus gives them important competitive advantages and knowledge of local markets, city governments and social economic needs.

InSite Development prides itself in taking a product and making it better by prioritizing rehabilitation, sometimes substantial, and upgrades to create an environment of affordable elegance. Beyond basic rehabilitation repairs like new roofs and paint, InSite also offers amenities such as pools, gyms, tennis courts and panoramic views. But above all else, or perhaps most importantly, InSite Development feature properties are all at low market rent and all in a place anyone would be proud to call home.

The Project:

The Kensington Campus II Apartments project is the new construction of a 51-unit affordable multi-family housing development for the chronically homeless. This is the second phase of the Kensington Campus. The project is to be located on land that is currently vacant, located at the corner of Avenue I and 32nd Street West, in Lancaster, California. The development will consist of 51 one-bedroom units. Rents will be restricted to households making less than 30% of AMI. The units will range in size from 500 to 965 square feet and will consist entirely of 1-bedroom units. The project will be located close to public transportation, retail marketplaces and public schools. The financing of this project will result in the creation of 50 affordable apartments in the City of Lancaster for the next 55 years.

The City of Lancaster:

The City of Lancaster is a member of the CMFA and is scheduled to hold a TEFRA hearing on June 12, 2018. Upon closing, the City is expected to receive approximately \$5,000 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 8,000,000
LIH Tax Credit Equity:	\$ 192,821
CDC NOFA 23:	\$ 6,800,000
Owner Equity:	<u>\$ 181</u>
Total Sources:	\$ 14,993,002

Uses of Funds:

New Construction:	\$ 11,182,000
Furnishings, Appraisal, Market Study, Fees:	\$ 843,620
Architectural & Engineering:	\$ 475,000
Legal & Professional:	\$ 121,000
Const. Interest, Taxes & Insurance:	\$ 385,000
Reserves:	\$ 483,746
Contingencies:	\$ 450,000
Developer Fee:	\$ 671,636
Cost of Issuance:	<u>\$ 381,000</u>
Total Uses:	\$ 14,993,002

Terms of Transaction:

Amount:	\$13,000,000
Maturity:	17 years
Collateral:	Deed of Trust
Bond Purchasers:	Private Placement
Estimated Closing:	August 2018

Public Benefit:

A total of 50 households will be able to enjoy high quality, independent, affordable housing in the City of Lancaster. On-site social services for chronically homeless residents will be provided by Ocean Park Community Center aka The People Concern. The construction of this project will provide affordable living for the chronically homeless in the City of Lancaster for 55 years.

Percent of Restricted Rental Units in the Project: 100%
100% (50 Units) restricted to 30% of area median income households.
Unit Mix: 1-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Kutak Rock, 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 \$13,000,000 for the Kensington Campus II Apartments multifamily affordable housing project located in the City of Lancaster, Los Angeles County, California.

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



DINO PAPAVERO SENIOR CENTER APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Elderly Housing Development and Operations Corporation

Action: Initial Resolution

Amount: \$18,700,000

Purpose: Finance Affordable Rental Housing Facility Located in the City of Fontana, San Bernardino County, California

Activity: Affordable Housing

Meeting: May 18, 2018

Background:

Elderly Housing Development & Operations Corporation (“EHDOC”) develops and manages safe, secure, and affordable housing for senior citizens across the United States. EHDOC advocates for the highest quality of life for the seniors of today and tomorrow. EHDOC currently sponsors and manages 53 affordable senior housing communities and has one project under development, comprising nearly 5,000 apartments in 15 states as well as Washington DC and Puerto Rico. EHDOC is a not for profit 501(c)3 organization that was formerly known as the National Council of Senior Citizens Housing Management Corporation. It was founded in 1978 by the National Council of Senior Citizens, the organization that strongly advocated for Medicare, Social Security, and the Older Americans Act. EHDOC is a national leader and advocate at all levels of government in promoting independent living and life enrichment for seniors.

EHDOC is distinguished by a reputation for developing and managing quality affordable senior housing communities, which consistently receive high ratings from the U.S. Department of Housing and Urban Development (HUD) in management and physical reviews. Their professional, specially trained on-site Management Teams are committed to EHDOC’s principles and high standards, ensuring that the properties are well-maintained and that the residents’ comfort and safety are always their primary concern.

EHDOC has fully trained staff to manage and develop Low-Income Housing Tax Credit properties. Whether managing, refinancing or writing grants, EHDOC manages the full spectrum of affordable senior properties. Their outstanding Service Coordinators identify and partner with resources in the community to provide supportive services to their residents. Service Coordinators

encourage resident interaction, provide needs assessments and educational and wellness programming. Their properties have less than a 4% turnover rate due to EHDOC's belief of "Aging in Place" and commitment to provide supportive services from their Service Coordinators. Less than 2% of these residents end up moving to an Assisted Living Facility or a Nursing Home.

The Project:

Dino Papavero Senior Center Apartments is an acquisition/rehabilitation of a 151-unit project serving seniors located in the City of Fontana at 16707 Marygold Avenue. The site consists of one 8 – story tower. The property has easy access to Interstate 10 and easy access to major retail shopping, senior citizens' community center, restaurants, airport, public transportation and entertainment. Units will be rented to seniors earning between 30% and 60% AMI. The planned renovation will include site work, exterior façade work, new windows, interior common areas and office renovations, apartment renovations and building systems such as elevators, roof, HVAC, electric, plumbing, water pumps, generators, and fire alarm systems. This financing will preserve 150 units of affordable housing for seniors in the City of Fontana for 55 years.

The City of Fontana:

The City of Fontana is not currently a member of the CMFA and will be asked to join and hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$10,625 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 17,000,000
FHA Insured Mortgage Loan:	\$ 6,781,900
Seller Note:	\$ 11,692,498
Deferred Developer Fee:	\$ 202,892
Existing Reserves:	\$ 1,057,420
Tax Credit Equity:	\$ 8,401,262
Total Sources:	\$ 45,135,972

Uses of Funds:

Land Acquisition:	\$ 1,200,000
Building Acquisition:	\$ 13,600,000
Rehabilitation:	\$ 7,200,000
Additional Non-Mortgageable Cost:	\$ 688,990
Architectural & Engineering:	\$ 350,000
Developer Fee:	\$ 2,800,300
Repayment of Short-Term TEB's:	\$ 17,000,000
Construction Period Interest:	\$ 362,408
Contingency & FF&E:	\$ 845,000
Title, Insurance, Rec, Financing:	\$ 850,824
Costs of Issuance:	\$ 238,450
Total Uses:	\$ 45,135,972

Terms of Transaction:

Amount:	\$18,700,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	December 2018

Public Benefit:

A total of 150 low income senior households will continue to enjoy high quality, independent, affordable housing in the City of Fontana for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
10% (15 Units) restricted to 30% or less of area median income households, and
90% (135 Units) restricted to 60% or less of area median income households.
Unit Mix: 1- and 2-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Squire Patton Boggs LLP
Issuer Counsel:	Jones Hall, APLC
Lender Council:	TBD
Borrower Counsel:	Bocarsly Emden Cowen Esmail & Arndt LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$18,700,000 for Dino Papavero Senior Center Apartments affordable multi-family housing facility located in the City of Fontana, San Bernardino County, California.

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



LAX INTEGRATED EXPRESS SOLUTIONS, LLC

Applicant: LAX Integrated Express Solutions, LLC

Action: Initial and Final Resolution

Amount: \$1,500,000,000

Purpose: Finance and/or Refinance the Design, Acquisition, Construction, Reconstruction, Development, Expansion, Improvement, Equipping and/or Modifications of the Automated People Mover Train System at Los Angeles International Airport, City of Los Angeles, Los Angeles County, California.

Activity: Airport Facilities

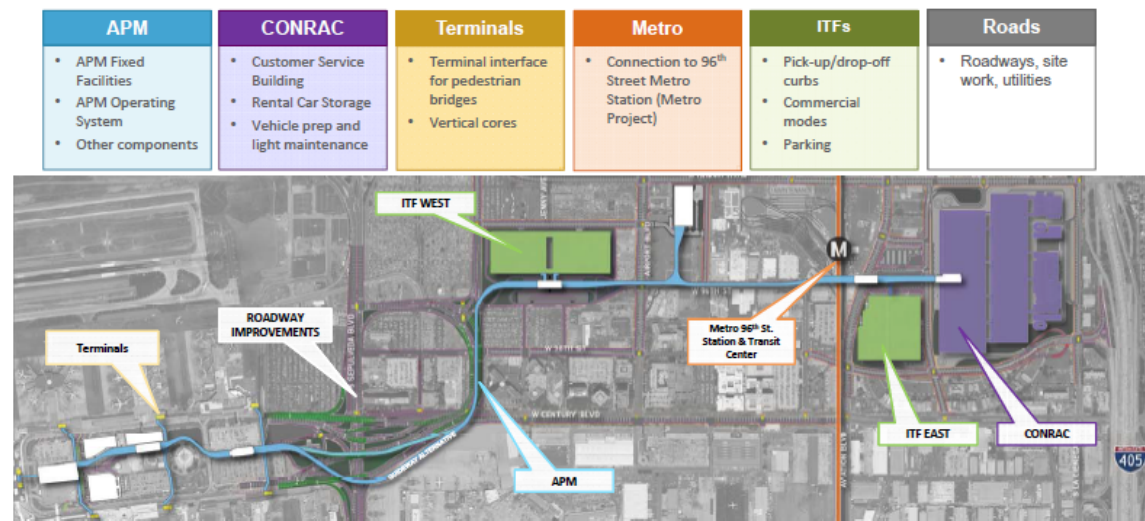
Meeting: May 18, 2018

Background:

According to ACI statistics, Los Angeles International Airport ("LAX") was the busiest origin/destination airport in the United States in 2016, reporting traffic figures of approximately 80.9 million passengers, with approximately 50% of departing passengers arriving at the airport by car, resulting in over 6,000 cars per hour entering the airport during peak periods. Current traffic projections of the Los Angeles World Airports (the "Department") forecast a passenger growth to over 96 million by 2030.

The Automated People Mover Project (the "APM Project") is part of a multi-billion dollar modernization program being undertaken by the Department at LAX. This program includes terminal renovations, airside improvements and the LAX Landside Access Modernization Program ("LAMP"). The APM Project is a key element of the LAMP, as it will connect the LAX Central Terminal Area ("CTA") airline terminals and airport garages with two anticipated intermodal transportation facilities ("ITFs"), an expected Consolidated Rent-A-Car Facility ("ConRAC") and existing and future Metro facilities. Other than the APM Project, the other projects contemplated in the LAMP are in various stages of development, including analysis of financing such projects, and the additional elements may be modified or abandoned by the Department for any reason.

Overview of LAMP:



The APM Project is being undertaken by LAX Integrated Express Solutions LLC, a Delaware limited liability company (“LINXS” or the “Borrower”), pursuant to a Design-Build-Finance-Operate-Maintain Agreement (the “DBFOM Agreement”). Under the DBFOM Agreement, the Department has granted to the Borrower and the Borrower has accepted the obligation to design, build, finance, operate and maintain the APM Project, including the supply of the passenger vehicles, running surfaces or track, switches, other guideway equipment, active graphics, platform barrier doors, platform barrier walls, power distribution, central control and automated train control, communications, maintenance equipment, and all other equipment which, when integrated, results in the operation of the vehicles in conformance with the contractual requirements described in the DBFOM Agreement (the “APM Operating System”), the performance of renewal work related to the capital replacement, reconstruction, overhaul, refurbishment and reinstatement of the APM Project, the handback of the APM Project at the end of the expiration or earlier termination of the Term, and performance of all other activities relating to the foregoing not specifically retained by the Department for the APM Project.

The Term of the DBFOM Agreement commenced on April 11, 2018 and will expire 30 years after the Financial Close Date, subject to the right of the parties to terminate the DBFOM Agreement earlier in accordance with its terms.

The Department is designated a proprietary department of the City. The City is a municipal corporation and chartered city duly organized and existing under and pursuant to the provisions of the Constitution of the State of California and the Charter of the City of Los Angeles. The City, acting through the Department, operates and maintains Los Angeles International Airport and Van Nuys Airport.

The Department is not a party to any of the Financing Documents other than the Lender’s Direct Agreement and the Department Continuing Disclosure Certificate and is not subject to any of the covenants or other restrictions contained in any of the other Financing Documents. The Department is not restricted from issuing additional bonds or incurring any other debt which may be supported by or secured by the Department’s revenues and the payment of which may be senior to any of the payments to be made by the Department to the Borrower pursuant to the DBFOM Agreement. None of the amounts due to the Borrower from the Department pursuant to the DBFOM Agreement are secured by any lien on any funds or assets of the Department.

Pursuant to the DBFOM Agreement, the Department is required to make (i) Milestone Payments to the Borrower upon its completion of certain design and construction milestones, (ii) Additional D&C Payments to the Borrower upon the occurrence of certain dates and conditions and (iii) during the O&M Period, Availability Payments to the Borrower for the APM Project available for passenger service in accordance with the requirements therein, subject to Deductions for the Borrower's failure to meet certain performance and maintenance standards as described therein. Milestone Payments, Additional D&C Payments and Availability Payments are the Borrower's sole expected source of Project Revenues. In addition, in certain circumstances, the Department is required to make a payment to the Borrower in connection with certain compensation events and early termination of the DBFOM Agreement

Developer:

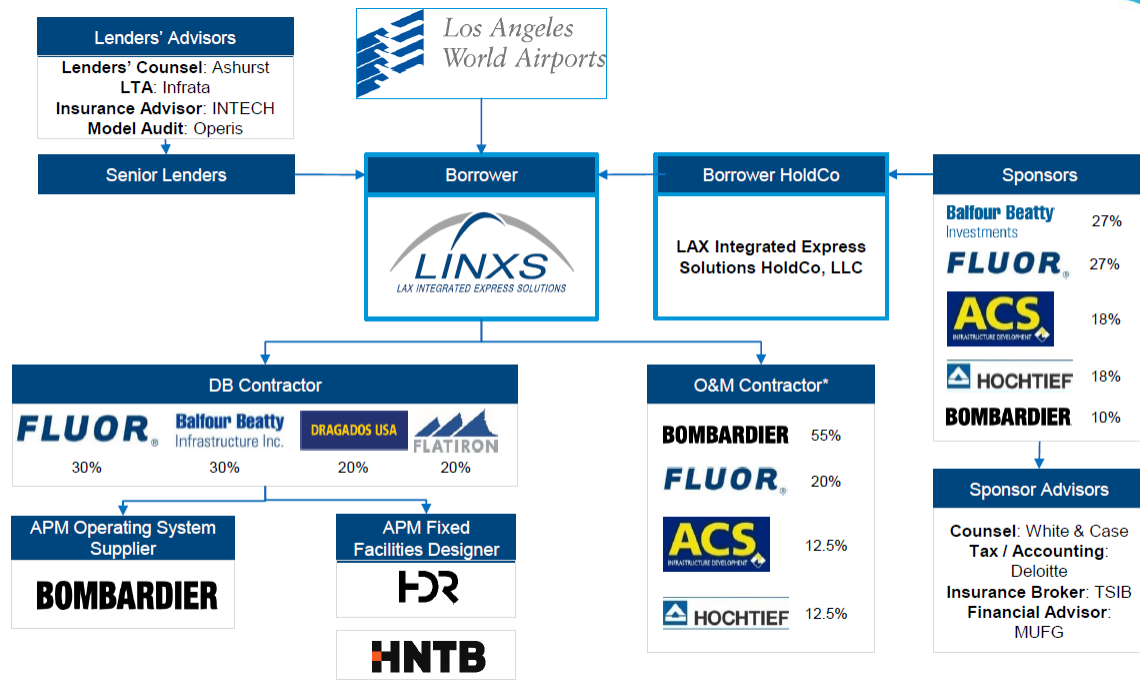
The developer, LINXS, is a special purpose vehicle, formed as a Delaware limited liability company, for the sole purpose of undertaking the APM Project. LAX Integrated Express Solutions HoldCo, LLC ("Borrower HoldCo") is the direct holder of one percent of the outstanding members interest of the Borrower. Borrower Holdco is directly owned by ACS LINXS Holdings, LLC, Balfour Beatty Investments, Inc., Bombardier Transportation (Holdings) USA Inc., Fluor Enterprises, Inc. and HOCHTIEF LINXS Holding, LLC (collectively, the "Equity Members").

The Borrower's obligations under the loan agreement are non-recourse obligations of the Borrower and in no event will all or any of the Equity Members or their parent companies have any obligation with respect to any payment related to the bonds (except as relating to the Equity Members' equity contributions solely to the extent contemplated in the respective equity contribution agreements).

The supply of the INNOVIA APM 300 vehicles (driverless transportation system specially designed to serve airports and dense urban areas) is being undertaken by the Bombardier Transportation (Holdings) USA Inc., as a subcontractor to the Design-Build Contractor, pursuant to the APM Operating System Subcontract.

Pursuant to the DBFOM Agreement, commencing on the Passenger Service Availability Date, the Borrower is required to operate and maintain the portion of the APM Project located within the O&M Limits. Substantially all of the operation and maintenance work relating to the APM Project within the O&M Limits is being undertaken by an unincorporated joint venture of ACS LINXS O&M Holdings, LLC, HOCHTIEF Operators Holding, LLC, Bombardier Transportation (Holdings) USA Inc. and Fluor Enterprises, Inc., doing business as LINXS Operators (the "O&M Contractor") pursuant to the O&M Contract.

LINXS Organizational and Contractual Structure:



The Project:

The Borrower has requested that the CMFA participate in the issuance of one or more series of bonds, notes, certificates or other obligations in an aggregate principal amount not to exceed \$1,500,000,000 (collectively, the "Bonds") for the design, acquisition, construction, reconstruction, development, expansion, improvement, equipping and/or modification, as appropriate, of certain capital improvements relating to the 2.25 mile long automated people mover train system (the "Project"), running from a consolidated rental car facility to be constructed located near La Cienega Boulevard and the 405 Freeway and terminating at the Tom Bradley International Terminal at LAX in the City of Los Angeles, California (the "City"), which will be owned and operated by the Department. The Project will include, among other things, approximately 2.25 miles of elevated guideway, passenger cars that will travel along the guideway transporting passengers to and from LAX, six passenger stations (three located inside the Central Terminal Area ("CTA") at LAX and three located outside the CTA), pedestrian passenger walkway structures connecting the stations inside the CTA with the terminals at LAX, parking garage improvements, a maintenance and storage facility (to be located east of Airport Boulevard between Arbor Vitae and 96th Street), various utility and roadway improvements, and certain other improvements related to the Project.

The Borrower anticipates that the costs to complete the design and construction of , and supply of vehicles for, the APM Project will be paid from the following sources (in no particular order): (i) equity contributions received by the Borrower from the Equity Members on the terms and conditions set forth in the Equity Contribution Agreement, (ii) the proceeds of the issuance of the Series 2018 Bonds and interest income on such proceeds, (iii) the proceeds of the Design-Build Loan Facility, (iv) Milestone Payments received from the Department under the DBFOM Agreement, (v) Additional D&C Payments received from the Department under the DBFOM Agreement and (vi) interest earned on amounts held in the Construction Account during construction.

City of Los Angeles:

The project is located in the City of Los Angeles. The City is a member of the Authority and held a TEFRA hearing May 1, 2018 and the financing was approved by Certificate of the Mayor on May 3, 2018. The City will share a portion of the issuance fees as part of CMFA's fee sharing. Additionally, a local non-profit(s) will also benefit through a charitable donation.

Proposed Financing:

Sources of Funds (Construction):

ST Bank Facility	\$	262,912,000
LT PABs – Proceeds Account Drawdown		1,285,040,000
Equity Distribution		96,116,000
Releases from Milestone Payment Account		1,031,667,000
Interest Income During Construction		<u>48,819,000</u>
Total Sources	\$	2,724,554,000

Uses of Funds (Construction):

Design Build Construction Costs	\$	1,970,693,000
Funding of Utility Owners' Cost Account		50,000,000
SPV, Insurance, Development		57,208,000
O&M Mobilization		18,186,000
Financing/DSRA/Equity LC		52,662,000
Interest Paid During Construction		286,656,000
Principal Repayment – ST Bank Facility		262,912,000
Taxes Paid During Construction		<u>26,237,000</u>
Total Uses	\$	2,724,554,000

The amounts presented above are preliminary and subject to change.

Terms of Transaction:

Amount:	\$1,500,000,000
Rate:	Fixed rate
Rating:	Estimated BBB+
Maturity:	June 2048
Security:	Direct, secured and unconditional obligations of the Borrower
Project Revenues:	Department agrees in the DBFOM Agreement to make Milestone Payments, Additional D&C Payments and Availability Payments to the Borrower. The Borrower will assign its right to receive these amounts to the Collateral Agent for the benefit of all Secured Lenders (including Bond Owners)
Department Payments:	Unsecured contractual obligation without priority
Offering:	Public
Estimated Closing:	June 2018

Public Benefit:

LAX was the busiest origin/destination airport in the United States in 2016, reporting traffic figures of approximately 80.9 million passengers. Some of the challenges LAX is experiencing today include heavy traffic congestion during peak hours; buses, shuttles and cars competing for limited space; and passengers stuck in crowded and uncomfortable conditions along the curb. The APM and other components of the LAMP will accomplish the following:

- Relieve traffic congestion within the Central Terminal Area and the surrounding street network
- Give passengers a fast and reliable way to get to their flights
- Create new convenient locations for passenger pick-up, drop-off and parking outside of the Central Terminal Area
- Reduce vehicle emissions and improve air quality
- Provide a direct connection to public transit (including Metro's regional rail and bus system)

LINXS's sole purpose is to design, build, finance, operate and maintain the Automated People Mover Project. The development, construction and operation of the Project is a legitimate government function and burden in connection with their obligation to plan, manage, operate and improve Los Angeles International Airport for the benefit of the residents of the City of Los Angeles, the State of California and the traveling public.

Finance Team:

Underwriter:	Bank of America Merrill Lynch, Citigroup, Ramirez & Co.
Underwriter Counsel:	Ashurst LLP
Bond Counsel:	Nixon Peabody LLP
Borrower Counsel:	White & Case LLP
Issuer Counsel:	Jones Hall, APLC
LAWA Counsel:	Nossaman LLP, Polsinelli LLP
Financial Advisor:	MUFG Project Finance
Trustee/ Collateral Agent:	U.S. Bank National Association
Rating Agency:	Fitch
Project Consultant:	Infrata

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial and a Final Resolution in the amount of up to \$1,500,000,000 in senior lien revenue bonds to design, build, finance, operate and maintain the automated people mover at Los Angeles International Airport located in the City of Los Angeles, County of Los Angeles.



GARDEN BROOK SENIOR VILLAGE APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Pacific West Communities, Inc.

Action: Final Resolution

Amount: \$115,000,000

Purpose: Finance Affordable Senior Rental Housing Facility Located
in the City of Garden Grove, Orange County, California

Activity: Affordable Housing

Meeting: May 18, 2018

Background:

Pacific West Communities, Inc. ("PWC") was formed as a real estate development and financing firm, specializing in the construction and rehabilitation of affordable workforce housing throughout the western United States. With a particular emphasis on the use of the affordable housing tax credit, PWC and its related companies develop multi-family and senior citizen housing in the states of California, Arizona, New Mexico, Utah, Oregon, Montana, Idaho, Nevada, Colorado, Washington, and Wyoming. Currently PWC owns and operates approximately 130 developments with over 7,300 units of affordable housing.

The CMFA has facilitated over ten Pacific West Communities projects.

The Project:

The Garden Brook Senior Village Apartments is a new construction project located in Garden Grove on a 3.1-acre site. The project consists of 394 restricted rental units and 3 unrestricted managers' units. The project will have 123 studio units, 231 one-bedroom units and 46 two-bedroom units. The building will be eight (8) stories supported by perimeter foundations with concrete slab flooring on top of a podium parking. The building will be a one elevator serviced residential building. Common amenities include community gathering areas, community rooms and laundry facilities. Each unit will have a refrigerator, exhaust fans, range/oven, dishwasher and garbage disposal. The construction is expected to begin June 2018 and be completed in

December 2020. The developments located in the City of Garden Grove and will provide the city 394 much needed units of affordable housing for the next 55 years.

The City of Garden Grove:

The City of Garden Grove is a member of the CMFA and held a TEFRA hearing on November 14, 2017. Upon closing, the City is expected to receive approximately \$27,000 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:	\$ 75,000,000	\$ 41,000,000
Tranche B Financing:	\$ 32,000,000	\$ 32,000,000
LIH Tax Credit Equity:	\$ 9,820,735	\$ 52,111,028
Deferred Developer Fee:	\$ 13,000,000	\$ 7,530,000
Deferred Costs:	<u>\$ 2,820,293</u>	<u>\$ 0</u>
Total Sources:	\$ 132,641,028	\$ 132,641,028

Uses of Funds:

Land Cost/Acquisition:	\$ 1,750,000
New Construction:	\$ 84,968,380
Contractor Overhead & Profit:	\$ 6,737,471
Architectural Fees:	\$ 700,000
Survey and Engineering:	\$ 190,000
Construction Interest and Fees:	\$ 7,553,300
Permanent Financing:	\$ 635,000
Legal Fees:	\$ 100,000
Reserves:	\$ 2,820,293
Hard Cost Contingency:	\$ 4,600,000
Local Development Impact Fees:	\$ 8,000,000
Other Soft Costs*:	\$ 1,586,584
Developer Costs:	<u>\$ 13,000,000</u>
Total Uses:	\$ 132,641,028

Terms of Transaction:

Amount:	\$115,000,000
Maturity:	June 1, 2058
Collateral:	Irrevocable, Direct Pay LOC and Standby LOC on Senior bonds.
Bond Purchasers:	Institutional & Retail
Rate:	Variable
Rating:	S&P AA+/A-1+
Estimated Closing:	June 2018

Public Benefit:

A total of 394 low income senior households will be able to enjoy high quality, independent, affordable housing in the City of Garden Grove for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
10% (40 Units) restricted to 50% or less of area median income households; and
90% (353 Units) restricted to 60% or less of area median income households.
Unit Mix: Studio, 1- and 2-bedroom units
Term of Restriction: 55 years

Finance Team:

Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Underwriter (Senior Bonds):	Citi Community Capital
Underwriter Counsel:	Norris George & Ostrow PLLC
Subordinate Bond Purchaser:	Bonneville Affordable Housing Capital LLC
Subordinate Bond Purchaser Counsel:	Dentons US LLP
LOC Providers:	East West Bank and Preferred Bank
Standby LOC Bank:	Federal Home Loan Bank of San Francisco
LOC Counsel:	East West Bank by in-house counsel; Preferred Bank by Nevers, Palazzo, Packard, Wildermuth & Wynner, PC
Borrower Counsel:	Katten Muchin Rosenmann LLP
Financial Advisor:	Miller Housing Advisors
Rating Agency:	Standard & Poor's Financial Services LLC
Trustee:	Wilmington Trust, National Association

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$115,000,000 for Garden Brook Senior Village Apartments affordable senior housing facility located in the City of Garden Grove, 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.

**The information mandated by California Government Code Section 5852.1, including the true interest cost, finance charge, amount of proceeds received from the sale, and the total payment amount to final maturity is attached to this report.



FIRST POINT APARTMENTS I SUMMARY AND RECOMMENDATIONS

Applicant: Pacific West Communities, Inc.

Action: Final Resolution

Amount: \$130,000,000

Purpose: Finance Affordable Rental Housing Facility Located in the City of Santa Ana, Orange County, California

Activity: Affordable Housing

Meeting: May 18, 2018

Background:

Pacific West Communities, Inc. ("PWC") was formed as a real estate development and financing firm, specializing in the construction and rehabilitation of affordable workforce housing throughout the western United States. With a particular emphasis on the use of the affordable housing tax credit, PWC and its related companies develop multi-family and senior citizen housing in the states of California, Arizona, New Mexico, Utah, Oregon, Montana, Idaho, Nevada, Colorado, Washington, and Wyoming. Currently PWC owns and operates approximately 130 developments with over 7,300 units of affordable housing.

The CMFA has facilitated over ten Pacific West Communities projects.

The Project:

The First Point Apartments I is a new construction project located in Santa Ana on a 3.98-acre site. The project consists of 343 restricted rental units and 3 unrestricted managers' units. The project will have 26 one-bedroom units, 160 two-bedroom units, 84 three-bedroom units and 76 four-bedroom units. The building will be a six-story, wood frame structure supported by perimeter foundations with concrete slab flooring on top of a parking podium. Common amenities include community gathering areas, community rooms, a playground, exercise room, computer room and community laundry facilities. Each unit will have a refrigerator, dishwasher, garbage disposal, range with an oven and covered patio or balcony. The construction is expected to begin

June 2018 and be completed in December 2020. This development will provide the City of Santa Ana with 343 much needed units of affordable housing for the next 55 years.

The City of Santa Ana:

The City of Santa Ana is a member of the CMFA and held a TEFRA hearing on December 19, 2017. Upon closing, the City is expected to receive approximately \$23,666 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:	\$ 87,000,000	\$ 46,000,000
Cash Flow Permanent Bonds:	\$ 36,000,000	\$ 36,000,000
LIH Tax Credit Equity:	\$ 12,426,536	\$ 61,631,036
Deferred Developer Fee:	\$ 13,500,000	\$ 8,570,000
Deferred Costs:	<u>\$ 3,274,500</u>	<u>\$ 0</u>
Total Sources:	\$ 152,201,036	\$ 152,201,036

Uses of Funds:

New Construction:	\$ 101,318,960
Contractor Overhead & Profit:	\$ 8,033,517
Architectural Fees:	\$ 700,000
Survey and Engineering:	\$ 190,000
Construction Interest and Fees:	\$ 9,952,300
Permanent Financing:	\$ 760,000
Legal Fees:	\$ 100,000
Reserves:	\$ 3,274,500
Hard Cost Contingency:	\$ 5,700,000
Local Development Impact Fees:	\$ 6,920,000
Other Soft Costs*:	\$ 1,751,759
Developer Costs:	<u>\$ 13,500,000</u>
Total Uses:	\$ 152,201,036

Terms of Transaction:

Amount:	\$130,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	June 2018

Public Benefit:

A total of 343 low-income households will be able to enjoy high quality, independent, affordable housing in the City of Santa Ana for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
10% (35 Units) restricted to 50% or less of area median income households; and
90% (308 Units) restricted to 60% or less of area median income households.
Unit Mix: 1-, 2-, 3- and 4-bedroom units
Term of Restriction: 55 years

Finance Team:

Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Senior Bond Lender:	Citi Community Capital
Senior Bond Lender Counsel:	Norris George & Ostrow PLLC
Subordinate Bond Purchaser:	Bonneville Affordable Housing Capital LLC
Subordinate Bond Purchaser Counsel:	Dentons US LLP
Borrower Counsel:	Katten Muchin Rosenmann LLP
Financial Advisor:	Miller Housing Advisors
Trustee:	Wilmington Trust, National Association

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$130,000,000 for the First Point Apartments I affordable multi-family housing facility located in the City of Santa Ana, 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.

**The information mandated by California Government Code Section 5852.1, including the true interest cost, finance charge, amount of proceeds received from the sale, and the total payment amount to final maturity is attached to this report.



FIRST POINT II APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Pacific West Communities, Inc.

Action: Final Resolution

Amount: \$90,000,000

Purpose: Finance Affordable Rental Housing Facility Located in the City of Santa Ana, Orange County, California

Activity: Affordable Housing

Meeting: May 18, 2018

Background:

Pacific West Communities, Inc. ("PWC") was formed as a real estate development and financing firm, specializing in the construction and rehabilitation of affordable workforce housing throughout the western United States. With a particular emphasis on the use of the affordable housing tax credit, PWC and its related companies develop multi-family and senior citizen housing in the states of California, Arizona, New Mexico, Utah, Oregon, Montana, Idaho, Nevada, Colorado, Washington, and Wyoming. Currently PWC owns and operates approximately 130 developments with over 7,300 units of affordable housing.

The CMFA has facilitated over ten Pacific West Communities projects.

The Project:

The First Point II Apartments is a new construction project located in Santa Ana on a 2.86-acre site. The project consists of 204 restricted rental units and 2 unrestricted managers' units. The project will have 76 two-bedroom units, 68 three-bedroom units and 60 four-bedroom units. The type of construction will be a six story, wood frame structure supported by perimeter foundations with concrete slab flooring on top of the podium parking. Common amenities include community gathering areas, community rooms, a playground, exercise room, computer room and community laundry facilities. Each unit will have a refrigerator, dishwasher, garbage disposal, range with an oven and covered patio or balcony. The construction is expected to begin June 2018 and be

completed in December 2020. This development will provide the City of Santa Ana with 204 much needed units of affordable housing for the next 55 years.

The City of Santa Ana:

The City of Santa Ana is a member of the CMFA and held a TEFRA hearing on December 19, 2017. Upon closing, the City is expected to receive approximately \$18,333 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:	\$ 55,000,000	\$ 28,500,000
Cash Flow Permanent Bonds:	\$ 23,000,000	\$ 23,000,000
LIH Tax Credit Equity:	\$ 6,853,006	\$ 38,632,766
Deferred Developer Fee:	\$ 8,100,000	\$ 4,570,000
Deferred Costs:	<u>\$ 1,749,760</u>	<u>\$ 0</u>
Total Sources:	\$ 94,702,766	\$ 94,702,766

Uses of Funds:

New Construction:	\$ 64,131,927
Contractor Overhead & Profit:	\$ 4,851,946
Architectural Fees:	\$ 500,000
Survey and Engineering:	\$ 170,000
Construction Interest and Fees:	\$ 5,500,000
Permanent Financing:	\$ 670,000
Legal Fees:	\$ 100,000
Reserves:	\$ 1,749,760
Hard Cost Contingency:	\$ 3,500,000
Local Development Impact Fees:	\$ 4,120,000
Other Soft Costs*:	\$ 1,309,133
Developer Costs:	<u>\$ 8,100,000</u>
Total Uses:	\$ 94,702,766

Terms of Transaction:

Amount:	\$90,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	June 2018

Public Benefit:

A total of 204 low income households will be able to enjoy high quality, independent, affordable housing in the City of Santa Ana for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
10% (21 Units) restricted to 50% or less of area median income households; and
90% (183 Units) restricted to 60% or less of area median income households.
Unit Mix: 2-, 3- and 4-bedroom units
Term of Restriction: 55 years

Finance Team:

Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Senior Bond Lender:	Citi Community Capital
Senior Bond Lender Counsel:	Norris George & Ostrow PLLC
Subordinate Bond Purchaser:	Bonneville Affordable Housing Capital LLC
Subordinate Bond Purchaser Counsel:	Dentons US LLP
Borrower Counsel:	Katten Muchin Rosenmann LLP
Financial Advisor:	Miller Housing Advisors
Trustee:	Wilmington Trust, National Association

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$90,000,000 for the First Point II Apartments affordable multi-family housing facility located in the City of Santa Ana, 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.

**The information mandated by California Government Code Section 5852.1, including the true interest cost, finance charge, amount of proceeds received from the sale, and the total payment amount to final maturity is attached to this report.



METRO EAST SENIOR APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Pacific West Communities, Inc.

Action: Final Resolution

Amount: \$130,000,000

Purpose: Finance Affordable Rental Housing Facility Located in the City of Santa Ana, Orange County, California

Activity: Affordable Housing

Meeting: May 18, 2018

Background:

Pacific West Communities, Inc. ("PWC") was formed as a real estate development and financing firm, specializing in the construction and rehabilitation of affordable workforce housing throughout the western United States. With a particular emphasis on the use of the affordable housing tax credit, PWC and its related companies develop multi-family and senior citizen housing in the states of California, Arizona, New Mexico, Utah, Oregon, Montana, Idaho, Nevada, Colorado, Washington, and Wyoming. Currently PWC owns and operates approximately 130 developments with over 7,300 units of affordable housing.

The CMFA has facilitated over ten Pacific West Communities projects.

The Project:

The Metro East Senior Apartments is a new construction project located in Santa Ana on a 3.17 acre site. The project will consist of 415 restricted rental units and 3 unrestricted manager units. The project will offer 96 studio units, 257 one-bedroom units and 65 two-bedroom units. The building will be a single five-story structure of wood frame design supported by a parking structure podium and concrete slab. Common amenities will include multiple courtyards, a roof deck, clubhouse, fitness gym, computer room, laundry facilities, elevators and security features. Each unit will provide a refrigerator, range/oven, dishwasher, garbage disposal, exhaust fans and covered patio or balcony. All units will be water and energy efficient and provide healthy indoor air quality. Construction is expected to begin June 2018 and to be completed December 2020.

This development will provide the City of Santa Ana with 415 much needed units of affordable housing for the next 55 years.

The City of Santa Ana:

The City of Santa Ana is a member of the CMFA and held a TEFRA hearing on December 19, 2017. Upon closing, the City is expected to receive approximately \$23,333 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:	\$ 85,000,000	\$ 48,000,000
Cash Flow Permanent Bonds:	\$ 35,000,000	\$ 35,000,000
LIH Tax Credit Equity:	\$ 9,465,345	\$ 54,914,628
Deferred Developer Fee:	\$ 13,500,000	\$ 7,850,000
Deferred Costs:	<u>\$ 2,799,283</u>	<u>\$ 0</u>
Total Sources:	\$ 145,764,628	\$ 145,764,628

Uses of Funds:

Land Cost/Acquisition:	\$ 10,160,000
New Construction:	\$ 86,150,225
Contractor Overhead & Profit:	\$ 6,832,019
Architectural Fees:	\$ 750,000
Survey and Engineering:	\$ 190,000
Construction Interest and Fees:	\$ 9,036,000
Permanent Financing:	\$ 720,000
Legal Fees:	\$ 100,000
Reserves:	\$ 2,799,283
Hard Cost Contingency:	\$ 5,500,000
Local Development Impact Fees:	\$ 8,360,000
Other Soft Costs*:	\$ 1,667,101
Developer Costs:	<u>\$ 13,500,000</u>
Total Uses:	\$ 145,764,628

Terms of Transaction:

Amount:	\$130,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	June 2018

Public Benefit:

A total of 415 low income households will be able to enjoy high quality, independent, affordable housing in the City of Santa Ana for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
10% (42 Units) restricted to 50% or less of area median income households; and
90% (373 Units) restricted to 60% or less of area median income households.
Unit Mix: Studio, 1- and 2-bedroom units
Term of Restriction: 55 years

Finance Team:

Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Senior Bond Lender:	Citi Community Capital
Senior Bond Lender Counsel:	Norris George & Ostrow PLLC
Subordinate Bond Purchaser:	Bonneville Affordable Housing Capital LLC
Subordinate Bond Purchaser Counsel:	Dentons US LLP
Borrower Counsel:	Katten Muchin Rosenmann LLP
Financial Advisor:	Miller Housing Advisors
Trustee:	Wilmington Trust, National Association

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$130,000,000 for Metro East Senior Apartments affordable multi-family housing facility located in the City of Santa Ana, 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.

**The information mandated by California Government Code Section 5852.1, including the true interest cost, finance charge, amount of proceeds received from the sale, and the total payment amount to final maturity is attached to this report.



CAMINO 23 APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	Satellite Affordable Housing Associates
Action:	Final Resolution
Amount:	\$22,000,000
Purpose:	Finance Affordable Rental Housing Facility Located in the City of Oakland, Alameda County, California
Activity:	Affordable Housing
Meeting:	May 18, 2018

Background:

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

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

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

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

- They believe that every person deserves a home
- They commit to communities for the long term
- Their comprehensive housing services empower their residents to thrive
- High quality design inspires people and builds community

- Green building practices lead to a healthy, sustainable society
- Innovation and thoughtful risk-taking are part of how they pursue excellence

The Project:

Camino 23 is a 37-unit new construction project serving seniors located in the San Antonio District of Oakland at 1233-1253 23rd Avenue. Units will be rented to households earning less than or equal to 50% AMI. Satellite Affordable Housing Associates (SAHA) proposes to demolish the vacant warehouse and construct a new, 37-unit affordable housing development on the site. The five-story L-shaped building will feature space for property management and supportive services offices and indoor community spaces for residents to enjoy. Laundry and parking will also be provided on-site. The ground floor parking garage allows drive-thru access to an additional rear surface parking lot accommodating up to 15 parked vehicles. This financing will create 36 units of affordable housing for households in the City Oakland for 55 years.

The City of Oakland:

The City of Oakland is a member of the CMFA and held a TEFRA hearing on November 7, 2017. Upon closing, the City is expected to receive approximately \$11,250 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$ 15,000,000	\$ 3,508,600
Taxable Bond Proceeds:	\$ 3,000,000	\$ 0
LIH Tax Credit Equity:	\$ 500,000	\$ 9,714,595
GP Equity:	\$ 0	\$ 759,687
Deferred Developer Fee:	\$ 0	\$ 800,000
HCD IIG Grant Sponsor Loans:	\$ 1,698,504	\$ 1,698,504
City of Oakland Loans:	\$ 1,200,000	\$ 1,226,816
Alameda County HOPWA:	\$ 500,000	\$ 511,173
HCD AHSC:	\$ 0	\$ 2,239,705
Alameda Co Measure A1 Funds:	\$ 0	\$ 4,200,000
AHP:	\$ 390,000	\$ 390,000
Total Sources:	\$ 22,288,504	\$ 25,049,080

Uses of Funds:

Land Cost/Acquisition:	\$ 934,675
New Construction:	\$ 14,069,917
Contractor Overhead & Profit:	\$ 653,544
Architectural Fees:	\$ 667,925
Survey and Engineering:	\$ 345,247
Construction Interest and Fees:	\$ 1,214,203
Permanent Financing:	\$ 227,336
Legal Fees:	\$ 95,000
Reserves:	\$ 300,371
Appraisal:	\$ 10,450
Hard Cost Contingency:	\$ 1,472,346
Local Development Impact Fees:	\$ 473,435
Other Soft Costs*:	\$ 1,569,864
Developer Costs:	\$ 3,014,767
Total Uses:	\$ 25,049,080

Terms of Transaction:

Amount:	\$22,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May 2018

Public Benefit:

A total of 36 low income households will be able to enjoy high quality, independent, affordable housing in the City of Oakland for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
100% (36 Units) restricted to 50% or less of area median income households.
Unit Mix: 1- and 2-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	Bank of America, N.A.
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Buchalter, APLC
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 \$22,000,000 for the Camino 23 Apartments affordable multi-family housing facility located in the City of Oakland, Alameda 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.

**The information mandated by California Government Code Section 5852.1, including the true interest cost, finance charge, amount of proceeds received from the sale, and the total payment amount to final maturity is attached to this report.



MONTEREY GATEWAY APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Danco Group

Action: Final Resolution

Amount: \$25,000,000

Purpose: Finance Affordable Multi-Family Rental Housing Facility
Located in the City of Gilroy, Santa Clara County,
California

Activity: Affordable Housing

Meeting: May 18, 2018

Background:

For over 27 years, the Danco Group of Companies has built and strengthened its foundation by truly understanding and meeting the specific objectives of its customers. Comprised of six distinct companies, the Danco Group is an alliance which enables its individual company's greater capacity for meeting and exceeding customers' conditions of satisfaction. They see it as their mission not just to develop and build buildings, but to produce the best possible situation for each customer and each community.

Founder, President, and CEO, Dan Johnson is a life-long resident of Humboldt County, which is the location of their corporate office and primary place of business. Starting Danco Builders in 1986, Dan continued to develop and grow new business over time. Today, the Danco Group of Companies offers commercial and residential construction, market rate and affordable housing development, senior assisted living management and development, and property management services.

Danco Development is a development company specializing in the master planning of communities and neighborhoods in Humboldt County. With a focus on brownfield redevelopment and infill projects, their mission is to provide the necessary infrastructure for the natural growth of their community. They do so by entitling lots for housing and the sale or lease of commercial buildings. Whether it is the addition of a new community neighborhood or an addition to one that already exists, their focus is effective contribution to the economic and social development of the area.

The Project:

The Monterey Gateway Apartment project is the new construction of a 75-unit affordable multi-family apartment project. The project will be located on Monterey Rd, Gilroy, California. The project will be made up of 60 one-bedroom units and 15 two-bedroom units. Amenities will include a community room, laundry facilities, fitness center, picnic areas, pool/jacuzzi, community garden, meeting rooms, therapy rooms and central heat/cool. Rents will be restricted to senior households with incomes no greater than 50% through 60% of the area median income. This financing will create 74 units of affordable housing in the City of Gilroy for the next 55 years.

The City of Gilroy:

The City of Gilroy is a member of the CMFA and held a TEFRA hearing on December 4, 2017. Upon closing, the City is expected to receive approximately \$12,833 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$ 22,000,000	\$ 10,950,000
LIH Tax Credit Equity:	\$ 2,145,709	\$ 10,756,686
Seller Carryback Loan:	\$ 0	\$ 2,439,024
County of Santa Clara Cap Fund:	\$ 4,000,000	\$ 4,000,000
County of Santa Clara Acquisition Fund:	<u>\$ 3,500,000</u>	<u>\$ 3,500,000</u>
Total Sources:	\$ 31,645,709	\$ 31,645,710

Uses of Funds:

Acquisition/Land Purchase:	\$ 3,842,253
New Construction:	\$ 14,651,927
Contractor Overhead & Profit:	\$ 1,721,150
Architectural:	\$ 363,620
Survey & Engineering:	\$ 150,000
Construction Interest & Fees:	\$ 2,426,167
Permanent Financing:	\$ 555,000
Legal Fees:	\$ 115,000
Reserves:	\$ 139,418
Appraisal:	\$ 10,000
Hard Cost Contingency:	\$ 818,654
Local Development Impact Fees:	\$ 2,710,137
Other Soft Costs*:	\$ 625,141
Developer Costs:	<u>\$ 3,517,243</u>
Total Uses:	\$ 31,645,710

Terms of Transaction:

Amount:	\$25,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	June 2018

Public Benefit:

The construction of this project will create 74 units of high quality affordable living in the City of Gilroy for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
59% (44 Units) restricted to 50% or less of area median income households; and
41% (30 Units) restricted to 60% or less of area median income households
Unit Mix: Studio, 1- & 2-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	Pacific Western Bank
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Kutak Rock LLP
Borrower Counsel:	Spencer Fane LLP
Financial Advisor:	Miller Housing Advisors, LLC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$25,000,000 for the Monterey Gateway Apartments affordable housing facility located in the City of Gilroy, Santa Clara 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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PRESIDIO KNOLLS SCHOOL SUMMARY AND RECOMMENDATIONS

Applicant:	Presidio Knolls School, Inc.
Action:	Final Resolution
Amount:	\$25,000,000
Purpose:	Finance and Refinance the Cost of the Acquisition, Construction, Renovation and Equipping of Educational Facilities Located in the City of San Francisco, San Francisco County, California
Activity:	Private School
Meeting:	May 18, 2018

Background:

Presidio Knolls School (“PKS”) was founded on the idea that a progressive educational model can be combined with rigorous Mandarin immersion to create a vibrant, innovative school where children will thrive.

In 2008, Presidio Knolls opened as a two-room preschool near the Presidio, embraced by a small group of families. As the idea took hold, the children blossomed, and demand for the Reggio Emilia-inspired Mandarin immersion program grew even faster than expected. Enrolled families soon sought to extend their children’s education at PKS beyond the preschool years into an equally inspiring elementary school.

In 2011, the Board of Trustees voted to open a K-8 program. The School relocated to a spacious facility in the heart of San Francisco’s South of Market neighborhood that would allow them to build a world-class school. Since that time, PKS has added one grade per year along with an exceptional team of specialist teachers and experienced administrators to guide their continued growth.

In 2016, PKS purchased the entire multi-parcel property where the school is currently located, setting the stage for a large-scale renovation and master plan to be completed in the coming years. PKS expects their vision of a full preschool through eighth grade school to be realized by Fall 2020. As of the 2017-2018 school year, PKS serves approximately 320 students from 2.5 years old through fifth grade.

The Project:

The proceeds of the loans will be used to (i) refinance prior debt, including any accrued interest and prepayment premium associated therewith, (ii) finance or refinance the acquisition, construction, equipping and furnishing of facilities located and to be located at the campus, including but not limited to the acquisition, renovation, and construction of approximately 80,000 square feet of campus additions and/or improvements consisting of 25 main classrooms, four flex classrooms, a library, art, music and science classrooms, a multi-purpose gymnasium and auditorium, a teaching kitchen and flexible dining area, multi-purpose rooms, and indoor and outdoor play areas, owned and operated by the Borrower in connection with the provision of educational and other services in the City, including the instruction of students in grades preK-8 (together with the Prior Project, the "Project"); and (iii) pay certain expenses incurred in connection with the issuance of the Senior Authority Loans and the Senior Borrower Loans.

The City and County of San Francisco:

The City and County of San Francisco are members of the CMFA and held a TEFRA hearing on March 30, 2018. Upon closing, the City and County are expected to receive approximately \$9,166 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Loans:	\$ 25,000,000
Total Sources:	\$ 25,000,000

Uses of Funds:

Building Acquisition:	\$ 9,500,000
New Construction:	\$ 12,000,000
Rehabilitation:	\$ 3,000,000
Legal & Professional:	\$ 100,000
Costs of Issuance:	\$ 400,000
Total Uses:	\$ 25,000,000

Terms of Transaction:

Amount:	\$25,000,000
Maturity:	June 2048
Collateral:	Deed of Trust on Property
Bond Purchasers:	Private Placement
Estimated Closing:	June 2018

Public Benefit:

Presidio Knolls is a progressive Mandarin immersion school. PKS believes a child's curiosity and compassion can transform the world. Their mission is to nurture the young heart and mind in a joyful learning environment, where the convergence of progressive education and Mandarin immersion ignites curiosity, connectedness, and engagement in the world. Through their rapid growth and relocation, PKS has remained devoted to the principles established in 2008: a progressive learning and teaching environment with language development as a cornerstone of a child's intellectual and personal growth.

Finance Team:

Lender:	BBVA Compass
Bond Counsel:	Ice Miller LLP
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	Sheppard, Mullin, Richter & Hampton LLP
Borrower Counsel:	Spaulding McCullough & Tansil LLP
Financial Advisor:	Western Solutions, Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$25,000,000 for the Presidio Knolls School project located in the City and County of San Francisco, California.

The information mandated by California Government Code Section 5852.1, including the true interest cost, finance charge, amount of proceeds received from the sale, and the total payment amount to final maturity is attached to this report.



INFORMATIONAL ITEMS FOR THE CMFA SUMMARY AND RECOMMENDATIONS

Item:	Administrative Issues; A., B., C., D., E., F., G., H., I., J.
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 H. Audits Update I. PACE Update J. Board Member Update



PROCEDURAL ITEMS FOR THE CFSC SUMMARY AND RECOMMENDATIONS

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).

CHARITABLE GRANT GUIDELINES

Recipient: Board Members of the California Foundation for Stronger Communities

Purpose: To Provide an Outline of Charitable Grant Guidelines

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
 - ix. Governmental entities, if the donation will supplant governmental funds
2. A staff report must be provided to the Board at least 24 hours before donations are recommended or approved. Funds will not be disbursed on a cash advance basis.
3. CFSC staff may publicize donations in order to leverage the benefits to CMFA and CFSC of this unique charitable giving program. CFSC staff, and not board members, should be the point of contact with municipal staff, elected officials, recipient and press in coordinating and publicizing all donations to avoid even the appearance that board members are serving their personal or financial interests in recommending 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, Victims of Abuse, Neglect or Crime, Disabled Veterans
5. Staff will distribute and process all charitable grants.

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California Association of Food Banks	1/13/2017	3
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Court Appointed Special Advocates of Contra Costa County	5/18/2018	5
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Desert Hot Springs Microloan, Inc.	2/2/2018	7
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Mountain Circle	6/23/2017	12
Orange County Rescue Mission, Inc.	10/6/2017	13
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Name	Nominated	Page #
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Court Appointed Special Advocates of Contra Costa County	05/18/2018	5
Covenant House California, Inc	05/18/2018	6
Larkin Street Youth Services	05/18/2018	10
Project Open Hand	05/18/2018	14
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Mountain Circle	06/23/2017	12
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Asian Pacific Community Counseling

7273 14th Ave, Ste 120-B

Sacramento , CA 95820

County

Sacramento

apccounseling.org

FEIN

94-2489666

Founded: 1978

Previous Donation: ☐ Yes ☒ No

List Date 6/23/2017

Mission:

Asian Pacific Community Counseling, Inc., promotes the mental health and wellness of Asian and Pacific Islander communities through culturally and linguistically relevant outreach, prevention, education, therapy, counseling and recovery support services.

Relationships, family support and group self-sufficiency are key components of the diverse groups we serve.

APCC emphasizes strengthening individual, family and community support systems. We encourage and assist individuals to find their own path to managing their own recovery and to get support when they need it. Families receive education on how they can support their loved ones and access available resources.

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	\$2,458,706	97.4%	
Contributions	66,570	2.6%	
Other			
Total Revenue:	<u>\$2,525,276</u>	<u>100.0%</u>	
Expenses:			
Program	\$2,493,869	99.0%	
Administration	22,853	0.9%	
Fund Raising	<u>2,720</u>	<u>0.1%</u>	
Total Expenses:	<u>\$2,519,442</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$5,834</u>		
Net Assets:	<u>\$356,325</u>		

BOD: Yan "Joni" Zhou; Britt Niiya Sumida; Bai-Yin Chen; Pallavi Mamidi

Calicinto Ranch, Inc.
PO Box 1225
San Jacinto , CA 92581 County Riverside
www.calicintoranch.org
FEIN 42-1579061 Founded: 2002
Previous Donation: ☐ Yes ☒ No 20,000 11/18/2016 List Date 5/18/2018

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 2016

Revenues:	Amount	%	Notes
Government/Earned	\$330,649	47.8%	
Contributions	360,616	52.1%	
Other	<u>642</u>	<u>0.1%</u>	
Total Revenue:	<u>\$691,907</u>	<u>100.0%</u>	
Expenses:			
Program	\$491,342	77.1%	
Administration	112,835	17.7%	
Fund Raising	<u>33,258</u>	<u>5.2%</u>	
Total Expenses:	<u>\$637,435</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$54,472</u>		
Net Assets:	<u>(\$8,696)</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

California Association of Food Banks

1624 Franklin Street, Suite 722

Oakland , CA

94612

County

Alameda

www.cafoodbanks.org

FEIN

68-0392816

Founded: 1985

Previous Donation: ☐ Yes ☒ No

List Date 1/13/2017

Mission:

California Association of Food Banks (CAFB) is a membership organization of 41 food banks from throughout the state with a shared mission to build a well-nourished California and a firm commitment to providing cutting-edge leadership in the anti-hunger community.

Our major programs include Farm to Family, which works with growers and packers to provide fresh produce to food banks; statewide programs for food stamp outreach and enrollment; robust state and federal advocacy efforts; produce education; and member services that offer assistance with special projects as well as technical support.

Impact:

A donation would assist the organization in their mission of ending hunger in California

Financial Information:

IRS Form 990 for FY 2014

Revenues:	Amount	%	Notes
Government/Earned	\$15,821,306	91.7%	Please see the attached listing of individual food banks that are a member of this coalition. If you wish to donate to one of them specifically, Please indicate in your resolution.
Contributions	1,425,440	8.3%	
Other	<u>10,700</u>	<u>0.1%</u>	
Total Revenue:	<u>\$17,257,446</u>	<u>100.0%</u>	
Expenses:			
Program	\$15,963,692	96.3%	
Administration	522,948	3.2%	
Fund Raising	<u>89,752</u>	<u>0.5%</u>	
Total Expenses:	<u>\$16,576,392</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$681,054</u>		
Net Assets:	<u>\$2,898,444</u>		

BOD: Andy Souza; Nicole Suydam; Lisa Houston; James Floros; Kathy Jackson; David Goodman; Anne Holcomb; Michael Flood; Larry Sly; Dave Martinez; Tom Tenorio; Shirley King; Mark Lowry; Kevin Sanchez; Al Brislain; Sara Griffen; Patricia L. Nickols-Butler; Bruce Rankin

Community Youth Ministries
1592 11th St., Suite E
Reedley , CA 93654 County Fresno
www.cym.us

FEIN 77-0324453 Founded: 2002

Previous Donation: ☒ Yes ☐ No 1,120 7/14/2017 List Date 8/4/2017

Mission:

The vision of CYM is to empower and strengthen youth in our community and the communities around us. It is CYM's desire to see lives transformed through increased opportunities in the areas of leadership development, goal achievement, education, community services, vocational training, and spiritual growth. It is CYM's goal that each child discovers their God created potential! CYM accomplishes this by partnering with many local organizations, schools, and churches in ensuring that our youth are getting the best services possible.

Impact:

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

Financial Information: IRS Form 990 for FY 2016

Revenues:	Amount	%	Notes
Government/Earned	\$2,095,907	87.1%	Previous donation was through the PACE program.
Contributions	310,130	12.9%	
Other	(45)	-0.0%	
Total Revenue:	<u>\$2,405,992</u>	<u>100.0%</u>	
Expenses:			
Program	\$2,207,226	96.3%	
Administration	84,780	3.7%	
Fund Raising			
Total Expenses:	<u>\$2,292,006</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$113,986</u>		
Net Assets:	<u>\$432,725</u>		
BOD: Sharon Matsuzaki; Erlan Zuniga; Miguel Rodriguez; Gordon Wiebe; Pete Chavez			

Court Appointed Special Advocates of Contra Costa County

2151 Salvio Street, Suite 25

Concord , CA 94520 County Contra Costa

www.cccocasa.org

FEIN 94-2897531 Founded: 1981

Previous Donation: ☒ Yes ☐ No 25,000 5/19/2017 List Date 5/18/2018

Mission:

The Court Appointed Special Advocates (CASA) program recruits, trains, and supports volunteer advocates as a powerful voice for the best interest of abused and neglected children during the court process, in order to help every child ultimately thrive in a stable and permanent home. CASA of Contra Costa County is committed to: Reducing the number of children and youth who are on our wait list who need a CASA volunteer today; Ensuring effective networking with the Contra Costa County Juvenile Court, Children and Family Services, the Child Abuse Prevention Council, and other agencies; Advocating for the rights and needs of all children and youth, regardless of race, religion, disability or sex; Providing a 45-hour training program to educate volunteers about the duties and responsibilities of becoming an advocate for abused and neglected children; and Providing supervision, case consultation, in-service training, and team support to volunteers.

Impact:

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

Financial Information: IRS Form 990 for FY 2017

Revenues:	Amount	%	Notes
Government/Earned	\$74,589	11.0%	
Contributions	600,814	88.7%	
Other	<u>1,884</u>	<u>0.3%</u>	
Total Revenue:	<u>\$677,287</u>	<u>100.0%</u>	
Expenses:			
Program	\$585,732	88.5%	
Administration	40,213	6.1%	
Fund Raising	<u>35,998</u>	<u>5.4%</u>	
Total Expenses:	<u>\$661,943</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$15,344</u>		
Net Assets:	<u>\$649,368</u>		

BOD: Ann Wrixon; John Witaschek; David Fleisig; Susan Burnett; Vicki Hughes; Dan Ashley; Judy Castro; Mark Hughes; Mindy Murphy; Robin Pearson; Malcolm Sher; Phillip McLeod; Kristine Duffield

Covenant House California, Inc
1325 North Western Avenue
Los Angeles , CA 90027 County Los Angeles
covenanthousecalifornia.org
FEIN 13-3391210 Founded: 1986

Previous Donation: ☐ Yes ☒ No List Date 5/18/2018

Mission:

Covenant House California is dedicated to serving all God’s children, with absolute respect and unconditional love, to help youth experiencing homelessness, and to protect and safeguard all youth in need.
We believe that no young person deserves to be homeless; that every young person in California deserves shelter, food, clothing, education... and most importantly, to be loved. And we believe that it is our responsibility, as a community, to ensure that young people are given the opportunities that they deserve to achieve their dreams.
Our doors are open to youth and staff regardless of their race, religion, sexual orientation, gender identity or expression.

Impact:

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

Financial Information: IRS Form 990 for FY 2016

Revenues:	Amount	%	Notes
Government/Earned	\$1,972,997	23.5%	
Contributions	6,356,135	75.7%	
Other	<u>64,238</u>	<u>0.8%</u>	
Total Revenue:	<u>\$8,393,370</u>	<u>100.0%</u>	
Expenses:			
Program	\$8,319,990	94.5%	
Administration	288,975	3.3%	
Fund Raising	<u>195,999</u>	<u>2.2%</u>	
Total Expenses:	<u>\$8,804,964</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$411,594)</u>		
Net Assets:	<u>\$10,598,002</u>		

BOD: Paul Hanneman; Omid Yazdi; William Brodhead; Melissa Abbott; Gus Anagnos; Fred Ali; K. Kristine Dunn; Kelly Gordon; Llene Harker; Ricardo Hartigan; Dennis Jilot; Michael Kibler; Daryl William Kueter; Michael F. Marino; John G. Mavredakis; Diane Scott; Liza Pano; James Rossiter; Herbert Schulze; Steven Wilcox; Anthony Solis

Desert Hot Springs Microloan, Inc.

66860 3rd Street

Desert Hot Springs , CA 92240 County Riverside

deserthotspringsmicroloan.com

FEIN 47-4516575 Founded: 2015

Previous Donation: ☒ Yes ☐ No 20,000 2/3/2017 List Date 2/2/2018

Mission:

Our goal is to provide low/no interest loans to start-ups and small businesses needing capital to expand. Our staff is totally volunteer with as close to 100% of all donated money as possible used for loans. Our administration costs have been donated by our volunteers to this point. Desert Hot Springs is one of the poorest communities in California. We are a bedroom community that provides housing for many of the low wage workers who provide the labor force for the western Coachella Valley. Desert Hot Springs Microloan, Inc.' goal is to kickstart the creation of small businesses in Desert Hot Springs.

Impact:

A donation would be used to assist in the start up of the program

Financial Information: IRS Form 990-EZ for FY 2017

Revenues:	Amount	%	Notes
Government/Earned Contributions	20,110	100.0%	
Other			
Total Revenue:	<u>\$20,110</u>	<u>100.0%</u>	
Expenses:			
Program	\$195	100.0%	
Administration			
Fund Raising			
Total Expenses:	<u>\$195</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$19,915</u>		
Net Assets:	<u>\$49,805</u>		
BOD: Amando Rodriguez; Reggie Bickford; Carmen Valles; Kephyan Sheppard; Anayeli Zavala			

Family Assistance Ministries

1030 Calle Negocio

San Clemente , CA 92676 County Orange

www.family-assistance.org

FEIN 33-0864870 Founded: 1999

Previous Donation: ☒ Yes ☐ No 10,000 7/17/2015 List Date 4/27/2018

Mission:

The Gilchrist House is owned and operated by Family Assistance Ministries and offers transitional shelter for single women and women with children under 12 years of age. Residents may stay at the shelter for up to a year as they progress through the program. Residents must be clean and sober and must be employable. The Gilchrist House is a four-unit complex with 26-bed capacity. Residents are required to be clean and sober for 120 days prior to admission. Our program begins with a 30 day trial and can be extended up to 12 months. The program offers case management, life skills classes, budget counseling and referrals to job counseling and training, as well as debt counseling. The program is geared toward helping women without housing due to emergency situations such as loss of a job, spouse/partner, illness, death in family, past substance abuse, etc. become stabilized, return to work, and eventually enter permanent housing. Fees depend on ability to pay and length of stay.

Impact:

A donation would be used to assist the program

Financial Information: IRS Form 990 for FY 2016

Revenues:	Amount	%	Notes
Government/Earned	\$134,172	3.9%	
Contributions	3,250,990	94.6%	
Other	<u>51,433</u>	<u>1.5%</u>	
Total Revenue:	<u>\$3,436,595</u>	<u>100.0%</u>	
Expenses:			
Program	\$2,818,625	85.7%	
Administration	218,465	6.6%	
Fund Raising	<u>252,404</u>	<u>7.7%</u>	
Total Expenses:	<u>\$3,289,494</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$147,101</u>		
Net Assets:	<u>\$799,667</u>		

BOD: Avarelle Silver-Westrick; Dick Veale; Bob Grant; Andrew Donchak; Julie Puentes; C. Kirk Steele; Phil Bodem; John Buckles; Patrick Griffin; France Helfer; Wyn Holmes; Rev. Jim King; Michele Palma Koschel; Larry Leisenring; Father Brendan Manson; William Maxwell; Carolyn McOwen; Fred Meyer; Joseph O'Connor

Grandma's House of Hope
174 W.Lincoln Ave. Ste. #541
Anaheim , CA 92805 County Orange
www.grandmashouseofhope.org

FEIN 26-0391438 Founded:

Previous Donation: ☐ Yes ☒ No 50,000 2/23/2017 List Date 2/23/2018

Mission:

The GHH Campus-Model Housing Program offers housing and support services to homeless women in crisis in Orange County. GHH is known to take the most difficult cases. For some, their needs are urgent as they are leaving an unhealthy, dangerous situation such as Domestic Violence or Human Trafficking. In these cases, GHH Emergency Housing services can help them get safe and find more permanent solutions quickly. Others come to GHH facing severe medical needs and need major treatment programs such as chemotherapy. These women need a stable, long term placement to heal and also one that can act as a support system. The Healing House was designed specifically to meet these women's needs and is currently the only program in Orange County offering supportive housing services for homeless women with breast cancer. In addition, GHH assists motel families to move into permanent housing by offering financial support for moving costs and security deposits.

Impact:

They have the kitchen that needs to be fixed and also have two bathrooms that aren't ADA accessible. Another house needs new flooring white carpet doesn't work with that many babies.

Financial Information: IRS Form 990 for FY 2016

Revenues:	Amount	%	Notes
Government/Earned	\$581,974	26.9%	Noncash contributions amounts to \$1,015,749.
Contributions	1,581,847	73.1%	
Other	<u>991</u>	<u>0.0%</u>	
Total Revenue:	<u>\$2,164,812</u>	<u>100.0%</u>	
Expenses:			
Program	\$2,039,068	90.5%	
Administration	91,055	4.0%	
Fund Raising	<u>123,897</u>	<u>5.5%</u>	
Total Expenses:	<u>\$2,254,020</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$89,208)</u>		
Net Assets:	<u>\$108,688</u>		

BOD: Je'Net Kreitner; Stacey Schneider; Stacey Carr-Susor; Annabelle Cruz; Betty Ashley; Bob Murphy; Michele McCue; Michelle Marasca Donnels; Debbie Moreno; Lori Shaw

Larkin Street Youth Services
134 Golden Gate Avenue
San Francisco , CA 94102 County San Francisco
larkinstreetyouth.org

FEIN 94-2917999 Founded: 1983

Previous Donation: ☐ Yes ☒ No List Date 5/18/2018

Mission:

OUR MISSION: To create a continuum of services that inspires youth to move beyond the street. We nurture potential, promote dignity and support bold steps by all. On any given night in San Francisco, more than 1,300 young people are on the city’s streets without a safe place to call home, often through no fault of their own. Many more are hiding in plain sight: couch surfing, living in cars or abandoned buildings, or participating in the street economy for a place to sleep. While every young person’s story is unique, there are common themes around trauma, family violence, job disruption, and housing instability. From outreach and housing to health, education, and employment, Larkin Street offers the comprehensive services a young person needs to end the cycle of homelessness and create a permanent pathway out of poverty.

Impact:

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

Financial Information: IRS Form 990 for FY 2016

Revenues:	Amount	%	Notes
Government/Earned	\$10,198,238	58.1%	
Contributions	7,302,995	41.6%	
Other	<u>53,716</u>	<u>0.3%</u>	
Total Revenue:	<u>\$17,554,949</u>	<u>100.0%</u>	
Expenses:			
Program	\$14,465,549	84.2%	
Administration	1,653,619	9.6%	
Fund Raising	<u>1,052,164</u>	<u>6.1%</u>	
Total Expenses:	<u>\$17,171,332</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$383,617</u>		
Net Assets:	<u>\$7,057,009</u>		

BOD: Terry Kramer; Susan K. Alexander; Jeremy Avenier; Art Fatum; Adam Moise; Allison Wysocki; Sherilyn Adams; Fiona Barnett; Siri Berg; Jennifer Brahm; Cecily Cameron; Daniel A. Cody; Conor Famulener; Jeff Garelick; Blake Grossman; Jim Henry; John W. Hicks; Anne Hoecker; Eric Johnson; Adamar Kassahn; Richard Kerzic; Patrick Kiss; Natalie Hatvany Kitchen; Willis Newton; Eric Roos; Philip Schein; Aaron C. Schwartz; Sally Shapiro; John Viola; Charles J. Wibbelsman

Laura's House
999 Corporate Drive #225
Ladera Ranch , CA 92694 County Orange
www.laurashouse.org
FEIN 33-0621826 Founded: 1995
Previous Donation: ☒ Yes ☐ No 5,000 1/16/2015 List Date 4/27/2018

Mission:

When you support Laura's House you not only provide victims of domestic violence and their children with emergency shelter, you provide these families with the tools to build a new life. A life that is healthy, successful and free of violence. Laura's House is essential to improving the quality of life in Orange County, providing the services necessary to rebuild lives destroyed by violence. Laura's House provides direct services to more than 2,500 victims and their families each year through a 24-hour crisis hot line, emergency shelter, food and clothing, counseling, case management and legal services. Today, more than ever nonprofit organizations are facing severe financial challenges. As the economy has slowed and funding for services has been cut back, Laura's House depends on community support to help us meet the current needs of our clients, maintain our current level of quality services and grow our organization to meet our future needs.

Impact:

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

Financial Information: IRS Form 990 for FY 2016

Revenues:	Amount	%	Notes
Government/Earned	\$825,293	21.2%	The organization has a thrift store which accounts for the majority of the other revenues.
Contributions	2,099,864	53.9%	
Other	<u>968,979</u>	<u>24.9%</u>	
Total Revenue:	<u>\$3,894,136</u>	<u>100.0%</u>	
Expenses:			
Program	\$2,970,522	80.8%	
Administration	330,022	9.0%	
Fund Raising	<u>376,868</u>	<u>10.2%</u>	
Total Expenses:	<u>\$3,677,412</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$216,724</u>		
Net Assets:	<u>\$6,731,786</u>		
BOD: Garrett Sleichter; Laura Khouri; Wayne Pinnell; Brent C. Chase; Don Barnes; Patty Cyr; Laverne Friedmann; Hilary Kaye; Mike James; Mark Jones; Anne MacPherson; Pat McAuley; Dr. Jill Murray; Cheryl Osborn; Joseph M. Ruggiero; Kerri Strunk; Richard V. Umphrey III; Barry Villines; Dan Weeks; Casey Wolin; Brenda Zalke			

Mountain Circle
312 Crescent St.
Greenville , CA 95947 County Plumas
www.mountaincircle.org

FEIN 68-0062345 Founded: 1986

Previous Donation: ☐ Yes ☒ No List Date 6/23/2017

Mission:

Mountain Circle Family Services is a non-profit community based organization committed to ensuring stability and life sustaining changes for foster and adoptive children. Relationships are integral to who we are. We believe in providing people with a hand-up to help better themselves. We strive to be a permanent and impactful resource in the communities we serve. An innovated spirit is ever-present in all we do and drives our desire to make the most of our programs and revenues. We uphold ourselves, and those with whom we work, to high-quality work and standards. We strive to serve as a model among and advocate for children & youth.

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	\$2,436,394	96.0%	
Contributions	101,938	4.0%	
Other			
Total Revenue:	<u>\$2,538,332</u>	<u>100.0%</u>	
Expenses:			
Program	\$1,837,713	72.4%	
Administration	702,170	27.6%	
Fund Raising			
Total Expenses:	<u>\$2,539,883</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$1,551)</u>		
Net Assets:	<u>\$417,928</u>		
BOD: Jason Moghaddas; Shalyn Goss; Stacy Saez; Harry Rogers; Zach Revene			

Orange County Rescue Mission, Inc.

1 Hope Drive

Tustin , CA 92782 County Orange

www.rescuemission.org

FEIN 95-2479552 Founded: 1965

Previous Donation: ☐ Yes ☒ No List Date 10/6/2017

Mission:

OUR MISSION

To minister the love of Jesus Christ to the Least, the Last, and the Lost of our Community through the provision of assistance in the areas of guidance, counseling, education, job training, shelter, food, clothing, health care and independent living communities.

OUR PHILOSOPHY

To operate in a dynamic, entrepreneurial manner, expecting to grow and expand numerically, programmatically, and geographically. We seek to be constantly challenged with fresh vision and well-prepared strategies that originate with the President and the senior professional staff, and that are refined, confirmed, and approved by the Board of Directors.

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	\$285,514	1.9%	Serves all. No attendance at any religious service is required but is available.
Contributions	14,536,346	97.6%	
Other	67,784	0.5%	
Total Revenue:	\$14,889,644	100.0%	
Expenses:			
Program	\$7,480,830	69.8%	
Administration	1,085,002	10.1%	
Fund Raising	2,144,241	20.0%	
Total Expenses:	\$10,710,073	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	\$4,179,571		
Net Assets:	\$45,133,696		
BOD: Steve Callahan; Mark Conzelman; Ralph Duff; Christopher Ferebee; William Guard; Bart Hansen; Jackie Nowlin; Joe Olmans; Jim Palmer			

Project Open Hand

730 Polk St., 3rd Floor

San Francisco , CA94109CountySan Francisco

www.openhand.org

FEIN94-3023551Founded: 1991

Previous Donation: ☐ Yes ☒ No

List Date5/18/2018

Mission:

At Project Open Hand, our medically-tailored food helps clients recover from illness, get stronger and lead healthier lives. Project Open Hand services assist those with AIDS/HIV as well as critical illnesses such as breast cancer and diabetes. We also provide daily warm, nutritious meals for seniors and adults with disabilities fighting hunger. Project Open Hand's vision is that no one who is sick or elderly in our community will go without nutritious meals with love.

Impact:

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

Financial Information: IRS Form 990 for FY 2-16

Revenues:	Amount	%	Notes
Government/Earned	\$4,371,100	41.3%	
Contributions	5,875,115	55.5%	
Other	<u>336,747</u>	<u>3.2%</u>	
Total Revenue:	<u>\$10,582,962</u>	<u>100.0%</u>	
Expenses:			
Program	\$6,951,847	69.0%	
Administration	1,000,591	9.9%	
Fund Raising	<u>2,123,464</u>	<u>21.1%</u>	
Total Expenses:	<u>\$10,075,902</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$507,060</u>		
Net Assets:	<u>\$6,655,248</u>		

BOD: Carmela Krantz-Woven; Jay Stowsky; Patricia King; Linda Glick; Timothy Barabe; Shabbir Arik; John Colton; Lisa S. DeCarlo; Brian Grabenstein; Victoria Grand; Brendon Kearney; Aneesh Krishna; Kristofer Konietzko; Gary Loeb; Patrick McGovern; Jennifer Petraglia; Ruth Yankoupe

Raphael House
1065 Sutter Street
San Francisco , CA 94109 County San Francisco
www.rafaelhouse.org

FEIN
Founded: 1971

Previous Donation: ☐ Yes ☒ No

List Date 5/18/2018

Mission:

The mission of Raphael House is to help at-risk families achieve stable housing and financial independence while strengthening family bonds and personal dignity.

Since 1971, Raphael House has been at the forefront of providing homeless and low-income families in the San Francisco Bay Area the personalized family-centered solutions they need to build brighter futures. Raphael House is a 100% privately funded and community-supported organization. Our success rate is unmatched: more than 85% of all Raphael House families go on to achieve long-term housing and financial stability.

Impact:

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

Financial Information: Audited financials for FY 2016-17

Revenues:	Amount	%	Notes
Government/Earned			
Contributions	2,553,530	87.4%	
Other	<u>368,738</u>	<u>12.6%</u>	
Total Revenue:	<u>\$2,922,268</u>	<u>100.0%</u>	
Expenses:			
Program	\$2,432,549	71.7%	
Administration	433,225	12.8%	
Fund Raising	<u>526,779</u>	<u>15.5%</u>	
Total Expenses:	<u>\$3,392,553</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$470,285)</u>		
Net Assets:	<u>\$7,231,662</u>		

BOD: Scott H. Olson; Craig Martin; Patricia Kampmann; Melissa Koerner; Judy Davies; Elizabeth Dollar; Ralph Drybrough; Andrew Hewlett; Marny Homan; Laura Larsen; Laura Merling; Tom Miller; Michael S. Millman; Duncan Welstead; Jay Williams



DELEGATION OF AUTHORITY FOR CHARITABLE DONATIONS RELATED TO CMFA FINANCING PROGRAMS

Action	Approve Delegation of Authority for Charitable Donations Related to CMFA Financing Programs
Purpose:	Streamline Process for Charitable Donations
Activity:	Charitable Donations Related to CMFA Financing Programs
Meeting:	May 18, 2018

Background:

The CMFA engages in several financing programs including its Conduit Revenue Bond (“Conduit”) financing program and its Property Assessed Clean Energy (“PACE”) programs, and may in the near and long-term future develop financing programs such as the Bond Opportunities for Land Development (“BOLD”) community facilities district financing program.

The Conduit program provides conduit revenue bond financing for affordable housing, nonprofit, solid waste disposal, industrial development and other purposes providing public benefits to the members of CMFA and their citizens.

The 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.

Community Facilities District (“CFD”) financing programs such as the BOLD program will utilize special taxing districts that allow the financing of the installation, operation and maintenance of public improvements such as roads, water and wastewater facilities, flood control and drainage projects that benefit a specified area.

Under the policies of the CMFA, financings through CMFA financing programs generate charitable donations funded through CMFA grants equal to 25% of the issuance fee and made to the California Foundation for Stronger Communities (“CFSC”) to fund charities within the member communities (“Donations”).

Discussion:

The CMFA PACE program currently serves over 130 cities and counties on a diverse geographic basis. The program facilitates a large number of small dollar PACE assessments (“financings”) which results in a significant amount of small charitable donations funded through CMFA grants equal to 25% of the issuance fee and made to the California Foundation for Stronger Communities to fund charities within the member communities. These donations can be as small as \$20. The CMFA proposed BOLD

community facilities districts program is expected to also have a large number of small charitable grants generated through the program. The Conduit program consists of a smaller number of larger dollar financings. Under policies of the CMFA, for each financing staff of the CMFA contacts the member local agency in which the Conduit project is situated and requests the local agency to designate one or more nonprofits operating within its jurisdiction to receive the CFSC donation. In many instances, however, the local agency either fails to designate any charitable donation recipient, and CFSC's charitable funds go unutilized for a period of some length or, as is most often the case, the local agency requests the CFSC designate the charity on their behalf.

Delegating authority to the CMFA Executive Director to select the charitable recipients of grants related to CMFA financing programs would streamline the process. Local agencies who have previously selected charitable recipients in their communities will have their instructions followed. However, in cases where the donations are numerous and small and the local agency had not previously identified a charity, CMFA staff would not seek local agency input on the charitable donation recipient. In cases where donations are larger but the local agency fails to designate a charitable donation recipient within 14 days after being requested to do so, the Executive Director would use his discretion to select a charitable donation recipient. Preference will be given to charities previously selected by the Board. PACE and BOLD related donations will not preclude the CFSC Board from making donations to the same charity in the future. To ensure transparency, the CFSC Board will receive a listing of all charities that receive PACE and BOLD related donations.

Public Benefit:

The Conduit program provides conduit revenue bond financing for affordable housing, nonprofit, solid waste disposal, industrial development and other purposes providing public benefits to the members of CMFA and their citizens.

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.

CFD programs such as BOLD provide much needed public infrastructure in specific land areas.

The charitable donations resulting from each financing are made to nonprofits that operate in the communities in which the financed project is situated, thereby providing public benefit to the communities in which these programs operate.

Recommendation:

The Executive Director recommends the CFSC Board of Directors approve the delegation of authority for charitable donations resulting from the CMFA financing program related grants. For donations of less than \$1,000 where the local agency has not previously designated a charity, or for donations of \$1,000 or more where the local agency has not responded to the CMFA's request to designate a charitable donation recipient within 14 days, the Executive Director would select the charitable donation recipient with preference given to nonprofits previously selected by the Board. To ensure transparency, the CFSC Board will periodically receive a listing of all charities that receive PACE and BOLD related donations.



APPROVE AUDIT SUMMARY AND RECOMMENDATIONS

Subject: Approve Audit

Meeting: May 18, 2018

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 FY2018 audit is the third audit under the current engagement with MGO and will be done at a not-to-exceed cost of \$35,760 as follows.

	<u>2018</u>
CMFA Audit	24,300
CFSC Audit	8,400
CFPF Tax Return	<u>3,060</u>
	\$ 35,760

Recommendation:

The Executive Director recommends the firm of Macias Gini & O'Connell be approved to conduct the FY2018 CMFA and CFSC audits and the CFPF tax return.

Donations as of 4/27/2018

