



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).



2019-20 NON-PROFIT MEMBERSHIP SUMMARY AND RECOMMENDATIONS

Action: Approve CMFA's Membership with Various Non-Profits

Purpose: Approve CMFA's Membership with Various Non-Profits

Meeting: June 7, 2019

Background:

Approve CMFA's membership with the following Non-profits; California Affordable Housing Development Association, Asian Americans in Public Finance, California City Management Foundation, California Contract Cities Association, California Housing Consortium, California Council for Affordable Housing, California Society of Municipal Finance Officers, Council of Development Finance Agencies, GFOA, Healthcare Financial Management Association, Housing California, Kennedy Commission, National Housing & Rehabilitation Association, Non-Profit Housing Association of Northern California, PACENation, SCANPH and San Diego Housing Federation.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve membership in the previously listed nonprofit organizations located throughout California.



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

Action	Approve Greenday Finance LLC (DBA GreenPACE Capital) Property Assessed Clean Energy (“PACE”) Program Administrator Agreement
Purpose:	Property Assessed Clean Energy (“PACE”)
Activity:	PACE Financing and Refinancing of Energy Efficiency, Water Efficiency, Renewable Energy Generation and Seismic Improvements
Meeting:	June 7, 2019

Background:

Property Assessed Clean Energy (“PACE”) programs help local economies and the environment by providing financing for energy and water efficient improvements and renewable energy systems. Communities with PACE programs have increased construction activity, created jobs, lowered utility bills and reduced greenhouse gas emissions. Property owners repay the financing through their property tax bill over the useful life of the installed products.

Discussion:

Greenday Finance LLC (DBA GreenPACE Capital "GPC") was formed in 2016 to leverage PACE financing to facilitate the growing demand for solar financing specifically catered to the individual tax equity investor. GreenPACE Capital (“GPC”) is a nationally recognized financial company that specializes in solar financing.

Upon its launch, GPC received approval of its power purchase agreement ("PPA") from all the major residential PACE providers and was one of only two main solar PPA providers to boast that distinction. GPC's primary business model was originally to provide financing to the Hispanic demographic that, up until that point, had been largely unserved. GPC's solar PPA was married with PACE financing to afford residential customers the opportunity to go solar at a much lower price than their current electric bill and lower than any other alternative solar financing product. To-date, GPC has closed on over 500 residential PACE PPA transactions throughout California.

GPC is expanding into the commercial PACE solar market as a program administrator to assist non-profit, tax-exempt and commercial organizations with financing solar energy systems that saves money while helping the planet.

The Program Administrator Agreement has been reviewed by Jones Hall.

Public Benefit:

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

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve the GreenPACE Capital Program Administrator Agreement with the CMFA.



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

Action	Approve Commercial PACE Bond Counsel Services Letter Agreement Between the CMFA, Greenday Finance LLC (DBA GreenPACE Capital) and Stradling Yocca Carlson & Rauth
Purpose:	Property Assessed Clean Energy (“PACE”)
Activity:	PACE Financing and Refinancing of Energy Efficiency, Water Efficiency, Renewable Energy Generation and Seismic Improvements
Meeting:	June 7, 2019

Background:

Property Assessed Clean Energy (“PACE”) programs help local economies and the environment by providing financing for energy and water efficient improvements and renewable energy systems. Communities with PACE programs have increased construction activity, created jobs, lowered utility bills and reduced greenhouse gas emissions. Property owners repay the financing through their property tax bill over the useful life of the installed products.

Discussion:

GreenPACE Capital (“GPC”) is being admitted to the CMFA’s Open PACE program as a commercial PACE (“C-PACE”) administrator. The CMFA allows its program administrators to select their Bond Counsel subject to CMFA approval.

GreenPACE has selected Stradling Yocca Carlson & Raouth, A Professional Law Corporation (“Stradling”) to serve as Bond Counsel for their C-PACE program. Stradling is one of a few firms offering C-PACE Bond Counsel services. The letter agreement confirms the understanding of the terms and conditions under which Stradling will provide services as Bond Counsel to the CMFA in connection with its C-PACE program administered by GPC.

Public Benefit:

PACE programs encourage energy and water efficiency and diversifies energy sources, both of which reduce the impact on existing infrastructure. PACE programs further encourage seismic strengthening improvements, which increase the safe use of property. PACE programs provide property owners with a low-cost alternative to financing these improvements, thereby advancing the underlying public purposes. The program helps the economies of the communities we serve by creating new jobs and retaining existing jobs.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve the C-PACE Bond Counsel services letter agreement.



EL DORADO APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: C&C Development

Action: Initial Resolution

Amount: \$45,000,000

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

Activity: Affordable Housing

Meeting: June 7, 2019

Amending Resolution – May 20, 2016

Approve a resolution authorizing the amendments to the previous inducement resolution approval on May 20, 2016. After a considerable delay, the project is ready to move forward. The not to exceed amount is being increased due to the scope of the project.

Background:

C&C Development is a full service Real Estate Development Company with over 30 years of experience. C&C Development approaches every project with the long-term in mind. Through quality of design and construction, they are not only developing projects to be successful today, they are developing projects that will remain successful 10, 20, and 30 years into the future.

The principals and senior management staff of C&C Development take a hands-on approach to all aspects of the real estate development process: acquisition, entitlement, financing, construction, management, and ownership. The company is closely associated with many of the finest professional consultants in the business; architects, land planners, engineers, attorneys and accountants.

C&C works closely with City staff to effectively utilize and leverage available funds to meet affordable housing production requirements as well as to achieve redevelopment goals relating to neighborhoods and specific properties. C&C's wealth of experience in structuring complex

project financing enables it to use a variety of funding sources including tax exempt bonds, low-income housing tax credits, tax increment financing, as well as NSP, HOME, CDBG, HUD and conventional financing.

The Project:

The El Dorado Apartments project is affordable multifamily project with 72-units of new construction and 12-units being rehabilitated. The project will be located on 3.8 acres located at the northwest corner of W. Mission Road and Pleasant Way in San Marcos, California. The project will be made up of ten 2-story and 3-story wood framed buildings with tuck under parking. One of the buildings will contain the leasing office/community space. The buildings will be comprised of one-, two- and three-bedroom units. The project will be restricted to households making 30%-50% of Area Median Income. The development is designed to achieve, at minimum, a LEED Gold Certification and will utilize sustainable building methods. The property is located within close walking distance to sprinter station, bus stops, grocery stores, schools, general retail and parks. The financing of this project will result in providing affordable housing for 84 families in the City of San Marcos for 55 years.

The City of San Marcos:

The City of San Marcos is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$15,633 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 38,800,000
City of San Marcos:	\$ 26,623,268
Deferred Developer Fee:	\$ 1,958,370
Costs Deferred Until Completion:	\$ 384,780
GP Equity:	\$ 100
Equity:	<u>\$ 1,702,833</u>
Total Sources:	\$ 69,469,351

Uses of Funds:

Land Acquisition:	\$ 15,809,070
New Construction:	\$ 21,978,382
Architectural & Engineering:	\$ 1,367,375
Legal & Professional:	\$ 654,800
Relocation:	\$ 1,100,000
Development Impact & Permits:	\$ 3,325,000
Capitalized CFD Fees:	\$ 15,600,000
Developer Fee & Other Soft Costs*:	\$ 9,077,294
Costs of Issuance:	<u>\$ 557,430</u>
Total Uses:	\$ 69,469,351

Terms of Transaction:

Amount:	\$45,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	April 2020

Public Benefit:

A total of 84 households will be able to enjoy high quality, independent, affordable housing in the City of San Marcos. The project will provide amenities such as covered parking, a community room and laundry facility. The construction of this project will provide affordable living in the City of San Marcos for 55 years.

Percent of Restricted Rental Units in the Project: 100%

- 14% (12 Units) restricted to 30% or less of area median income households; and
- 14% (12 Units) restricted to 40% or less of area median income households; and
- 6% (5 Units) restricted to 50% or less of area median income households; and
- 66% (55 Units) restricted to 60% or less of area median income households.

Unit Mix: 1-, 2- & 3-bedroom units

Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Goldfarb and Lipman, LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$45,000,000 for El Dorado Apartments affordable multi-family housing facility located in the City of San Marcos, San Diego County, California.

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

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



ROSEFIELD VILLAGE APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Housing Authority of the City of Alameda

Action: Initial Resolution

Amount: \$45,000,000

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

Activity: Affordable Housing

Meeting: June 7, 2019

Amending Resolution – November 20, 2015, May 20, 2016, June 3, 2016 and May 17, 2019

Approve a resolution authorizing the amendments to the previous approvals. After a considerable delay, the project is ready to move forward. The not to exceed amount is being increased due to the scope of the project.

Background:

Created in 1940 to meet the housing needs of lower income households within the City, the Housing Authority of the City of Alameda (AHA) serves over 4,000 persons today, including the households who live in the 934 affordable units owned, operated or controlled by AHA.

AHA manages the Section 8 voucher program within the City of Alameda as well as a number of other housing programs on behalf of the City of Alameda, including CDBG and HOME programs.

The section 8 program is an important partnership between private landlords and AHA to provide housing affordability and stability for families, including seniors and persons living with disabilities.

The Project:

Rosefield Village Apartments is an acquisition/ rehabilitation of a 92-unit complex located at 746 Eagle Avenue in the City of Alameda. The site offers assigned off-street parking as well as plenty of on-street parking. Amenities include a leasing office/recreation and community space building, laundry room and open space. The project will undergo significant renovations to all interior units, HVAC systems, building exteriors and landscaping. Upgrades will also be performed to increase energy efficiency. The development is made up of 1-, 2- and 4-bedroom units. All of the units will be restricted to households making 50% or less of Area Median Income. The financing of this project will continue to provide 91 units of affordable housing in the City of Alameda for another 55 years.

The City of Alameda:

The City of Alameda is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$15,333 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 37,000,000
Perm Loan:	\$ 584,700
Seller Take Back:	\$ 7,000,000
AHSC/CDBG:	\$ 5,982,529
Investor Capital Contribution:	\$ 8,647,241
Equity:	<u>\$ 879,049</u>
Total Sources:	\$ 60,093,519

Uses of Funds:

Land Acquisition:	\$ 2,400,000
Building Acquisition:	\$ 4,790,000
Rehabilitation:	\$ 28,320,000
New Machinery & Equipment:	\$ 75,000
Architectural & Engineering:	\$ 725,000
Legal & Professional:	\$ 155,500
Construction Interest Fees:	\$ 1,744,858
Repay Construction Bond:	\$ 18,000,000
Developer Fee:	\$ 2,500,000
Consulting/ Reserves:	\$ 966,564
Cost of Issuance:	<u>\$ 416,597</u>
Total Uses:	\$ 60,093,519

Terms of Transaction:

Amount:	\$45,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March 2020

Public Benefit:

A total of 91 households will continue to be able to enjoy high quality, independent, affordable housing in the City of Alameda, California.

Percent of Restricted Rental Units in the Project: 100%
100% (91 Units) restricted to 50% or less of area median income households
Unit Mix: 1-, 2- and 4-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Carle Mackie Power & Ross, LP
Financial Advisor:	Community Economics, Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$45,000,000 for Rosefield Village Apartments affordable multi-family housing facility located in the City of Alameda, Alameda County, California.

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

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



BELLA VISTA APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	Many Mansions
Action:	Initial Resolution
Amount:	\$15,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Thousand Oaks, County of Ventura, California
Activity:	Affordable Housing
Meeting:	June 7, 2019

Background:

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

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

The CMFA has participated in seven projects with Many Mansions.

The Project:

The Bella Vista Apartments project is an acquisition/rehabilitation of a 72-unit affordable multi-family housing development. The development sits on a 4.9-acre property and consists of 8 two-story garden style buildings. The unit mix includes 21 one-bedroom and 50 two-bedroom units. 89% of the units will be restricted to low-income households making 60% or less of Area Median Income. The other 11% of the units will be restricted to 80% of Area Median Income. The project is located at 2011-2025 Los Feliz Dr., Thousand Oaks, CA. Amenities include lush landscaped areas, community pool, manager's office, gazebos, two on-site laundry rooms and on-site parking. Services will include free on-site life enriching services for the residents at an adjacent Many Mansions owned property. This financing will preserve 63 units of affordable housing for the City of Thousand Oaks for an additional 55 years.

The City of Thousand Oaks:

The City of Thousand Oaks is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$7,103 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 11,365,082
Subordinate HCD Loan:	\$ 4,860,649
Subordinate City of Thousand Oaks Loan:	\$ 6,038,509
Cost Deferred Until Completion:	\$ 1,135,768
Deferred Developer Fee:	\$ 1,231,552
Equity:	<u>\$ 746,235</u>
Total Sources:	\$ 25,377,795

Uses of Funds:

Land Acquisition:	\$ 235,000
Building Acquisition:	\$ 16,400,000
Rehabilitation:	\$ 3,000,000
Architectural & Engineering:	\$ 89,100
Legal & Professional:	\$ 176,350
Contingencies & Reserves:	\$ 657,981
Construction Period Expenses:	\$ 1,550,683
Developer Fee:	\$ 2,815,830
Other Costs*:	\$ 75,000
Costs of Issuance:	<u>\$ 377,851</u>
Total Uses:	\$ 25,377,795

Terms of Transaction:

Amount:	\$15,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	April 2020

Public Benefit:

A total of 63 households will continue to be able to enjoy high quality, independent, affordable housing in the City of Thousand Oaks, California for the next 55 years.

Percent of Restricted Rental Units in the Project: 89%
69% (49 Units) restricted to 50% or less of area median income households; and
20% (14 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:	Quint & Thimmig, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Gubb & Barshay, LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$15,000,000 for Bella Vista Apartments affordable multi-family housing facility located in the City of Thousand Oaks, Ventura County, California.

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

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



WINDSOR GARDENS APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Community Housing Works

Action: Initial Resolution

Amount: \$26,000,000

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

Activity: Affordable Housing

Meeting: June 7, 2019

Background:

Community Housing Works (“CHW”) has a successful 20-year history as a developer and owner of affordable rental apartments in urban, suburban and rural communities across San Diego County. Having completed over 1,300 rental and cooperative apartments in 25 complexes, they currently have some 300 apartments in progress. As a leader in San Diego’s affordable multi-family community, they both build new complexes to alleviate the housing need in San Diego and they acquire and preserve older buildings to revitalize neighborhoods.

Working hard to create a new standard for what affordable housing can and should look like, many of their complexes have won national awards.

Their complexes have also received recognition in Time magazine and design journals. CHW’s projects have been featured on the cover of an Urban Land Institute’s guide to affordable housing programs. The California League of Cities, the Pacific Coast Builders, the California Redevelopment Association, and various local organizations have also recognized CHW projects.

This will be the CMFA’s 7th project with CHW.

The Project:

Windsor Gardens Apartments is an acquisition/rehabilitation project located at 1600 West 9th Ave., Escondido, CA. The project was constructed circa 1978 and is comprised of 132 residential units in a 34 one-story wood framed building complex. The project site is located on a flat, well landscaped area in the vineyard neighborhood of Escondido. The unit mix consists of 128 one-bedroom residential units and 4 two-bedroom units all located in 4-plex buildings. The common facilities are in a one-story office/community building, and include the rental office, maintenance room, a community room with warming kitchen, laundry room and outdoor patio/seating. The proposed rehabilitation includes accessibility improvements; energy efficiency improvements; new floor coverings; exterior painting; new kitchen appliances; plumbing, HVAC, and electrical upgrades. The financing of this project will result in preserving affordable housing for 130 low-income households in the City of Escondido for another 55 years.

The City of Escondido:

The City of Escondido is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$13,166 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 24,000,000
LIH Tax Credit Equity:	<u>\$ 7,200,000</u>
Total Sources:	\$ 31,200,000

Uses of Funds:

Land Acquisition:	\$ 580,000
Building Acquisition:	\$ 14,320,000
Rehabilitation:	\$ 7,000,000
Architectural & Engineering:	\$ 800,000
Legal & Professional:	\$ 400,000
Relocation:	\$ 450,000
Loan Interest:	\$ 900,000
Developer Fee:	\$ 3,300,000
Soft Costs & Other Project Costs*:	\$ 2,990,000
Costs of Issuance:	<u>\$ 460,000</u>
Total Uses:	\$ 31,200,000

Terms of Transaction:

Amount:	\$26,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	November 2019

Public Benefit:

A total of 130 low-income households will continue to be able to enjoy high quality, independent, affordable housing in the City of Escondido for another 55 years.

Percent of Restricted Rental Units in the Project: 100%
25% (33 Units) restricted to 30% or less of area median income households; and
36% (47 Units) restricted to 50% or less of area median income households; and
39% (50 Units) restricted to 60% or less of area median income households.
Unit Mix: 1- & 2-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Gubb & Barshay LLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$26,000,000 for Windsor Gardens Apartments affordable multi-family housing facility located in the City of Escondido, San Diego County, California.

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

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



KRISTEN COURT APARTMENTS II SUMMARY AND RECOMMENDATIONS

Applicant: Pacific West Communities, Inc.

Action: Final Resolution

Amount: \$7,500,000

Purpose: Finance Affordable Multi-Family Rental Housing Facility
Located in the City of Live Oak, Sutter County, California

Activity: Affordable Housing

Meeting: June 7, 2019

Amending Resolution – July 20, 2018

Approve a resolution authorizing the amendments to the previous approvals. After a considerable delay, the project is ready to move forward. The not to exceed amount is being increased due to the scope of the project.

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 credits, PWC and its related companies develop multi-family and senior citizen housing in the states of California, Arizona, New Mexico, Utah, Oregon, Montana, Idaho, Nevada, Colorado, Washington, and Wyoming. Currently PWC owns and operates approximately 110 developments with over 6,000 units of affordable housing.

The CMFA has participated in over 10 projects with Pacific West Communities.

The Project:

Kristen Court Apartments II is a new construction project located in Live Oak on a 2.24-acre portion of a 3.68-acre site. The project consists of 24 restricted rental units. The project will have 12 two-bedroom units and 12 three-bedroom units. The site will include three residential buildings and a laundry building. The construction will be wood frame supported by perimeter foundations with concrete slab flooring. Common amenities that are shared with Kristen Court Apartments Phase I include a community room and a kitchen, laundry facilities, exercise room, management offices, playground and a swimming pool. Each unit will have a refrigerator, range/oven, dishwasher, disposal, exhaust fans and a balcony or patio with storage space. This development will provide the City of Live Oak with 24 much needed units of affordable housing for the next 55 years.

The City of Live Oak:

The City of Live Oak is a member of the CMFA and held a TEFRA hearing on January 16, 2019. Upon closing, the City is expected to receive approximately \$3,347 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:	\$ 5,500,000	\$ 350,000
LIH Tax Credit Equity:	\$ 368,153	\$ 3,681,531
Deferred Developer Fee:	\$ 870,382	\$ 351,000
Deferred Costs:	\$ 118,996	\$ 0
Seller Carryback Loan:	\$ 240,000	\$ 240,000
HCD HOME Funds:	\$ 2,500,000	\$ 4,500,000
TPC Holdings V, LLC (GP Loan):	\$ 0	\$ 475,000
Total Sources:	\$ 9,597,531	\$ 9,597,531

Uses of Funds:	
Acquisition/Land Purchase:	\$ 240,000
New Construction:	\$ 5,819,528
Contractor Overhead & Profit:	\$ 434,304
Architectural:	\$ 200,000
Survey & Engineering:	\$ 145,000
Construction Interest and Fees:	\$ 350,750
Permanent Financing:	\$ 210,000
Legal Fees:	\$ 70,000
Reserves:	\$ 56,070
Appraisal:	\$ 10,000
Hard Cost Contingency:	\$ 310,000
Local Development Impact Fees:	\$ 618,582
Other Soft Costs (Marketing, etc.) *:	\$ 262,915
Developer Costs	\$ 870,382
Total Uses:	\$ 9,597,531

Terms of Transaction:

Amount:	\$7,500,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	June 2019

Public Benefit:

The construction of this project will provide affordable, high quality housing for 24 households in the City of Live Oak for 55 years.

Percent of Restricted Rental Units in the Project: 100%
100% (24 Units) restricted to 50% or less of area median income households.
Unit Mix: 2- and 3-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	Wells Fargo Community Lending
Financial Advisor:	Miller Housing Advisors
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Dentons
Borrower Counsel:	Law Offices of Clayton W. McReynolds

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$7,500,000 for the Kristen Court Apartments II affordable multi-family housing facility located in the City of Live Oak, Sutter 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.



PARK WESTERN APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	SDG Housing Partners
Action:	Final Resolution
Amount:	\$75,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Los Angeles, Los Angeles County, California
Activity:	Affordable Housing
Meeting:	June 7, 2019

Background:

SDG Housing Partners (“SDG”) was founded to renovate and preserve affordable housing with the will and passion to re-create communities to the highest standards to make a difference for the residents of the property and the community at large by providing exceptional quality housing. SDG’s Mission is to renovate and operate the affordable housing communities to the highest standard while maintaining affordability in perpetuity.

Given the critical regulatory dynamics of a HUD property, SDG’s expertise and understanding of the financial nuances of affordable housing transactions provides an ideal combination of what they believe to be maximum achievable proceeds to the Board of Directors while ensuring that the property will have the necessary funds to sustain a world class renovation and future operations.

SDG is dedicated to providing social services to all residents that reside in their buildings. Through their non-profit partner HCA, SDG provides programs Including – Art, Gardening, Health and Wellness, Kaboom, Music, Photography, Computers, Sculpture, Stop Motion, Theater & Dance, and Cooking classes.

The Project:

Park Western Apartments is an existing project located in Los Angeles on a 7.72-acre site. The project consists of 214 restricted rental units and two unrestricted managers' units. The project has 32 one-bedroom units, 128 two-bedroom units, 32 three-bedroom units and 24 four-bedroom units. Building exterior renovations will consist of stucco repairs, roof replacement, window replacements and a fresh coat of paint. Interior renovations will include a leasing office and an expanded community room upgrade. Individual apartment units will be updated with a new kitchen appliance package, paint and electrical updates. Lastly, common or site area renovations will consist of ADA updates and gate control for increased security. This financing will preserve 214 units of affordable housing for the City of Los Angeles for another 55 years.

The City of Los Angeles:

The City of Los Angeles is a member of the CMFA and held a TEFRA hearing on February 20, 2019. Upon closing, the City is expected to receive approximately \$19,857 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:	\$ 64,143,000	\$ 64,143,000
LIH Tax Credit Equity:	\$ 14,222,038	\$ 28,443,975
Developer Overhead/Profit:	\$ 8,426,079	\$ 7,157,771
Developer Equity:	\$ 100	\$ 100
Deferred Costs:	\$ 1,566,000	\$ 0
NOI During Construction:	<u>\$ 1,500,000</u>	<u>\$ 0</u>
Total Sources:	\$ 89,857,217	\$ 99,744,846

Uses of Funds:

Acquisition/Land Purchase:	\$ 66,246,500
Rehabilitation:	\$ 9,705,918
Relocation:	\$ 964,000
Contractor Overhead & Profit:	\$ 717,121
Architectural:	\$ 350,000
Survey & Engineering:	\$ 180,000
Construction Interest & Fees:	\$ 4,796,872
Permanent Financing:	\$ 1,726,101
Legal Fees:	\$ 345,000
Reserves:	\$ 1,096,803
Appraisal:	\$ 9,000
Hard Cost Contingency:	\$ 1,344,600
Other Project Costs*:	\$ 1,445,160
Developer Costs:	<u>\$ 10,817,771</u>
Total Uses:	\$ 99,744,846

Terms of Transaction:

Amount:	\$75,000,000
Maturity:	17 years
Collateral:	Collateral Fund
Bond Purchasers:	Public Offering: Institutional & Retail Investors
Anticipated Rating:	AA+ (S&P Global) (based on Fannie Mae Mod Rehab Loan)
Estimated Closing:	July 2019

Public Benefit:

A total of 214 low-income households will continue to be able to enjoy high quality, independent, affordable housing in the City of Los Angeles, California for another 55 years.

Percent of Restricted Rental Units in the Project: 100%
11% (23 Units) restricted to 50% or less of area median income households; and
89% (191 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:

Lender:	Hunt Real Estate Capital
Underwriter:	RBC Capital Markets, LLC
Bond Counsel:	Jones Hall APLC
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	Robinson & Cole LLP
Underwriter Counsel:	Norris George & Ostrow PLLC
Borrower Counsel:	Bocarsly Emden Cowal Esmail & Arndt LLP
Trustee:	Wilmington Trust, NA

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$75,000,000 for Park Western Apartments affordable multi-family housing facility located in the City of Los Angeles, Los Angeles County, California.

*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” and 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.



IMPERIAL PORTFOLIO SUMMARY AND RECOMMENDATIONS

Applicant: Community Preservation Partners

Action: Final Resolution

Amount: \$14,000,000

Purpose: Finance Affordable Multi-Family Rental Housing Facilities
Located in the Cities of Brawley, Calexico, Holtville and
Seeley, County of Imperial, California

Activity: Affordable Housing

Meeting: June 7, 2019

Background:

The history of Community Preservation Partners (“CPP”) begins with their parent company, WNC & Associates. Founded in 1971, WNC is a national investor in affordable housing and community renewal initiatives. It has acquired more than 1,200 properties valued at greater than \$6.2 billion in 45 states, Washington D.C., and the Virgin Islands.

CPP was established in 2004 to promote the preservation of low-income housing and to assist existing owners and/or general partners with recapitalizing and revitalizing their affordable housing portfolios. Since then, it has successfully acquired, developed and rehabilitated more than 4,000 affordable multi-family housing units across the nation.

CPP is more than a consultant or an investor. They are a true partner in every sense. CPP helps enrich the local community by joining forces with leading nonprofits and strategically partnering to provide essential social services to residents.

Today, with more than \$6.5 billion of real estate assets acquired, including over 1,225 properties in 45 states, CPP and WNC don’t just say they are an “industry leader” and a “long-term partner,” they’ve proven it for over four decades.

The Project:

The Imperial VI Apartments is an existing scattered site project located in the cities of Calexico, Seeley, Holtville and Brawley on sites totaling 12.13 acres. The project provides 250 restricted rental units and 6 unrestricted manager units distributed as 87 one-bedroom, 117 two-bedroom, 50 three-bedroom and 2 four-bedroom units. Building exterior renovations include roof and gutter replacement, new windows and sliding doors, siding and fascia repair/replacement, repair/replacement of stairs, railings and balconies, and fresh paint. Interior renovations include updates to the community room, manager offices, laundry facilities, elevators, and the electrical and HVAC systems. Apartment units will be updated with new cabinets, countertops, plumbing fixtures, water heaters, flooring, doors, electrical switches and plugs, lighting and smoke/CO detectors. Twenty-seven units will be updated for ADA compliance. Site renovations include new signage, mail stations and lighting, as well as path-of-travel and carport modifications for ADA compliance. Work is expected to begin in May 2019 and be completed in December 2020. The preservation and rehabilitation of the properties will preserve 250 units of affordable housing for Imperial County residents for another 55 years.

The County of Imperial

The County of Imperial is a member of the CMFA and held a TEFRA hearing on February 12, 2019. Upon closing, the County is expected to receive approximately \$7,296 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:	\$ 11,675,000	\$ 6,650,000
USDA Rural Development 515:	\$ 10,021,689	\$ 10,021,689
WNC & Associates, Inc.:	\$ 1,846,863	\$ 0
LIH Tax Credit Equity:	\$ 0	\$ 6,872,550
Developer Equity:	\$ 883,388	\$ 882,701
USDA RD Replacement Reserves:	<u>\$ 320,000</u>	<u>\$ 320,000</u>
Total Sources:	\$ 24,746,940	\$ 24,746,940

Uses of Funds:	
Acquisition/Land Cost:	\$ 10,582,266
Rehabilitation:	\$ 6,937,600
Relocation:	\$ 91,000
Contractor Overhead & Profit:	\$ 512,000
Architectural Fees:	\$ 265,000
Survey and Engineering:	\$ 170,300
Construction Interest and Fees:	\$ 967,353
Permanent Financing:	\$ 171,350
Legal Fees:	\$ 100,000
Reserves:	\$ 923,400
Hard Cost Contingency:	\$ 790,000
Other Project Costs*:	\$ 369,298
Developer Costs:	<u>\$ 2,867,373</u>
Total Uses:	\$ 24,746,940

Terms of Transaction:

Amount:	\$14,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	June 2019

Public Benefit:

A total of 250 low-income families will continue to be able to enjoy high quality, independent, affordable housing in throughout Imperial County. The rehabilitation of these projects will continue to provide affordable living in Imperial County for another 55 years.

Percent of Restricted Rental Units in the Project: 100%
15% (38 Units) restricted to 50% or less of area median income households; and
85% (212 Units) restricted to 60% or less of area median income households.
Unit Mix: 1-, 2-, 3- & 4-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	California Bank & Trust
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Sheppard Mullin Richter & Hampton LLP
Borrower Counsel:	Law Offices of Patrick R. Sabelhaus

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$14,000,000 for the Imperial Portfolio affordable multi-family housing facilities located in the Cities of Brawley, Calexico, Holtville and Seeley, Imperial 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.



MT. SAN ANTONIO GARDENS SUMMARY AND RECOMMENDATIONS

Applicant:	Congregational Homes, Inc., DBA Mt. San Antonio Gardens
Action:	Final Resolution
Amount:	\$45,000,000
Purpose:	Finance and Refinance the Construction, Acquisition, Improvement, and Equipping of Senior Living Communities Located in the Cities of Claremont and Pomona, Los Angeles County, California.
Activity:	Healthcare
Meeting:	June 7, 2019

Background:

Mt. San Antonio Gardens (the “Gardens” or “Corporation”) is a Life Care retirement community located on 31 acres in both Pomona and Claremont, California, with the city line bisecting the property. The Gardens provides four levels of care to its residents (persons 60 years of age and older): independent living, assisted living, skilled nursing and memory care. Independent living is available to residents who do not require any help with activities of daily living. Assisted living is for those residents who require additional support with a range of daily living tasks. Skilled nursing beds are available for those residents requiring 24-hour nursing care. Within the skilled nursing area, in addition to long-term care, the Corporation provides short-term rehabilitation services. Finally, the memory care program is designed for those residents with memory impairment to the extent that a secured environment is necessary. There are currently over 500 residents of the Gardens.

The Corporation was founded by the Congregational Conference of Southern California and the Southwest (now known as the Southern California/Nevada Conference of the United Church of Christ) in 1957. The Corporation constructed the original residential buildings, main dining room and social center at the Gardens in the early 1960s followed by the assisted living building in 1974. The most recent independent living building, known as the Terraces, opened in 2007, consisting of 20 two-bedroom homes and 12 one-bedroom apartments. Subsequent additions to the Gardens included two 10-resident Green Houses with skilled nursing services, which opened in 2013, and a secured memory care unit, which opened in 2015. In 2017, the Corporation converted one of the Green Houses to a short-term rehabilitation unit.

The Project:

The Corporation intends to use the proceeds of the Bonds, together with other available funds, to (i) finance the construction, improvement, renovation and equipping of the continuing care retirement community owned and operated by the Corporation (the “Project”); (ii) currently refund the Authority’s Senior Living Revenue Bonds (Mt. San Antonio Gardens Project), Series 2010 (the “Series 2010 Bonds”), \$16,375,000 of which are currently outstanding; (iii) fund a debt service reserve fund for the benefit of the Bonds; (iv) pay a portion of the interest on the Bonds during the construction of the hereinafter described Project; and (v) pay certain of the costs of issuance of the Bonds.

The Cities of Claremont and Pomona:

The Cities of Claremont and Pomona are both members of the CMFA and held TEFRA hearings on May 28, 2019 and May 20, 2019 respectively. Upon closing, the Cities are expected to share approximately \$10,798 as part of the CMFA’s sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 34,790,000
Original Issue Premium:	<u>\$ 3,421,581</u>
Total Sources:	\$ 38,211,581

Uses of Funds:

Refunding:	\$ 16,144,000
Routine CapEx for 3 Years:	\$ 18,000,000
DSRF:	\$ 2,242,750
Capitalized Interest:	\$ 923,817
Costs of Issuance:	<u>\$ 901,014</u>
Total Uses:	\$ 38,211,581

Terms of Transaction:

Amount:	\$45,000,000
Maturity:	August 2049
Collateral:	Gross Revenue Pledge & Deed of Trust on property
Bond Purchasers:	Public Offering: Institutional & Retail Investors
Anticipated Rating:	BBB (Fitch Ratings)
Estimated Closing:	July 2019

Public Benefit:

With the funding of this transaction, Mt. San Antonio Gardens will be able to continue to provide independent living, assisted living, skilled nursing and memory care to senior residents. This transaction will help reduce the fiscal burden from the debt that MSAG is carrying with lower rates and better loan terms while providing proceeds for ongoing capital improvements to the facilities.

Finance Team:

Underwriter:	B.C. Ziegler and Company
Underwriter's Counsel:	Chapman and Cutler, LLP
Bond Counsel:	Orrick Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Borrower Counsel:	Kronick Moskowitz Tiedemann & Girard
Trustee:	Bank of New York Mellon Trust Company, N.A.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$45,000,000 for Mt. San Antonio Gardens located in the Cities of Claremont and Pomona, Los Angeles County, 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.



THE PEGASUS SCHOOL PROJECT SUMMARY AND RECOMMENDATIONS

Applicant:	The Pegasus School
Action:	Final Resolution
Amount:	\$13,000,000
Purpose:	Finance the Construction, Remodeling, Restructuring and Upgrading Facilities for the Pegasus School, located in the City of Huntington Beach, California.
Activity:	Private School
Meeting:	June 7, 2019

Background:

The Pegasus School is dedicated to academic excellence and to the development of lifelong learners who are confident, caring, and courageous. In 1984, Dr. Laura Hathaway, with vision, with dedication, and with courage, founded The Pegasus School.

Dr. Hathaway's vision was to create an educational community in which it would be safe for gifted students to be smart; in which students' strong intellectual challenges would be matched by a thoughtful social and emotional embrace; in which teachers would provide a curriculum of high content and high interest to encourage students to "build wings so bright minds can soar." The Pegasus School emerged from collaboration with the University of California, Irvine to develop academically accelerated classes for gifted students, based on the model created by Dr. Julian Stanley at Johns Hopkins University.

Dr. Hathaway's dedication led to expansion of the school from her gifted summer camps to a Pre K through 8th grade educational program. She hired a core group of outstanding teachers and established standards of high academic expectation with an appreciation for the gifts that each individual brings to the community. In the 1990s, the school expanded to include a wider range of bright and motivated students who clearly benefited from the school's commitment to building a community where it was safe to be smart. The school purchased its current facility in 1995 and then began work to refurbish classrooms and expand buildings. The Palley Complex which serves fourth and fifth graders was added in 1997 and the Hathaway Activities Center was built in 2000 to provide a home for performance, art, and student athletics.

The Project:

The proceeds will be used to finance the costs of construction of a science and technology building, remodeling current middle school classrooms, restructuring a parking lot, and upgrading the middle school quad, including all associated design, engineering and planning costs related thereto and related capital project costs (collectively, the “Facilities”) and paying related expenses incurred with respect to the Loans (collectively, the “Project”). The owner and operator of the Facilities will be the School, which is located at 19692 Lexington Lane, Huntington Beach, California.

The City of Huntington Beach:

The City of Huntington Beach is a member of the CMFA and held a TEFRA hearing on June 3, 2019. Upon closing, the City is expected to receive \$7,166 as part of CMFA’s sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bonds:	\$ 10,500,000
Capital Campaign Contributions:	\$ 4,500,000
Total Sources:	\$ 15,000,000

Uses of Funds:

Rehabilitation:	\$ 800,000
New Construction:	\$ 11,900,000
Architectural & Engineering:	\$ 1,600,000
Legal & Professional:	\$ 500,000
Cost of Issuance:	\$ 200,000
Total Uses:	\$ 15,000,000

Terms of Transaction:

Amount:	\$13,000,000
Maturity:	Series A- 30 years Series B- 10 years
Collateral:	Operating Revenues/ Personal Property/ Equipment
Bond Purchasers:	Private Placement
Estimated Closing:	June 2019

Initial Public Benefit:

The Pegasus School is dedicated to academic excellence and to the development of lifelong learners who are confident, caring, and courageous. The Pegasus students love to learn, to be challenged, and to work hard; they are bright and motivated; they are joyful; they grow in both intellect and empathy. The Pegasus teachers inspire, nurture and guide. They love to teach; they are flexible, creative, collaborative, and innovative; they foster each student’s individual gifts and passions. The Pegasus parents value education; they work closely with the school in a

partnership based on thoughtful communication and mutual respect. The Pegasus alumni are lifelong learners and engaged citizens; they are confident and competent; they value their Pegasus education and friendships.

Initial Finance Team:

Placement Agent:	Hilltop Securities Inc.
Purchaser:	First Republic Bank
Bond Counsel:	Hawkins Delafield & Wood LLP
Issuer Counsel:	Jones Hall, APLC
Purchaser Counsel:	Hawkins Delafield & Wood LLP
Borrower's Counsel:	Stradling Yocca Carlson & Rauth, PC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$13,000,000 for the Pegasus School located in the City of Huntington Beach, County of Orange, 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.



HOLY NAMES UNIVERSITY SUMMARY AND RECOMMENDATIONS

Applicant:	Holy Names University
Action:	Final Resolution
Amount:	\$49,000,000
Purpose:	Finance and Refinance Certain Capital Facilities, Improvements and Working Capital for Holy Names University located in the City of Oakland, Alameda County, California.
Activity:	Private University
Meeting:	June 7, 2019

Background:

Holy Names University (“HNU”) was founded in 1868 by the Sisters of the Holy Names of Jesus and Mary, is rooted in Catholic intellectual and spiritual traditions. A rigorous and inclusive intellectual community, HNU is committed to continuous improvement and provides professional and liberal arts undergraduate and graduate degree programs. The University empowers a diverse student body to think critically and imaginatively, to understand and employ the various modes of knowledge, to communicate clearly and persuasively, to pursue leadership opportunities, and to promote the common good.

HNU is consistently ranked as one of the most diverse universities in the region. US News & World Report’s America’s Best Colleges 2017 edition ranked HNU as one of the most Ethnically Diverse Regional Universities in the West. Nearly 80 percent of HNU students are people of color. Women make up over 70% of the student population of 957.

HNU serves a student population with significant financial need. For the most recent academic year, 95% of traditional undergraduates qualify for some form of financial aid, and 90% receive need-based scholarship funds.

The University’s student body represents age as well as cultural diversity. A key aspect of HNU is its tradition of offering a strong curriculum taught within innovative schedules and programs that serve the needs of adult learners. For working adults, a number of undergraduate and Master’s programs are offered in an accelerated program on weekends and weekday evenings.

The Western Association of Schools and Colleges' Senior College and University Commission ("WSCUC") is the regional body that provides accreditation for HNU. HNU's most recent comprehensive review was conducted in 2016 and the institution was granted an 8-year reaffirmation of its accreditation through 2024. HNU has been fully accredited since 1949.

The Project:

The proposed HNU financing proceeds will be used to: (i) refinance a line of credit loan from Presidio Bank (the "Bank Loan"), (ii) finance capital expenditures and working capital expenditures related to enrollment management, branding, marketing, website improvements, information technology, and academic program development; (iii) finance certain operating expenses of HNU; (iv) provide for capitalized interest through and including July 1, 2021; (v) fund a debt service reserve fund, and (vi) pay certain costs related to the issuance of the Series 2019 Bonds.

The City of Oakland:

The City of Oakland is a member of the CMFA and has agreed to hold a TEFRA hearing on June 12, 2019. Upon closing, the City is expected to receive approximately \$13,166 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 49,000,000
Original Issue Discount:	<u>\$ -2,500,924</u>
Total Sources:	\$ 46,499,076

Uses of Funds:

Project Fund:	\$ 16,466,243
Refinancing of Presidio Bank LOC:	\$ 18,000,000
Debt Service Reserve Fund:	\$ 4,164,250
Capitalized Interest Fund:	\$ 6,888,583
Cost of Issuance:	<u>\$ 980,000</u>
Total Uses:	\$ 46,499,076

Terms of Transaction:

Amount:	\$49,000,000
Maturity:	July 2049
Collateral:	Gross Revenue Pledge & Deed of Trust
Bond Purchasers:	Limited Offering: Qualified Institutional & Accredited Investors
Anticipated Rating:	Unrated
Estimated Closing:	July 2019

Public Benefit:

This financing will enable HNU to improve educational facilities and stabilize operations that will help HNU better educate students and prepare them for leadership and service in society through higher education.

Finance Team:

Underwriter:	Loop Capital Markets
Lender:	Preston Hollow Capital Markets
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Special Tax Counsel:	Law Office of Perry Israel
Issuer Counsel:	Jones Hall APLC
Financial Advisor:	Prager & Co., LLC
Lender's Counsel:	O'Neil LLP
Underwriter's Counsel:	Squire Patton Boggs LLP
Borrower Counsel:	Law Offices of Rossi Russell
Trustee:	U.S. Bank Global Corporate Trust
Trustee's Counsel:	Dorsey & Whitney LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$49,000,000 for the Holy Names University project located in the City of Oakland, Alameda County, 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.



SANTA CLARA UNIVERSITY SUMMARY AND RECOMMENDATIONS

Applicant:	Santa Clara University
Action:	Final Resolution
Amount:	\$4,900,000
Purpose:	Refinance Indebtedness Incurred to Finance and Refinance the Acquisition, Construction, Improvement, Rehabilitation, Renovation and Equipping of Educational Facilities for Santa Clara University located in the City of Santa Clara, Santa Clara County, California.
Activity:	Private University
Meeting:	June 7, 2019

Background:

Santa Clara University ("SCU") is a private co-educational university offering degrees in more than 54 undergraduate, 33 graduate, and two professional degree programs. SCU is a California nonprofit corporation and a 501(c)(3) organization under the Internal Revenue Code. Enrollment for the fall term of the 2018-2019 academic year was 8,540 FTE students of which approximately 64% were undergraduate students. More than 16,000 applicants a year compete for 1,400 openings in the freshman class. Undergraduate and graduate instruction is provided by the College of Arts and Sciences, the School of Engineering and the Thomas and Dorothy Leavey School of Business and Administration. The School of Law and the School Education and Counseling Psychology and Pastoral Ministries offer programs at the graduate level only.

SCU is located in the City of Santa Clara, California. Its 104-acre campus has more than 50 major buildings. In the heart of the tree-lined campus stands the historic Mission Santa Clara de Asis, established in 1777 by Franciscan missionaries as the eighth in a series of 21 California missions.

The University was founded at the site of the Mission in 1851 by the Society of Jesus, or Jesuits as the order is commonly known, and is the oldest institution of higher education in California. Although the University remains affiliated with the Catholic Church and the Society of Jesus, it is governed by an independent Board of Trustees and welcomes persons of all religious persuasions as members of its student body, faculty and administration.

The Project:

The proposed Santa Clara University financing proceeds will be used to refinance indebtedness of the Borrower that was incurred to finance and refinance the acquisition, construction, improvement, rehabilitation, renovation and equipping of educational facilities owned by the Borrower and located on the Borrower's campus at 500 El Camino Real, Santa Clara, California.

The City of Santa Clara:

The City of Santa Clara is a member of the CMFA and held a TEFRA hearing on June 3, 2019. Upon closing, the City is expected to receive approximately \$3,266 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 4,900,000
Total Sources:	\$ 4,900,000

Uses of Funds:

Refunding:	\$ 4,830,000
Cost of Issuance:	\$ 70,000
Total Uses:	\$ 4,900,000

Terms of Transaction:

Amount:	\$4,900,000
Maturity:	July 2025
Collateral:	Gross Revenue Pledge & Deed of Trust
Bond Purchasers:	Private Placement
Estimated Closing:	June 2019

Public Benefit:

This financing will enable the University to lower the costs of financing that was used to improve educational facilities that help the University to better educate students and prepare them for leadership and service in society through higher education.

Finance Team:

Lender:	Bank of America, N.A.
Lender Counsel:	Mark E. Raymond
Special Tax Counsel:	Mark E. Raymond
Issuer Counsel:	Jones Hall APLC
Borrower Counsel:	SCU's General Counsel

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$4,900,000 for the Santa Clara University project located in the City of Santa Clara, Santa Clara County, 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.



CHF- UCR NORTH DISTRICT PHASE I STUDENT HOUSING PROJECT SUMMARY AND RECOMMENDATIONS

Applicant: CHF-Riverside II, LLC

Action: Final Resolution

Amount: \$220,000,000

Purpose: Finance Student Housing Facilities for the University of California, Riverside located in the City of Riverside, County of Riverside, California

Activity: Student Housing

Meeting: June 7, 2019

Borrower:

CHF-Riverside II, L.L.C. (the “Borrower”) is a limited liability company organized under the laws of the State of Alabama for the purpose of assisting the University of California, Riverside, to provide housing for its students and educational facilities.

The Borrower’s sole member is Collegiate Housing Foundation (the “Foundation”), a nonprofit corporation formed in 1996 under the laws of the State of Alabama. The Foundation is an organization that is exempt from federal income tax pursuant to Section 501(c)(3) of the Code. The Foundation was organized in 1996 exclusively for charitable and educational purposes, including assisting its member colleges and universities in providing housing for their enrolled students and faculty and otherwise assisting its member colleges and universities in furtherance of their educational missions. The membership of the Foundation is comprised of those colleges and universities so assisted by the Foundation, including The Regents of the University of California. The Borrower is a disregarded entity for federal income tax purposes. The Borrower’s and the Foundation’s main offices are located in Fairhope, Alabama. Since its founding, the Foundation and/or its affiliates have acquired and financed 55 student housing projects in 24 different states, with aggregate project costs exceeding \$2.1 billion.

The University and The Regents:

The University of California (the “University”) is a public institution of higher education founded in 1868. It currently operates general campuses located in Berkeley, Davis, Irvine, Los Angeles, Merced, Riverside, San Diego, Santa Barbara and Santa Cruz; a health science campus located in

San Francisco; and laboratories, research stations and institutes, affiliated schools, activity locations, and a statewide Division of Agriculture and Natural Resources. The California State Constitution provides that the University shall be a public trust administered by the corporation, “The Regents of the University of California”, which is vested with full powers of organization and government, subject only to such legislative control necessary to ensure compliance with the terms of the endowments of the University and the security of its funds and the compliance with certain statutory and administrative requirements. The governing board of the University is composed of 26 members, a majority of whom are appointed by the Governor of the State and approved by a majority vote of the State Senate.

UC Riverside:

The University of California, Riverside (“UC Riverside”) is a campus of the University, located in the City of Riverside, California (the “City”). UC Riverside was first established as the Citrus Experiment Station for the University in 1914. In 1954, UC Riverside was established as the fifth general campus in the University of California system. UC Riverside offers undergraduate, graduate and professional level study. UC Riverside is located on approximately 1,200 acres within the City at the geographical center of Inland Southern California, approximately 50 miles east of Los Angeles and 100 miles north of San Diego. Total student headcount enrollment for Fall 2017 was 23,365, approximately a 1.6% increase from Fall 2016. Freshman enrollment in Fall 2017 totaled 4,599, a decrease of approximately 14% as compared to Fall 2016 but also representing an overall increase of approximately 12.5% from enrollment in Fall 2013. Current housing at UC Riverside consists of residence halls primarily for first year students and student apartments for continuing undergraduate students, transfer students and graduate students. There was a total of approximately 6,564 beds on campus for students (excluding off-campus leases) and approximately 28% of UC Riverside students lived on campus in Fall 2017.

The Project:

The project, to be known as the “North District Phase I” will consist, approximately, of a 1,500-bed student housing facility (the “Series 2019 Project”). The 2019 Project will also include the constructing and improving certain landscaping, hardscaping utility lines, access roads, loading docks and sidewalks on land owned by The Regents, but not leased to the Borrower. The site for the construction of the Series 2019 Project (the “Series 2019 Project Site”) is on approximately 15 acres on the campus of UC Riverside to be situated along an extension of Aberdeen Drive in Riverside, California. The Series 2019 Housing Project is intended primarily for upper-division undergraduate students. Construction of the Series 2019 Project is scheduled to begin in July 2019. The Developer and UC Riverside anticipate that the Series 2019 Project will be complete in time for occupancy for Fall 2021.

The Series 2019 Project will include one five -story apartment building, one six-story apartment building, community spaces and support facilities. The approximately 25,000 gross-square-feet of community spaces located on the ground floors of the buildings will include a variety of student-oriented amenities, including a fitness center, leasing and business offices, lounges, multi-purpose and seminar rooms and a University-operated market. Floors where the students reside will include small group study spaces and outdoor terraces.

The Series 2019 Project will provide apartment-style accommodations in a combination of single and double occupancy rooms and bathrooms, with shared living and dining space in each

apartment. The Series 2019 Project will include approximately 415 undergraduate units. Additionally, the Series 2019 Project will include approximately four residential units for staff.

All Series 2019 Project units will include individual air conditioning, be fully furnished and have connections for high-speed internet access. Each student will have his or her own closet, full sized bed, desk and chair. Students will also have high-speed wireless internet service, the cost of which will be included in the rental rate.

The City of Riverside:

The City of Riverside is a member of the CMFA and held a TEFRA hearing on May 21, 2019. Upon closing, the City is expected to receive up to \$25,000 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bonds:	\$ 213,202,379.40
Total Sources:	\$ 213,202,379.40

Uses of Funds:

New Construction:	\$ 175,888,866.34
Capitalized Interest Fund:	\$ 23,189,378.54
Debt Service Reserve Fund:	\$ 11,994,250.00
Cost of Issuance:	\$ 2,129,884.52
Total Uses:	\$ 213,202,379.40

Terms of Transaction:

Amount:	\$220,000,000
Maturity:	July 2052
Collateral:	Leasehold Deed of Trust
Bond Purchasers:	Public Offering: Institutional & Retail Investors
Anticipated Rating:	Baa3 (Moody's Investors Service, Inc.)
Estimated Closing:	July 2019

Public Benefit:

The proposed project will help meet the demand for student housing and provide on-campus dining options.

Finance Team:

Underwriter:	Goldman Sachs & Co. LLC
Underwriter's Counsel:	O'Melveny & Myers LLP
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer's Counsel:	Jones Hall, APLC
Borrower:	Collegiate Housing Foundation
Borrower's Counsel:	Hand Arendall Harrison Sale, LLC
Project Consultant:	Barclays Financial Services Company
Rating Agency:	Moody's Investors Service
Municipal Advisor:	Swap Financial Group
Outside Real Estate Counsel:	Nixon Peabody LLP
Trustee:	Wilmington Trust, N.A.
Trustee's Counsel:	Bass Berry & Sims PLC
Developer:	American Campus Communities
Developer's Counsel:	Morgan, Lewis & Bockius LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt a Final Resolution in the amount of \$220,000,000 to finance a student housing facility located in the City of Riverside, County of Riverside, 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.



KERN REGIONAL CENTER SUMMARY AND RECOMMENDATIONS

Applicant:	Development Services Support Foundation
Action:	Final Resolution
Amount:	\$13,500,000
Purpose:	Refinance the Acquisition of Property and the Construction, Improvement, and Equipping of Office Facilities Located in the City of Bakersfield, Kern County, California.
Activity:	Healthcare
Meeting:	June 7, 2019

Background:

In 1965, the Legislature determined that the best way to provide community services to citizens with developmental disabilities and their families should be by developing a partnership between government and the private sector - and so the regional center system began.

The enabling legislation is called the Lanterman Developmental Disabilities Act. It is named after Mr. Frank Lanterman, a California legislator with vision who first conceived this unique and progressive government/private sector partnership.

The Developmental Services Support Foundation (the "Corporation") is a California nonprofit public benefit corporation. The Corporation was established in 1994 by citizens in the City of Bakersfield who recognized the need to support Kern Regional Center, a California nonprofit public benefit corporation ("KRC"), mission to normalize the lives of people with developmental disabilities. The Corporation is organized exclusively as a supporting organization for KRC. The Corporation's bylaws state that the Corporation's objectives and purposes include, but are not necessarily limited to, "(i) the funding of various charitable or community services, special projects of the Corporation and other charitable organizations; and (ii) the funding of various activities and programs of or supported by KRC and its affiliated organizations." To further these objectives and purposes, the Corporation assisted KRC in financing and acquiring its current headquarters facility in the City.

Kern Regional Center (“KRC”), founded in 1971, operates as one of the Regional Centers established under the Lanterman Act to coordinate services to the developmentally disabled and their families. KRC has approximately 196 employees and operates from seven field offices serving the counties of Inyo, Kern, and Mono and a headquarters facility in the City of Bakersfield. KRC provides services to approximately 9,000 consumers and its service area covers approximately 22,000 square miles in Kern, Inyo and Mono counties. These counties, as of July 1, 2018, have a combined population of more than 900,000 residents. KRC’s contracted operations revenues from the State exceeded \$24 million in fiscal year 2017-18.

The Project:

The proceeds of the Bonds will be used to: (1) refinance certain debt obligations that were issued to finance the acquisition, construction, improvement and equipping of office facilities located at 3200 and 3300 North Sillect Avenue, Bakersfield, California 93308 (the “Facilities”) and to finance certain additional reserves relating to the Facilities, and (2) pay certain expenses incurred in connection with the issuance of the Bonds. The Facilities are owned by the Developmental Services Support Foundation and leased to the Kern Regional Center, a nonprofit public benefit organization.

The City of Bakersfield:

The City of Bakersfield is a member of the CMFA and is scheduled to hold a TEFRA hearing on June 26, 2019. Upon closing, the City is expected to receive approximately \$7,004 as part of the CMFA’s sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 12,026,506
Taxable Bond Proceeds:	\$ 300,000
Prior DSRF:	<u>\$ 1,204,031</u>
Total Sources:	\$ 13,530,537

Uses of Funds:

Refunding Escrow:	\$ 12,125,000
DSRF:	\$ 863,750
Working Capital:	\$ 167,500
Costs of Issuance:	<u>\$ 374,287</u>
Total Uses:	\$ 13,530,537

Terms of Transaction:

Amount:	\$13,500,000
Maturity:	August 2049
Collateral:	Deed of Trust on property
Bond Purchasers:	Public Offering: Institutional & Retail Investors
Anticipated Rating:	A3 (Moody’s Investors Service, Inc.)
Estimated Closing:	July 2019

Public Benefit:

With the funding from this transaction, KRC will be able to continue to provide needed healthcare services to more than 8,000 clients. KRC operates multiple locations that care for individuals with developmental disabilities and their families. This transaction will help to continue that care and reduce the fiscal burden from the debt that they are carrying with lower rates and better loan terms.

Finance Team:

Underwriter:	Westhoff, Cone & Holmstedt
Underwriter's Counsel:	Quint & Thimmig LLP
Bond Counsel:	Norton Rose Fulbright US LLP
Issuer Counsel:	Jones Hall, APLC
Borrower Counsel:	Musick, Peeler & Garrett LLP
Corporation Counsel:	LeBeau - Thelen, LLP
Trustee:	MUFG Union Bank, N.A.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$13,500,000 for Kern Regional Center located in the City of Bakersfield, Kern County, 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.



EISENHOWER MEDICAL CENTER SUMMARY AND RECOMMENDATIONS

Applicant:	Eisenhower Medical Center
Action:	Final Resolution
Amount:	\$25,000,000
Purpose:	Finance and Refinance the Acquisition, Construction, Improvement and Equipping of Health Care Facilities Located in the City of Rancho Mirage, Riverside County, California.
Activity:	Healthcare Services
Meeting:	June 7, 2019

Background:

Eisenhower Medical Center (“EMC”) is a California nonprofit public benefit corporation as described in Section 501(c)(3) of the Code. As the valley’s only not-for-profit hospital, Eisenhower Medical Center has provided high quality, compassionate care for more than 40 years through a full range of state-of-the-art diagnostic, treatment and emergency facilities. Eisenhower is an accredited teaching hospital, with a School of Graduate Medical Education training new physicians in the specialties of family medicine and internal medicine.

EMC has locations across the Coachella Valley for convenient, quality health care. The main campus and hospital is located on 130 acres in Rancho Mirage. Eisenhower Medical Center is a dynamic, progressive health care complex comprised of a 463-bed hospital, the Annenberg Center for Health Sciences at Eisenhower, and the Barbara Sinatra Children’s Center at Eisenhower in addition to its outpatient facilities in Palm Springs, Cathedral City, Rancho Mirage and La Quinta. The Betty Ford Center is also located on the Eisenhower campus. Eisenhower not only offers the highest quality health care for residents and visitors, but additionally provides a broad range of educational programs for the public, and for health care professionals.

The Project:

The Borrower expects to use the proceeds of the Bonds finance the costs of the acquisition, construction, equipping and improvement of certain health care facilities on the campus of Eisenhower Medical Center, located at 39000 Bob Hope Drive, Rancho Mirage, California 92270, including an obstetrics unit and intensive care nursery on the second floor of the 248-bed Walter and Leonore Annenberg Pavilion and nearby obstetrical clinic facilities (the “Project”).

The City of Rancho Mirage:

The City of Rancho Mirage held a TEFRA hearing on June 6, 2019. Upon closing, the City is expected to receive approximately \$11,687 as part of CMFA’s sharing of Issuance Fees

Proposed Financing:

Sources of Funds:

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

Uses of Funds:

New Construction:	\$ 16,200,000
New Machinery/Equipment:	\$ 7,100,000
Architectural & Engineering:	\$ 1,700,000
Total Uses:	\$ 25,000,000

Terms of Transaction:

Amount:	\$25,000,000
Estimated Rating:	Unrated
Maturity:	7 years
Collateral:	Electronic Medical Records System
Bond Purchasers:	Private Placement
Estimated Closing:	June 2019

Public Benefit:

EMC provides life savings services to patients across the Coachella Valley. EMC is committed to rendering care regardless of the patient’s ability to pay. EMC participates in various public programs and performs numerous other community services. Charity care is provided to patients who qualify for services based on the Medical Center’s charity care policy. This new project will add much needed hospital-based obstetrics, labor and delivery, and intensive care nursery services to the community which EMC does not currently offer. In addition, an obstetrics clinic will include prenatal care and an expanded array of obstetrics services.

Finance Team:

Lender:	Banc of America Public Capital Corp
Lender Counsel:	Law Offices Susan L. Ariel
Special Tax Counsel:	Norton Rose Fulbright US LLP
Issuer Counsel:	Jones Hall, APLC
Borrower Counsel:	Norton Rose Fulbright US LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$25,000,000 for the Eisenhower Medical Center project located in the City of Rancho Mirage, Riverside County, 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.



PERFORMANCE REVIEWS

Subject: Performance and/or Compensation Reviews of Professional Service Providers

Meeting: June 7, 2019

Background:

With respect to any engagement for professional services with the duration of at least one (1) year, the Board shall conduct a review on a periodic basis to assess and evaluate the performance of the service provider. Such review and assessment shall be conducted at least annually, but may be undertaken more frequently on an “as-needed” basis. The Board may also deliver any performance feedback on an “as-needed” basis. If permitted to terminate an engagement prior to its stated terms, such termination may be based upon the findings and determinations of the performance review.

As part of the periodic review and assessment of a service provider, the Board may evaluate the competitiveness of the fees and expenses charged for such services delivered. The Board may also review whether the fees are commensurate with the service and value provided to the CMFA and shall ensure that public funds are expended for measurable, competitively-priced goods and services for all contractors. With respect to any engagement for professional services with the duration of at least three (3) years, such evaluation shall occur at least once every three (3) years by the Board. Based upon the evaluations, the Board may take appropriate actions including the amending of certain terms of an engagement or early termination of such engagement for professional services.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors review the performance of AmeriNat Loan Services, Arthur J. Gallagher, BlueFlame PACE Services LLC, CMFA Executive Director, Energy Efficient Equity, Inc., Goodwin Consulting, Integra Realty Resources, Joe A. Gonsalves & Son, Jones Hall APLC, Koppel & Gruber, Macias Gini & O’Connell (MGO), OnPACE Energy Solutions, LLC, PACE Equity, LLC, Piper Jaffray & Co., Samas Capital LLC, Sierra Management Group, LLC, Simplifile, LLC, Structured Finance Associates, LLC, Twain Community Partners II LLC and Wilson Turno Kosmo.



AUDIT FIRM ENGAGEMENT SUMMARY AND RECOMMENDATIONS

Subject: Audit Firm Engagement

Meeting: June 7, 2019

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 annual tax returns. Since 2013, the CMFA & CFSC have utilized Macias Gini & O’Connell (“MGO”) for audit services and more recently started completing the CFPF tax returns. An audit of the CFPF financials has been added.

MGO has completed the last year of their three-year engagement. All three years were completed on time and for the agreed upon amount. Listed below are the fees for the most recent 2018 audit as well as the MGO fee proposal for the next three years.

	<u>Proposed Fees</u>			
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
CMFA Audit	24,300	24,960	25,396	25,836
CFSC Audit	8,400	9,280	9,442	9,608
CFPF Audit	0	5,000	5,250	5,500
CFSC Tax Return	<u>3,060</u>	<u>4,180</u>	<u>4,255</u>	<u>4,322</u>
Total:	35,760	43,420	44,343	45,266

Recommendation:

The Executive Director recommends the firm of Macias Gini & O’Connell be retained to conduct the FY2019-2021 audits and tax return.



Current 2019 Board Positions

CMFA

Paula Connors-	Chairperson
Justin McCarthy-	Vice Chairperson and Assistant Treasurer
Deborah A. Moreno-	Treasurer
Bob Adams-	Secretary
Faye K. Watanabe-	Director

CFSC/CFPF

Deborah A. Moreno-	Chairperson and Assistant Treasurer
Paula Connors-	Vice Chairperson
Justin McCarthy-	Treasurer
Bob Adams-	Secretary
Faye K. Watanabe-	Director

Subcommittees:

Audit Subcommittee:	Deborah Moreno and Bob Adams
Finance Subcommittee:	Faye Watanabe and Deborah Moreno
Professional Services Subcommittee:	Paula Connors and Justin McCarthy



INFORMATIONAL ITEMS FOR THE CMFA SUMMARY AND RECOMMENDATIONS

- Item: Administrative Issues; A., B., C., D., E., F., G., H., I.
- 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



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).



Current 2019 Board Positions

CMFA

Paula Connors-	Chairperson
Justin McCarthy-	Vice Chairperson and Assistant Treasurer
Deborah A. Moreno-	Treasurer
Bob Adams-	Secretary
Faye K. Watanabe-	Director

CFSC/CFPF

Deborah A. Moreno-	Chairperson and Assistant Treasurer
Paula Connors-	Vice Chairperson
Justin McCarthy-	Treasurer
Bob Adams-	Secretary
Faye K. Watanabe-	Director

Subcommittees:

Audit Subcommittee:	Deborah Moreno and Bob Adams
Finance Subcommittee:	Faye Watanabe and Deborah Moreno
Professional Services Subcommittee:	Paula Connors and Justin McCarthy



AUDIT FIRM ENGAGEMENT SUMMARY AND RECOMMENDATIONS

Subject: Audit Firm Engagement

Meeting: June 7, 2019

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 annual tax returns. Since 2013, the CMFA & CFSC have utilized Macias Gini & O'Connell ("MGO") for audit services and more recently started completing the CFPF tax returns. An audit of the CFPF financials has been added.

MGO has completed the last year of their three-year engagement. All three years were completed on time and for the agreed upon amount. Listed below are the fees for the most recent 2018 audit as well as the MGO fee proposal for the next three years.

	<u>Proposed Fees</u>			
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
CMFA Audit	24,300	24,960	25,396	25,836
CFSC Audit	8,400	9,280	9,442	9,608
CFPF Audit	0	5,000	5,250	5,500
CFSC Tax Return	<u>3,060</u>	<u>4,180</u>	<u>4,255</u>	<u>4,322</u>
Total:	35,760	43,420	44,343	45,266

Recommendation:

The Executive Director recommends the firm of Macias Gini & O'Connell be retained to conduct the FY2019-2021 audits and tax return.

Index of Charities

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Operation Gratitude, Inc.	4/26/2019	11
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Name	Nominated	Page #
Court Appointed Special Advocates of Contra Costa County	06/07/2019	5
Mercy House Living Centers	06/07/2019	10
Support our Students	06/07/2019	13
Operation Gratitude, Inc.	04/26/2019	11
Alliance Against Family Violence and Sexual Assault	02/01/2019	1
Friends of McBean Park	02/01/2019	7
Hispanic Chamber of Commerce of Orange County Education Foundation	02/01/2019	8
Home of Guiding Hands Corporation	02/01/2019	9
Orangewood Foundation	12/07/2018	12
America Scores Bay Area	10/26/2018	2
El Centro del Pueblo, Inc.	10/26/2018	6
Colette's Children's Home	10/05/2018	4
California Association of Food Banks	06/29/2018	3

Alliance Against Family Violence and Sexual Assault

1600 E Truxtun Ave

Bakersfield , CA 93305 County Kern

<http://www.kernalliance.org/>

FEIN 95-3604240 Founded: 1979

Previous Donation: ☒ Yes ☐ No 1,420 List Date 2/1/2019

Mission:

The mission of the Alliance Against Family Violence & Sexual Assault is to stop domestic violence and sexual assault in Kern County and assist survivors in reclaiming their lives. Our purpose as an agency is to make a difference in our community by providing expertise in dealing with domestic violence and sexual assault and ensuring the safety and well-being of victims and their children by providing services that address their individual needs and prepare them for self-sufficiency.

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	\$2,171,812	86.7%	The previous donation was given through the PACE program.
Contributions	329,934	13.2%	
Other	<u>2,455</u>	<u>0.1%</u>	
Total Revenue:	<u>\$2,504,201</u>	<u>100.0%</u>	
Expenses:			
Program	\$2,087,934	85.4%	
Administration	357,949	14.6%	
Fund Raising			
Total Expenses:	<u>\$2,445,883</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$58,318</u>		
Net Assets:	<u>\$1,299,160</u>		

BOD: Kyle Carter; Steven Teglia; J. Nile Kinney; Greg Braun; Jeff Warren; Jeffrey A. Green; Jess Snyder; Darlene Mohlke; Erin Henderson; Bruce Keith; Michelle Oxford; Nick Ortiz; Melissa Allen; Colins Rimer; Dr. Darshan Shah; George Borba; Gloria Williams + 2

America Scores Bay Area
1610 Harrison Street
San Francisco , CA 94013 County San Francisco
www.americascoresbayarea.org

FEIN 48-1272959 Founded: 2000

Previous Donation: ☐ Yes ☒ No

List Date 10/26/2018

Mission:

VISION. We wholeheartedly believe all kids should experience flat-out joy, deep human connection, and should be fully prepared to navigate the future. We believe in a Bay Area rich with meaningful opportunities for all children: teams to play on; outlets for creative and physical expression; and pathways to develop their own voices. We believe all kids should get early opportunities to experience community engagement.

MISSION. We're passionate about delivering transformational and spirited after-school enrichment programs focused on whole-child health. We believe in engaging students' minds and bodies. And we know doing some helps enormously, helping them lead healthy lives, building their confidence and character; and measurably improving academic and social skills as engaged learners.

Impact:

A donation would be used for the furtherance of their program.

Financial Information: IRS Form 990 for FY 2016

Revenues:	Amount	%	Notes
Government/Earned	\$442,001	30.7%	
Contributions	971,507	67.5%	
Other	<u>25,990</u>	<u>1.8%</u>	
Total Revenue:	<u>\$1,439,498</u>	<u>100.0%</u>	
Expenses:			
Program	\$1,145,946	74.5%	
Administration	153,954	10.0%	
Fund Raising	<u>238,543</u>	<u>15.5%</u>	
Total Expenses:	<u>\$1,538,443</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$98,945)</u>		
Net Assets:	<u>\$728,905</u>		

BOD: Jon Denholtz; Sam Fort; Mark Talucci; Dameon Philpotts; Neelesh Kenia; David Chacon; Karen Perkins; Dave Rosen

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 50,000 6/8/2018 List Date 6/29/2018

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;

Colette's Children's Home
7372 Prince Drive, Suite 106
Huntington Beach , CA 92647 County Orange
www.coletteschildrenshome.com

FEIN 91-1939140 Founded: 1998

Previous Donation: ☐ Yes ☒ No

List Date 10/5/2018

Mission:

Since our incorporation in 1998, CCH has taken over 4,300 homeless women and children off the streets. Our three core housing programs include:

Emergency Shelter Program– provides emergency services for up to 30 days.

Transitional Housing Program– provides shelter and supportive services for an average 5 months.

Permanent Housing Program– provides permanent, affordable housing to graduates and members of the community.

We are one of the few homes that serve homeless women who suffer from a variety of issues such as economic hardship, domestic violence, mental health issues, and substance abuse. Our goal for each client is self-sufficiency and independence, breaking the vicious cycle of homelessness.

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	\$1,707,178	42.3%	
Contributions	2,335,219	57.9%	
Other	<u>(8,397)</u>	<u>-0.2%</u>	
Total Revenue:	<u>\$4,034,000</u>	<u>100.0%</u>	
Expenses:			
Program	\$2,329,580	98.5%	
Administration	26,735	1.1%	
Fund Raising	<u>8,224</u>	<u>0.3%</u>	
Total Expenses:	<u>\$2,364,539</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$1,669,461</u>		
Net Assets:	<u>\$5,949,972</u>		

BOD: Pamela Hope; Kevin Craig; Alex Dias; Therese Carachio; Jim Heaney; Patricia Heaney

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 20,000 5/18/2018 List Date 6/7/2019

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 2018

Revenues:	Amount	%	Notes
Government/Earned	\$122,545	16.0%	
Contributions	644,553	83.9%	
Other	<u>971</u>	<u>0.1%</u>	
Total Revenue:	<u>\$768,069</u>	<u>100.0%</u>	
Expenses:			
Program	\$644,039	89.1%	
Administration	47,278	6.5%	
Fund Raising	<u>31,448</u>	<u>4.4%</u>	
Total Expenses:	<u>\$722,765</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$45,304</u>		
Net Assets:	<u>\$694,672</u>		

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

El Centro del Pueblo, Inc.
1157 Lemoyne Street
Los Angeles , CA 90026 County Los Angeles
ecdpla.org

FEIN 95-3187780 Founded: 1974

Previous Donation: ☐ Yes ☒ No 10,000 10/28/2016 List Date 10/26/2018

Mission:

El Centro del Pueblo was established in 1974 as a non-profit community service agency for the purpose of alleviating and mitigating the negative affects of gang violence. We are dedicated to improve the quality of life for children, youth and families through prevention, intervention, and education through a coordinated range of services in Central, Northeast and South Los Angeles.

El Centro provides services for families in a culturally, ethnically and linguistically competent basis. We draw from our collaborative partners with Korean, Pilipino Chinese, and Central American and African-American families to provide services. Our fiscal capability to administer grants with the City and County of Los Angeles has been proven by over thirty two years of community-based service. Our accounting procedures are in compliance with the City of Los Angeles' Controller's Office and the Los Angeles County Auditor-Controller.

Impact:

A donation would be used for the furtherance of their mission

Financial Information: IRS Form 990 for FY 2017

Revenues:	Amount	%	Notes
Government/Earned	\$3,381,795	97.5%	
Contributions	72,684	2.1%	
Other	<u>12,594</u>	<u>0.4%</u>	
Total Revenue:	<u>\$3,467,073</u>	<u>100.0%</u>	
Expenses:			
Program	\$3,263,624	94.8%	
Administration	178,216	5.2%	
Fund Raising			
Total Expenses:	<u>\$3,441,840</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$25,233</u>		
Net Assets:	<u>\$6,117,664</u>		
BOD: Armando Barragan; Fredy Perez; Pat Lake; Martha Avelar; Henry Gonzalez; Rudy Martinez			

Friends of McBean Park

2601 Wise Road

Lincoln , CA 95648

County

Placer

Facebook

FEIN

81-3956017

Founded: 2018

Previous Donation: ☐ Yes ☒ No

List Date 2/1/2019

Mission:

Our mission is to Restore, Revitalize and Rebuild McBean Park. Our first project is the Stadium. Our vision is to provide a friendly, safe, healthy and affordable entertainment venue, in partnership with the City of Lincoln. McBean Park will become a premier destination in Placer County. Our legacy for our past, present and future Lincoln

Impact:

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

Financial Information:

None - too new

Revenues:	Amount	%	Notes
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Government/Earned

Contributions

Other

Total Revenue:

Expenses:

Program

Administration

Fund Raising

Total Expenses:

Excess/(Deficit) of

Revenues Over Expenses:

Net Assets:

BOD: Kris Wyatt; Amanda Walker Miller; Elizabeth Jansen; Susan Cope

Hispanic Chamber of Commerce of Orange County Education Foundation

1 Banting

Irvine , CA 92618 County Orange

<http://www.ocyouthchamber.com/about-us>

FEIN 90-0100601 Founded: 2009

Previous Donation: ☒ Yes ☐ No 10,000 3/20/2009 List Date 2/1/2019

Mission:

Education is a key component of our program. The youth chamber encourages our member to always strive for the next step in their education, may it be their first year in college or their last year in graduate school.

Therefore, the OCHYCC provides scholarships in order to assist in the achievement of these goals. Since our founding in 2009, the OCHYCC has rewarded over \$42,000 in scholarships to both college and high school students who showed a strong presence in the youth chamber's events.

In addition, the OCHYCC is partnered with LBSA (Latino Business Student Association) at the University of California Irvine, and California State University of Fullerton. Through this partnership, a connection to four-year universities is created, which can later result in more scholarship opportunities for our members.

Impact:

A donation would be used in the furtherance of their mission.

Financial Information: IRS Form 990-EZ for FY 2016

Revenues:	Amount	%	Notes
Government/Earned			
Contributions	76,761	100.0%	
Other			
Total Revenue:	<u>\$76,761</u>	<u>100.0%</u>	
Expenses:			
Program	\$49,302	100.0%	
Administration			
Fund Raising			
Total Expenses:	<u>\$49,302</u>	<u>100.0%</u>	
Excess/(Deficit) of			
Revenues Over Expenses:	<u>\$27,459</u>		
Net Assets:	<u>\$43,167</u>		

BOD: Reuben Franco; Freddy Salazar; David L. Scarbrough; Leila Mozaffari; Eddie Quillares, Jr.; Christina Gonzalez; Anthony Fiazza; Martha Montoya

Home of Guiding Hands Corporation

1908 Friendship Drive

El Cajon , CA 92020

County

San Diego

<http://www.guidinghands.org/>

FEIN

95-6058273

Founded: 1961

Previous Donation: ☒ Yes ☐ No

700

List Date 2/1/2019

Mission:

HGH is one of the largest providers of supports and services in San Diego County, serving more than 3,200 infants, adolescents, and adults with developmental disabilities. At HGH, we believe that individuals thrive where they can direct their own lives in a setting that offers a more fulfilling lifestyle, provides individualized attention, increased opportunities for self-sufficiency, and encourages greater community integration and access.

In 2011, we assumed operations of an organization that brought progressive expertise in early childhood development, respite, and residential homes for children and adolescents, in particular for those requiring intense behavioral supports. HGH now provides a continuum of services for all ages: from Early Childhood Development serving infants and toddlers, Residential services for children, adolescents and adults, In-home Respite serving all ages, a Community Living Program, Counseling & Family Support Services and a variety of quality of life programs.

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	\$20,423,115	94.5%	Previous donation was through the PACE program
Contributions	913,137	4.2%	
Other	<u>277,329</u>	<u>1.3%</u>	
Total Revenue:	<u>\$21,613,581</u>	<u>100.0%</u>	
Expenses:			
Program	\$18,299,501	87.8%	
Administration	2,172,709	10.4%	
Fund Raising	<u>369,080</u>	<u>1.8%</u>	
Total Expenses:	<u>\$20,841,290</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$772,291</u>		
Net Assets:	<u>\$11,200,737</u>		

BOD: Isaac Blumberg; Rick Doremus; Stacey Poon-Kinney; Michael Harris; Debby McNeil; Kirk Ehrhart; Cindi Harris; Ben Trovatin; Jonathan Uslaner; Trevor Yates; Lea Zanjani

Mercy House Living Centers

PO Box 1905

Santa Ana , CA 92702

County

Orange

<http://mercyhouse.net/>

FEIN

33-0315864

Founded: 1989

Previous Donation: ☐ Yes ☒ No

List Date 6/7/2019

Mission:

Mercy House exists to be a leader in ending homelessness by providing a unique system of dignified housing opportunities, programs, and supportive services. The goal of every one of our programs is simple: to end the homelessness of every person who enters our system of care. City governments and other agencies are watching Mercy House operations with the hope that our success will lead to replication within their own communities. Building intrinsic motivation within communities and municipalities for advocacy of homeless needs and services, Mercy House programs meet our higher standard of efficiency and success by addressing both the physical needs and the intangible emotional needs of our clients within a sustainable and replicable framework. Mercy House stands on the cusp of major expansion and replication -- In the words of Executive Director, Larry Haynes "Mercy House stands in a unique position at this moment in time, we are in a position to end homelessness".

Impact:

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

Financial Information:

IRS Form 990 for FY 2017

Revenues:	Amount	%	Notes
Government/Earned	\$7,155,584	76.7%	
Contributions	2,176,861	23.3%	
Other	<u>467</u>	<u>0.0%</u>	
Total Revenue:	<u>\$9,332,912</u>	<u>100.0%</u>	
Expenses:			
Program	\$8,744,658	90.0%	
Administration	591,080	6.1%	
Fund Raising	<u>378,249</u>	<u>3.9%</u>	
Total Expenses:	<u>\$9,713,987</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$381,075)</u>		
Net Assets:	<u>\$9,044,704</u>		

BOD: Fr. Jerome T. Karcher; Raymond M. Bukaty; Gary R. Belz; Lisa Marcus; William E. Baker, Jr.; James Brooks; Mladen Buntich, Jr.; Daryl Cole; Thomas J. Conway; Tim Clyde; Danielle Farias; Kathleen Janson; Phillip R. Kapan; plus 7 more

Operation Gratitude, Inc.

PO Box 260257

Encino , CA 91426

County Los Angeles

www.operationgratitude.com

FEIN

20-0103575

Founded: 2003

Previous Donation: ☒ Yes ☐ No 20,000 8/22/2008 List Date 4/26/2019

Mission:

MISSION - To forge strong bonds between Americans and their Military and First Responder heroes through volunteer service projects, acts of gratitude, and meaningful engagements in communities nationwide.

Every year, Operation Gratitude sends 300,000+ individually addressed Care Packages to Soldiers, Sailors, Airmen, Marines, and Coast Guardsmen deployed overseas, to their children left behind, and to First Responders, New Recruits, Veterans, Wounded Heroes, and their Care Givers. Each package contains snacks, hygiene products, entertainment, and handmade items, as well as personal letters of support.

Through Collection Drives, Letter Writing Campaigns, Craft Projects, and Care Package Assembly Events, Operation Gratitude provides civilians anywhere in America a way to say "Thank You" through active, hands-on volunteerism.

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			
Contributions	10,485,876	99.6%	
Other	<u>43,494</u>	<u>0.4%</u>	
Total Revenue:	<u>\$10,529,370</u>	<u>100.0%</u>	
Expenses:			
Program	\$9,530,036	94.2%	
Administration	301,628	3.0%	
Fund Raising	<u>280,392</u>	<u>2.8%</u>	
Total Expenses:	<u>\$10,112,056</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$417,314</u>		
Net Assets:	<u>\$10,329,220</u>		

BOD: Martha Martin; Sharman Borncamp; Richard E. Saklad; Jordan Blashek; Elan S. Carr; Katelynn Duffel; Robert A. Raskin; Tommy Reuter

Orangewood Foundation
1575 E. 17th Street
Santa Ana , CA 92705 County Orange
orangewoodfoundation.org

FEIN 95-3616628 Founded: 1981

Previous Donation: ☐ Yes ☒ No

List Date 12/7/2018

Mission:

The "Orangewood Way" recognizes that our relationship with our youth is one of collaboration and partnership. Our staff work one-on-one with our youth to help them identify their own strengths, attributes, and aptitudes to empower them to overcome their challenges and reach their greatest potential. Our staff work with youth in four critical areas: health & wellness, housing, life skills & employment, and education. We meet a broad array of needs: from groceries and a hot meal, to transitional housing, to life skills workshops and employment leads, to our innovative Samuelli Academy charter high school and scholarships for college and graduate school.

Orangewood Children's Foundation has a scholarship program, which provides financial support to recently emancipated foster youth attending community colleges, trade schools, and four-year universities.

Impact:

A donation would be used for the furtherance of the organization's mission

Financial Information: IRS Form 990 for FY 2017

Revenues:	Amount	%	Notes
Government/Earned	\$1,756,521	13.0%	
Contributions	11,616,674	85.7%	
Other	<u>189,183</u>	<u>1.4%</u>	
Total Revenue:	<u>\$13,562,378</u>	<u>100.0%</u>	
Expenses:			
Program	\$7,339,208	79.1%	
Administration	1,210,399	13.1%	
Fund Raising	<u>723,061</u>	<u>7.8%</u>	
Total Expenses:	<u>\$9,272,668</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$4,289,710</u>		
Net Assets:	<u>\$30,735,970</u>		

BOD: General William Lyon; Greg Dunlap; Cindy Dillion; Steve Keefer; Marissa Barth; Bob Bartholomew; Stuart Bernstein; Alan Clifton; David Dunn; Richard Dutch; Lupe Erwin; Bruce Fetter; Joel Goldhirsh; Adam S. Horowitz; Daniel M. Houck II + 29 Others

Support our Students

319 South E Street

Santa Rosa , CA 95404

County

Sonoma

soscounseling.org

FEIN

81-0676520

Founded: 2006

Previous Donation: ☐ Yes ☒ No 20,000 2/23/2018 List Date 6/7/2019

Mission:

Our mission is to help individuals, families, and youth be successful in all aspects of their lives, regardless of their ability to pay, while employing and training quality therapists as they gain hours towards MFT licensure.

In recent years, SOS has expanded its services through a community-based clinic program to provide low-means families and individuals in our region access to high-quality counseling services at the lowest possible cost. As we have expanded to provide additional off-campus services through our community clinics, our mission retains our founding vision: Support our Students (SOS) is dedicated to providing vulnerable families, children, and individuals the highest quality, compassionate, and skilled mental health counseling services at minimal or no cost.

Impact:

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

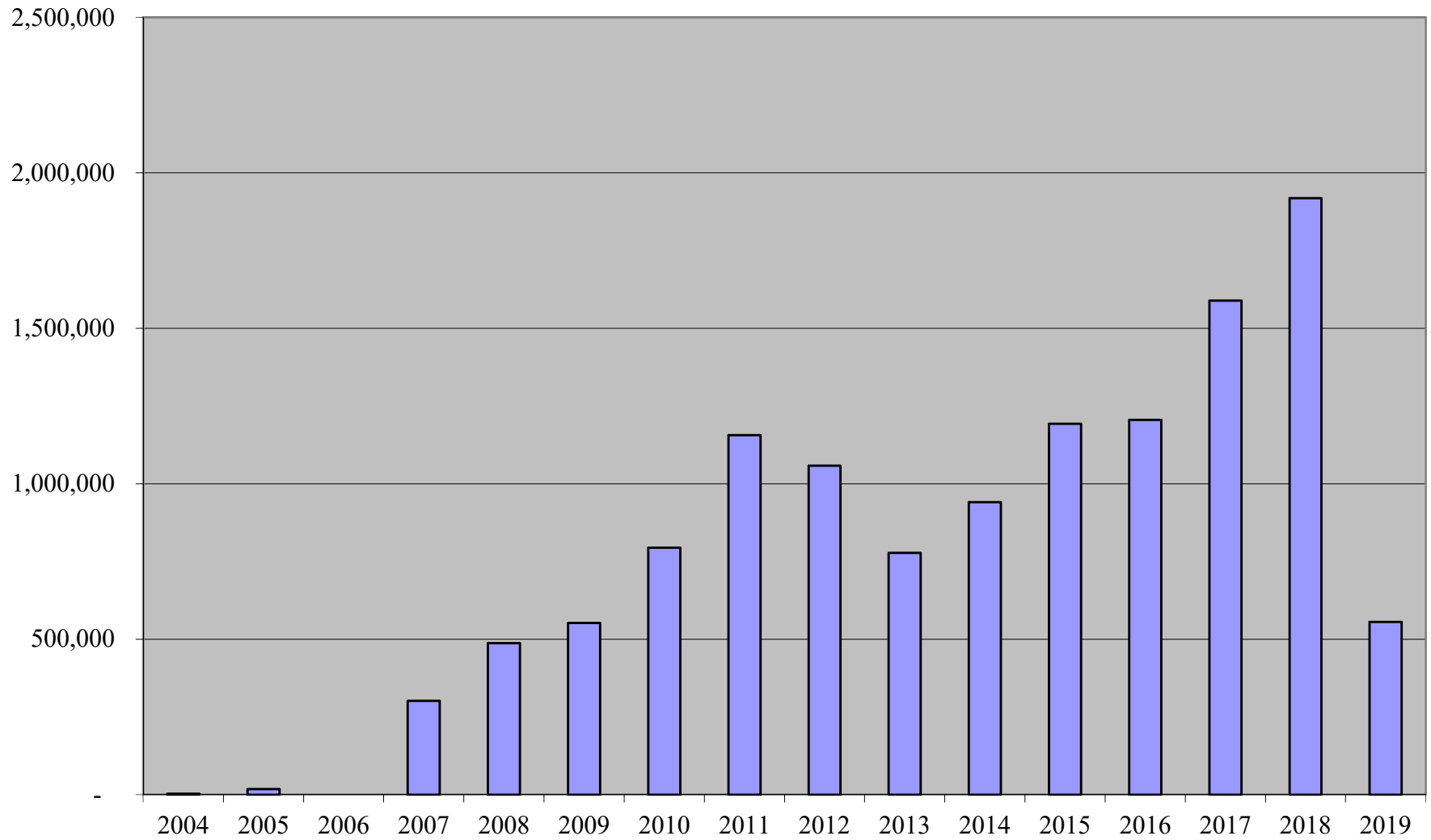
Financial Information:

IRS Form 990 for FY 2017

Revenues:	Amount	%	Notes
Government/Earned	\$85,320	13.4%	
Contributions	553,072	86.6%	
Other			
Total Revenue:	<u>\$638,392</u>	<u>100.0%</u>	
Expenses:			
Program	\$486,165	83.7%	
Administration	94,480	16.3%	
Fund Raising	<u>226</u>	<u>0.0%</u>	
Total Expenses:	<u>\$580,871</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$57,521</u>		
Net Assets:	<u>\$278,015</u>		

BOD: Jan Beaulyn; Staffan O'Neill; Todd West; Jeffery Diamond

Donations as of 5/17/2019





PROCEDURAL ITEMS FOR THE CFPF SUMMARY AND RECOMMENDATIONS

Items: A1, A2, A3

Action: Pursuant to the by-laws and procedures of CFPF, 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).



Current 2019 Board Positions

CMFA

Paula Connors-	Chairperson
Justin McCarthy-	Vice Chairperson and Assistant Treasurer
Deborah A. Moreno-	Treasurer
Bob Adams-	Secretary
Faye K. Watanabe-	Director

CFSC/CFPF

Deborah A. Moreno-	Chairperson and Assistant Treasurer
Paula Connors-	Vice Chairperson
Justin McCarthy-	Treasurer
Bob Adams-	Secretary
Faye K. Watanabe-	Director

Subcommittees:

Audit Subcommittee:	Deborah Moreno and Bob Adams
Finance Subcommittee:	Faye Watanabe and Deborah Moreno
Professional Services Subcommittee:	Paula Connors and Justin McCarthy



AUDIT FIRM ENGAGEMENT SUMMARY AND RECOMMENDATIONS

Subject: Audit Firm Engagement

Meeting: June 7, 2019

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 annual tax returns. Since 2013, the CMFA & CFSC have utilized Macias Gini & O'Connell ("MGO") for audit services and more recently started completing the CFPF tax returns. An audit of the CFPF financials has been added.

MGO has completed the last year of their three-year engagement. All three years were completed on time and for the agreed upon amount. Listed below are the fees for the most recent 2018 audit as well as the MGO fee proposal for the next three years.

	<u>Proposed Fees</u>			
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
CMFA Audit	24,300	24,960	25,396	25,836
CFSC Audit	8,400	9,280	9,442	9,608
CFPF Audit	0	5,000	5,250	5,500
CFSC Tax Return	<u>3,060</u>	<u>4,180</u>	<u>4,255</u>	<u>4,322</u>
Total:	35,760	43,420	44,343	45,266

Recommendation:

The Executive Director recommends the firm of Macias Gini & O'Connell be retained to conduct the FY2019-2021 audits and tax return.