



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).



5TH ST. PSH APARTMENTS SUMMARY AND RECOMMENDATIONS

| | |
|------------|---|
| Applicant: | Relevant Group |
| Action: | Initial Resolution |
| Amount: | \$35,000,000 |
| Purpose: | Finance Affordable Multi-Family Rental Housing Facility Located in the City of Los Angeles, County of Los Angeles, California |
| Activity: | Affordable Housing |
| Meeting: | May 15, 2020 |

Amending Resolution:

The Board of the CMFA previously approved the Initial Resolution on May 8, 2020 with a Relevant Living, LLC as the Sponsor. The resolution is being amended to reflect 5th Street Partnership LLC as the Sponsor.

Background:

The Relevant Living Mission Statement: Relevant Living, a Relevant Group company, is a for-profit investment platform focused on developing best-in-class modular communities to increase access to affordable housing in Los Angeles. The Relevant Group is headquartered in Los Angeles, with offices in Shanghai. Relevant Group has an experienced executive team with expertise in development, entitlement, fundraising, project design, construction, hospitality and asset management. The team oversees the entire development process, from conceptualization to completion, with the connections to secure top luxury and lifestyle brands, equity partners and capital investors.

The Project:

The 5th St. PSH Apartments is the proposed new construction of 149 affordable multifamily apartment units in a single multi story building in the Los Angeles Skid Row neighborhood. All units will be efficiently designed 1BR units with individual baths and kitchens. The building is designed to serve homeless households and is receiving rental subsidies from the Los Angeles County Dept. of Health Services. The project will be financed in part with federal low-income

housing tax credits, and all units will be restricted at 30%, 40% and 60% of area median income. On-site common areas will include community rooms, shared laundry facilities, and offices for property management and social service staff. This financing will create 148 units of affordable permanent supportive housing for in City of Los Angeles for 55 years.

The City of Los Angeles:

The City of Los Angeles is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$14,166 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

| | |
|-------------------------|----------------------|
| Tax-Exempt Bond: | \$ 30,000,000 |
| Subordinate Loans: | \$ 2,000,000 |
| Deferred Developer Fee: | \$ 1,972,367 |
| LIH Tax Credit Equity: | <u>\$ 16,576,444</u> |
| Total Sources: | \$ 50,548,811 |

Uses of Funds:

| | |
|------------------------------|-------------------|
| Land Acquisition: | \$ 3,998,800 |
| New Construction: | \$ 31,625,636 |
| Architectural & Engineering: | \$ 2,910,119 |
| Legal & Professional: | \$ 748,010 |
| Construction Phase Interest: | \$ 2,185,075 |
| Developer Fee: | \$ 5,513,741 |
| Other Soft Costs*: | \$ 2,754,682 |
| Reserves: | <u>\$ 812,748</u> |
| Total Uses: | \$ 50,548,811 |

Terms of Transaction:

| | |
|--------------------|---------------------------|
| Amount: | \$35,000,000 |
| Maturity: | 17 years |
| Collateral: | Deed of Trust on property |
| Bond Purchasers: | Private Placement |
| Estimated Closing: | November 2020 |

Public Benefit:

A total of 148 households will be able to enjoy high quality, independent, affordable permanent supportive housing in the City of Los Angeles for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

- 10% (14 Units) restricted to 30% or less of area median income household; and
- 30% (45 Units) restricted to 40% or less of area median income household; and
- 60% (89 Units) restricted to 50% or less of area median income household.

Unit Mix: 1-Bedroom Units

Term of Restriction: 55 years

Finance Team:

| | |
|--------------------|---|
| Lender: | Wells Fargo Bank, NA |
| Bond Counsel: | Jones Hall, APLC |
| Issuer Counsel: | Jones Hall, APLC |
| Lender Counsel: | TBD |
| Borrower Counsel: | Bocarsly Emden Cowan Esmail & Arndt LLP |
| Financial Advisor: | Veloce Partners, Inc. |

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$35,000,000 for the 5th St. PSH Apartments affordable multi-family housing facility located in the City of Los Angeles, Los Angeles County, California.

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

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



WALNUT STUDIOS APARTMENTS SUMMARY AND RECOMMENDATIONS

| | |
|------------|--|
| Applicant: | Charities Housing Development Corporation of Santa Clara County |
| Action: | Final Resolution |
| Amount: | \$10,100,000 |
| Purpose: | Finance an Affordable Multi-Family Rental Housing Facility Located in the City of San Carlos, San Mateo County, California |
| Activity: | Affordable Housing |
| Meeting: | May 15, 2020 |

Background:

The Mission of Charities Housing Development Corporation (“CHDC”) is to develop, preserve, and manage affordable housing for low-income individuals and their families. Through service enhanced property management and structured resident involvement, CHDC contributes to the highest standards of human dignity and participation in our community.

For many years, Catholic Charities of Santa Clara County had known that affordable housing was one of the most significant needs of many people receiving services. As a result, Catholic Charities established the Division of Housing Development and Services in 1990 and formed CHDC in 1993 to address the need.

Charities Housing is organized as a Community Housing Development Organization (“CHDO”) where a third of their board members are representatives of the low-income community. Their award-winning projects are located throughout Santa Clara County and the range of housing types includes service-enriched housing for extremely low-income individuals as well as traditional affordable multi-family housing. CHDC actively manages all properties and provides appropriate resident services through Catholic Charities.

The Project:

Walnut Studios Apartments is a new construction project located in San Carlos on a .18-acre site. The project consists of 23 restricted rental units and 1 unrestricted manager unit. The project will have 23 studio units and 1 two-bedroom unit. The building will be 4 stories and wood frame construction. Common amenities include a community room, laundry facilities and management office. Each unit will have energy efficient kitchen appliances. The project will be pursuing Green Point Certification. The construction is expected to begin in June 2020 and to be completed in June 2021. The financing of this project will result in the creation of affordable housing for 23 households in the City of San Carlos for the next 55 years.

The City of San Carlos:

The City of San Carlos is a member of the CMFA and held a TEFRA hearing on September 9, 2019. Upon closing, the City is expected to receive up to \$5,947 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

| Sources of Funds: | <u>Construction</u> | <u>Permanent</u> |
|---------------------------|---------------------|-------------------|
| Tax-Exempt Bond Proceeds: | \$ 9,516,772 | \$ 1,481,000 |
| LIH Tax Credit Equity: | \$ 633,751 | \$ 6,337,505 |
| Developer Equity: | \$ 100 | \$ 100 |
| Deferred Costs: | \$ 967,982 | \$ 0 |
| City of San Carlos AFH: | \$ 4,000,000 | \$ 7,300,000 |
| County of San Mateo AFH: | <u>\$ 600,000</u> | <u>\$ 600,000</u> |
| Total Sources: | \$ 15,718,605 | \$ 15,718,605 |

Uses of Funds:

| | |
|---------------------------------------|---------------------|
| Acquisition/Land Purchase: | \$ 422,721 |
| Relocation: | \$ 160,000 |
| New Construction: | \$ 8,138,332 |
| Contractor Overhead & Profit: | \$ 888,156 |
| Architectural: | \$ 464,061 |
| Survey & Engineering: | \$ 175,000 |
| Construction Interest and Fees: | \$ 1,196,477 |
| Permanent Financing: | \$ 31,108 |
| Legal Fees: | \$ 230,000 |
| Reserves: | \$ 128,821 |
| Appraisal: | \$ 10,000 |
| Hard Cost Contingency: | \$ 954,468 |
| Local Development Impact Fees: | \$ 340,542 |
| Other Soft Costs (Marketing, etc.) *: | \$ 689,633 |
| Developer Costs | <u>\$ 1,889,286</u> |
| Total Uses: | \$ 15,718,605 |

Terms of Transaction:

| | |
|--------------------|---------------------------|
| Amount: | \$10,100,000 |
| Maturity: | 17 years |
| Collateral: | Deed of Trust on property |
| Bond Purchasers: | Private Placement |
| Estimated Closing: | June 2020 |

Public Benefit:

The construction of this project will create high quality affordable housing for 23 low-income households in the City of San Carlos for the next 55 years as well as provide general social services for all residents.

Percent of Restricted Rental Units in the Project: 100%
78% (18 Units) restricted to 50% or less of area median income households; and
22% (5 Units) restricted to 60% or less of area median income households.
Unit Mix: Studio and 2-bedroom units
Term of Restriction: 55 years

Finance Team:

| | |
|--------------------|-------------------------------------|
| Lender: | Boston Private Bank & Trust Company |
| Bond Counsel: | Jones Hall, APLC |
| Issuer Counsel: | Jones Hall, APLC |
| Lender Counsel: | Dentons US LLP |
| Borrower Counsel: | Gubb & Barshay LLP |
| Financial Advisor: | California Housing Partnership |

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$10,100,000 for the Walnut Studios Apartments affordable housing project located in the City of San Carlos, San Mateo 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.



ALAMEDA POINT FAMILY APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Eden Housing, Inc.

Action: Final Resolution

Amount: \$38,000,000

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

Activity: Affordable Housing

Meeting: May 15, 2020

Background:

Eden Housing's Mission is to build and maintain high-quality, well-managed, service-enhanced affordable housing communities that meet the needs of lower income families, seniors, and persons with disabilities.

Eden Housing was founded in May of 1968 by six community activists who were greatly concerned about the lack of non-discriminatory, affordable housing in Alameda County. These pioneers, working out of makeshift "headquarters" such as local coffee shops, were initiated into affordable housing development by rehabilitating six older homes in Oakland for first time homebuyer families.

Since those pioneering days, Eden Housing has developed or acquired more than 7,500 affordable housing units within 100 properties that have provided homes for more than 65,000 people over the years. Eden's housing now includes rental apartments, first-time homeowner opportunities, cooperatives, and supportive living environments for families, seniors and people with disabilities.

The Project:

Alameda Point Family Apartments is a new construction project located in Alameda on a 1-acre site. The project consists of 69 restricted rental units and 1 unrestricted manager unit. The project will have 14 one-bedroom units, 37 two-bedroom units and 19 three-bedroom units. The building will be a four-story building. Common amenities include a community room, laundry facilities, management offices, bay friendly landscaping and a courtyard. Each unit will be designed for disability adaptability. There will be 70 parking spaces provided. Green features include solar hot water and photovoltaic panels to offset common hot water and energy loads. The construction is expected to begin June 2020 and will be completed in December 2021. The financing of this project will result in the creation of affordable housing for 69 households in the City of Alameda for the next 55 years.

The City of Alameda:

The City of Alameda is a member of the CMFA and held a TEFRA hearing on December 17, 2019. Upon closing, the City is expected to receive up to \$14,465 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: | \$ 31,795,000 | \$ 4,011,000 |
| Tranche B Financing: | \$ 0 | \$ 4,104,000 |
| Taxable Bond Proceeds: | \$ 2,933,184 | \$ 0 |
| LIH Tax Credit Equity: | \$ 2,727,834 | \$ 26,942,914 |
| Developer Equity: | \$ 0 | \$ 2,982,145 |
| Deferred Developer Fee: | \$ 0 | \$ 1,517,378 |
| Master Developer Inclusionary Contribution: | \$ 1,500,000 | \$ 1,500,000 |
| HCD NPLH: | \$ 0 | \$ 4,285,711 |
| Alameda County Measure A1 Loan: | \$ 11,153,038 | \$ 11,153,038 |
| AHP: | \$ 690,000 | \$ 690,000 |
| PV Credits: | <u>\$ 0</u> | <u>\$ 183,427</u> |
| Total Sources: | \$ 50,799,056 | \$ 57,369,613 |

Uses of Funds:

| | |
|---------------------------------------|---------------------|
| Acquisition/Land Purchase: | \$ 18,846 |
| New Construction: | \$ 37,098,944 |
| Contractor Overhead & Profit: | \$ 1,243,166 |
| Architectural: | \$ 1,398,591 |
| Survey & Engineering: | \$ 188,947 |
| Construction Interest and Fees: | \$ 4,608,864 |
| Permanent Financing: | \$ 50,000 |
| Legal Fees: | \$ 20,000 |
| Reserves: | \$ 1,025,412 |
| Appraisal: | \$ 2,970 |
| Hard Cost Contingency: | \$ 1,917,106 |
| Local Development Impact Fees: | \$ 1,763,801 |
| Other Soft Costs (Marketing, etc.) *: | \$ 1,550,821 |
| Developer Costs | <u>\$ 6,482,145</u> |
| Total Uses: | \$ 57,369,613 |

Terms of Transaction:

| | |
|--------------------|---------------------------|
| Amount: | \$38,000,000 |
| Maturity: | 17 years |
| Collateral: | Deed of Trust on property |
| Bond Purchasers: | Private Placement |
| Estimated Closing: | June 2020 |

Public Benefit:

The construction of this project will create high quality affordable housing for 69 low-income households in the City of Alameda for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
72% (50 Units) restricted to 50% or less of area median income households; and
28% (19 Units) restricted to 60% or less of area median income households.
Unit Mix: 1-, 2- and 3-bedroom units
Term of Restriction: 55 years

Finance Team:

| | |
|--------------------|---------------------------|
| Lender: | Wells Fargo, N.A. |
| Bond Counsel: | Jones Hall, APLC |
| Issuer Counsel: | Jones Hall, APLC |
| Lender Counsel: | Fisher Broyles, LLP |
| Borrower Counsel: | Gubb & Barshay, LLP |
| Financial Advisor: | Community Economics, Inc. |

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$38,000,000 for the Alameda Point Family Apartments affordable housing project located in the City of Alameda, Alameda County, California.

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

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VILLAGE POINTE APARTMENTS SUMMARY AND RECOMMENDATIONS

| | |
|------------|---|
| Applicant: | Community Preservation Partners |
| Action: | Final Resolution |
| Amount: | \$60,000,000 |
| Purpose: | Finance an Affordable Multi-Family Rental Housing Facility Located in the City of Lancaster, Los Angeles County, California |
| Activity: | Affordable Housing |
| Meeting: | May 15, 2020 |

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 Village Pointe Apartments is an acquisition/rehabilitation project located in Lancaster on a 16.12-acre sites. The project consists of 208 restricted rental units and 2 unrestricted managers' units. The unit mix consists of 56 one-bedroom units, 90 two-bedroom units, 42 three-bedroom units and 20 four-bedroom units. The rehabilitation will address health and safety issues, ADA, deferred maintenance, and energy efficiency when possible. Currently, the Developer is planning on replacing countertops and cabinetry in units, replacing flooring, replacing the windows, installing new refrigerators, ranges, range hoods, dishwashers, reroofing, painting the exterior buildings, addressing parking lot deferred maintenance, site fencing and replacing and upgrading building systems as necessary. The rehabilitation is expected to begin in June 2020 and be completed in April 2021. The financing of this project will result in the preservation of affordable housing for 208 households in the City of Lancaster for an additional 55 years.

The City of Lancaster:

The City of Lancaster is a member of the CMFA and held a TEFRA hearing on January 28, 2020. Upon closing, the City is expected to receive up to \$17,103 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: | \$ 47,622,526 | \$ 32,658,136 |
| Taxable Bond Proceeds: | \$ 7,377,474 | \$ 14,996,864 |
| LIH Tax Credit Equity: | \$ 15,394,354 | \$ 25,657,256 |
| Income from Operations: | \$ 3,902,065 | \$ 3,902,065 |
| Deferred Developer Fee: | \$ 8,693,506 | \$ 5,860,589 |
| Seller Carryback Loan: | <u>\$ 1,350,000</u> | <u>\$ 1,350,000</u> |
| Total Sources: | \$ 84,339,925 | \$ 84,424,910 |
| | | |
| Uses of Funds: | | |
| Acquisition/Land Purchase: | \$ 54,350,000 | |
| Rehabilitation: | \$ 12,732,720 | |
| Relocation: | \$ 157,500 | |
| Architectural: | \$ 135,660 | |
| Survey & Engineering: | \$ 152,000 | |
| Construction Interest and Fees: | \$ 4,736,771 | |
| Legal Fees: | \$ 165,000 | |
| Reserves: | \$ 912,000 | |
| Appraisal: | \$ 7,500 | |
| Hard Cost Contingency: | \$ 1,348,272 | |
| Other Soft Costs (Marketing, etc.) *: | \$ 286,898 | |
| Developer Costs | <u>\$ 9,440,589</u> | |
| Total Uses: | \$ 84,424,910 | |

Terms of Transaction:

| | |
|--------------------|---------------------------|
| Amount: | \$60,000,000 |
| Maturity: | 17 years |
| Collateral: | Deed of Trust on property |
| Bond Purchasers: | Private Placement |
| Estimated Closing: | June 2020 |

Public Benefit:

The rehabilitation of this project will preserve high quality affordable housing for 208 low-income households in the City of Lancaster for an additional 55 years.

Percent of Restricted Rental Units in the Project: 100%
100% (208 Units) restricted to 50% or less of area median income households.
Unit Mix: 1-, 2-, 3- and 4-bedroom units
Term of Restriction: 55 years

Finance Team:

| | |
|--------------------|------------------------------------|
| Lender: | Citibank, N.A. |
| Bond Counsel: | Orrick, Herrington & Sutcliffe LLP |
| Issuer Counsel: | Jones Hall, APLC |
| Lender Counsel: | Robinson & Cole LLP |
| Borrower Counsel: | Cox, Castle & Nicholson LLP |
| Financial Advisor: | Community Economics, Inc. |

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$60,000,000 for the Village Pointe Apartments affordable housing project located in the City of Lancaster, Los Angeles County, California.

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

**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.



CINNAMON VILLAS II APARTMENTS SUMMARY AND RECOMMENDATIONS

| | |
|------------|---|
| Applicant: | Pacific West Communities, Inc. |
| Action: | Final Resolution |
| Amount: | \$7,500,000 |
| Purpose: | Finance an Affordable Multi-Family Rental Housing Facility Located in the City of Lemoore, Kings County, California |
| Activity: | Affordable Housing |
| Meeting: | May 15, 2020 |

Background:

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

The CMFA has facilitated over ten Pacific West Communities projects.

The Project:

Cinnamon Villas II Apartments is a new construction project located in Lemoore on a 1.88-acre site. The project consists of 27 restricted rental units and 1 unrestricted manager unit. The project will have 24 one-bedroom units and 4 two-bedroom units. There will be four (4) single story buildings. Common amenities include a management office, a maintenance room, a computer learning center, an exercise room and a community room with a communal kitchen. Each unit will have a refrigerator, range/oven, dishwasher, garbage disposal, patio with storage space, washer/dryer hook-ups and exhaust fans. The construction is expected to begin in July 2020 and be completed in June 2021. The financing of this project will result in the creation of affordable housing for 27 households in the City of Lemoore for the next 55 years.

The City of Lemoore:

The City of Lemoore is a member of the CMFA and held a TEFRA hearing on October 15, 2019. Upon closing, the City is expected to receive up to \$2,687 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: | \$ 4,300,000 | \$ 1,000,000 |
| LIH Tax Credit Equity: | \$ 372,765 | \$ 1,762,470 |
| Deferred Developer Fee: | \$ 757,279 | \$ 250,000 |
| Deferred Costs: | \$ 59,426 | \$ 0 |
| Seller Carryback Loan: | \$ 377,000 | \$ 377,000 |
| HCD HOME Loan: | \$ 324,051 | \$ 2,301,051 |
| City of Lemoore Loan (Fee Deferral Loan): | \$ 230,200 | \$ 230,200 |
| HA of Kings County (Capital Funds Loan): | \$ 0 | \$ 500,000 |
| Total Sources: | \$ 6,420,721 | \$ 6,420,721 |

Uses of Funds:

| | |
|---------------------------------------|--------------|
| Acquisition/Land Purchase: | \$ 382,000 |
| New Construction: | \$ 3,335,124 |
| Contractor Overhead & Profit: | \$ 249,595 |
| Architectural: | \$ 250,000 |
| Survey & Engineering: | \$ 145,000 |
| Construction Interest and Fees: | \$ 302,000 |
| Permanent Financing and Fees: | \$ 105,000 |
| Legal Fees: | \$ 50,000 |
| Reserves: | \$ 59,426 |
| Appraisal: | \$ 10,000 |
| Hard Cost Contingency: | \$ 178,000 |
| Local Development Impact Fees: | \$ 333,807 |
| Other Soft Costs (Marketing, etc.) *: | \$ 263,490 |
| Developer Costs | \$ 757,279 |
| Total Uses: | \$ 6,420,721 |

Terms of Transaction:

| | |
|--------------------|---------------------------|
| Amount: | \$7,500,000 |
| Maturity: | 17 years |
| Collateral: | Deed of Trust on property |
| Bond Purchasers: | Private Placement |
| Estimated Closing: | July 2020 |

Public Benefit:

The construction of this project will create high quality affordable housing for 27 low-income households in the City of Lemoore for an additional 55 years.

Percent of Restricted Rental Units in the Project: 100%
22% (6 Units) restricted to 50% or less of area median income households; and
78% (21 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: 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 Clayton McReynolds
Financial Advisor: Miller Housing Advisors

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$7,500,000 for the Cinnamon Villas II Apartments affordable housing project located in the City of Lemoore, Kings County, California.

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

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HARBOR DAY SCHOOL SUMMARY AND RECOMMENDATIONS

| | |
|------------|--|
| Applicant: | Harbor Day School |
| Action: | Final Resolution |
| Amount: | \$55,000,000 |
| Purpose: | Finance and Refinance the Demolition and Construction of Educational Facilities for Harbor Day School, located in the City of Newport Beach, Orange County, California |
| Activity: | Private Education |
| Meeting: | May 15, 2020 |

Background:

Harbor Day School, a California nonprofit public benefit corporation (the “Borrower” or the “School”), is a co-educational private independent K-8 school established in 1952. The School was the first independent school in Orange County and currently serves over 400 students a year.

Harbor Day School provides an academically challenging, well-balanced education in a nurturing, family-centered environment. Their traditional, yet innovative, curriculum develops eager, confident learners who think creatively and work collaboratively. Developing self-reliance, building strong moral character, and encouraging social responsibility are hallmarks of a Harbor Day education.

The Project:

The Borrower intends the proceeds of the loan to be used to finance the costs of the demolition of the School's existing facilities and the construction of a new, approximately 100,000 square foot campus, which will include several buildings, and all associated design, engineering and planning costs related thereto, of a school commonly known as Harbor Day School and located at 3443 Pacific View Drive, Corona del Mar, California and related capital project costs (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 Borrower.

The City of Newport Beach:

The City of Newport Beach is a member of the CMFA and held a TEFRA hearing on April 28, 2020. Upon closing, the City is expected to receive approximately \$12,500 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

| | |
|--------------------------|---------------|
| Tax-Exempt Loan: | \$ 35,000,000 |
| Standby Tax-Exempt Loan: | \$ 10,000,000 |
| Total Sources: | \$ 45,000,000 |

Uses of Funds:

| | |
|----------------------------------|---------------|
| Construction Costs: | \$ 21,990,000 |
| Furniture, Fixtures & Equipment: | \$ 3,695,000 |
| Soft Costs: | \$ 3,420,000 |
| Contingency: | \$ 4,000,000 |
| COI: | \$ 825,000 |
| Interest Reserve: | \$ 1,070,000 |
| Total Uses: | \$ 35,000,000 |

Terms of Transaction:

| | |
|--------------------|---------------------------|
| Amount: | \$55,000,000 |
| Maturity: | 20 years |
| Collateral: | Deed of Trust on property |
| Bond Purchasers: | Private Placement |
| Estimated Closing: | June 2020 |

Public Benefit:

Harbor Day School is a co-educational private independent K-8 school established in 1952. Harbor Day School provides an academically challenging, well-balanced education in a nurturing, family-centered environment. Their traditional, yet innovative, curriculum develops eager, confident learners who think creatively and work collaboratively. The campus project will allow them to continue to fulfill their mission.

Finance Team:

| | |
|----------------------|-------------------------------------|
| Lender: | Farmers & Merchant Bank |
| Special Tax Counsel: | Stradling Yocca Carlson & Rauth LLP |
| Issuer Counsel: | Jones Hall, APLC |
| Lender Counsel: | Kutak Rock LLP |
| Borrower Counsel: | Stradling Yocca Carlson & Rauth LLP |
| Financial Advisor: | CSG Advisors Incorporated |

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution authorizing the issuance of revenue bonds in an aggregate principal amount not to exceed \$55,000,000 for the Harbor Day School located in the City of Newport Beach, Orange 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.



HIGHLANDS COMMUNITY CHARTER SCHOOL PROJECT SUMMARY AND RECOMMENDATIONS

| | |
|------------|--|
| Applicant: | Highlands Community Charter & Technical Schools |
| Action: | Final Resolution |
| Amount: | \$10,000,000 |
| Purpose: | Finance Working Capital for Highland Community Charter & Technical Schools, located in the City of Sacramento, County of Sacramento, California. |
| Activity: | Charter School |
| Meeting: | May 15, 2020 |

Background:

Highlands Community Charter and Technical Schools (“Highlands”) is a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Code with a purpose to manage, operate, guide, direct and promote one or more California public adult charter schools, direct and promote one or more postsecondary schools, and engage in other educational activities. Highlands currently holds one charter and operates one charter school serving approximately 1,400 students in Sacramento, California during the 2019-20 school year.

The Mission of Highlands is “Serving the unserved,” which Highlands aims to achieve by providing the education for a high school diploma to its students, along with elective courses leading to a Certificate of Completion in one of its Career and Technical Education courses, thereby giving students all of the tools necessary to obtain a livable wage job, and a future for themselves and their families. Highlands is dedicated to assisting its students to become competent, confident, productive, and adaptable, with the skills and attitudes to enable them to successfully contribute to society. Highlands wants students’ love of learning to grow for a lifetime. Highlands believes that self-motivation, critical thinking, responsibility, ethics, compassion and creativity are as important as academics and technology. Highlands provides a learning environment that values and promotes risk taking, compassion, tolerance, self-awareness, and the courage to stand up for one’s convictions. Highlands is committed to academic excellence and lifelong learning and invite all who share its vision to join its educational community.

The Project:

The Highlands Community Charter School has requested that the California Municipal Finance Authority will issue the California Municipal Finance Authority Revenue Anticipation Notes for the purpose, among others, of financing working capital for the Borrower's operations. Pursuant to a Note Purchase Contract, among Stifel, Nicolaus & Company, Incorporated, as underwriter, the Authority and the Borrower, the Notes will be sold to the Underwriter, and the proceeds of such sale will be used as set forth in the Indenture to finance the Project (which is defined as working capital), and to pay costs incurred in connection with the issuance of the Notes. The Highlands Community Charter School is located at 1333 Grand Avenue, Sacramento, CA 95838.

The County of Sacramento:

The County of Sacramento is a member of the CMFA and has been asked to hold a TEFRA hearing on June 16, 2020. Upon closing, the County is expected to receive approximately \$5,333 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

| | |
|-----------------------------|---------------|
| Revenue Anticipation Notes: | \$ 10,000,000 |
| Total Sources: | \$ 10,000,000 |

Uses of Funds:

| | |
|-------------------|--------------|
| Working Capital: | \$ 7,840,000 |
| Cost of Issuance: | \$ 160,000 |
| Total Uses: | \$ 8,000,000 |

Terms of Transaction:

| | |
|--------------------|---------------------------------|
| Amount: | \$10,000,000 |
| Maturity: | August 2021 |
| Collateral: | State Apportionment Receivables |
| Bond Purchasers: | Limited Public Offering |
| Rating: | Unrated |
| Estimated Closing: | June 2020 |

Public Benefit:

Highlands Community Charter School was brought to light through the eyes of several bright, dedicated people who have worked within the public-school sector for countless years. While it is easy for outsiders to look at transgressions in life and condemn them openly, at Highlands, they understand that crime does not create itself. In fact, crime most often arises when opportunity lacks. That is why at Highlands they provide that opportunity. More specifically, the opportunity Highlands provides is an education for adult learners at no cost. This education includes, but is not limited to, English Language Development (ELD), High School Diploma Completion, Technical Job Training, Citizenship, and Bilingual HiSET Preparation. This is a tuition free campus.

Finance Team:

| | |
|----------------------|---------------------------------------|
| Underwriter: | Stifel, Nicolaus & Company, Inc. |
| Bond Counsel: | Stradling Yocca Carlson & Rauth, P.C. |
| Issuer's Counsel: | Jones Hall, APLC |
| Borrower's Counsel: | Cregger & Chalfant LLP |
| Underwriter Counsel: | Kutak Rock LLP |
| Financial Advisor: | Key Charter Advisors, LLC |

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt a Final Resolution of \$10,000,000 for the Highlands Community Charter and Technical Schools located in the City of Sacramento, County of Sacramento, 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.



EMPIRE SPRINGS CHARTER SCHOOL PROJECT SUMMARY AND RECOMMENDATIONS

| | |
|------------|---|
| Applicant: | Empire Springs Charter School, Inc. |
| Action: | Final Resolution |
| Amount: | \$5,000,000 |
| Purpose: | Finance Working Capital for Empire Springs Charter School, located in the City of Rancho Cucamonga, County of San Bernardino, California. |
| Activity: | Charter School |
| Meeting: | May 15, 2020 |

Background:

The Empire Springs Charter Schools' Mission is to empower students by fostering their innate curiosity, engaging their parents, and promoting optimum learning by collaboratively developing a personalized learning program for each student. The Borrower offers a range of educational approaches to suit the needs of its students, including academy programs ("Academy"), homeschool programs ("Homeschool"), a modified homeschool program focusing on online education ("Venture Online"), and an independent study program, combining aspects of Homeschool and Academy ("Keys").

In the Academy programs, students attend class from two to five days a week and receive instruction from fully credentialed teachers. Each teacher in an Academy program structures lessons and assignments working collaboratively with the parent, who oversees student work during home study days. In the Homeschool and Venture Online programs, students and their parents work with credentialed Homeschool Education Specialists to determine each student's goals and objectives, and to determine individualized curriculum and effective learning strategies. In the Keys program, students work independently part of the time, and also take classes at Student Centers and participate in internships, career and technical education ("CTE") courses. Keys students are also assigned to and periodically meet with an Educational Specialist responsible for selecting and ordering curriculum and assigning and grading assignments.

Springs Charter Schools was created and is operated by parents. They understand that every child is on a personalized educational journey. Teachers work hard to incorporate a rich diversity of skills development, curriculum, and extracurricular activity into each day, and staff works hard to direct the school's resources where students need them most.

The Project:

The Empire Springs Charter Schools has requested that the Authority will issue the California Municipal Finance Authority Revenue Anticipation Notes for the purpose, among others, of financing working capital for the Borrower's operations and pay certain expenses incurred in connection with the issuance of the notes. Pursuant to a Note Purchase Contract, among Stifel, Nicolaus & Company, Incorporated, as underwriter, the Authority and the Borrower, the Notes will be sold to the Underwriter, and the proceeds of such sale will be used as set forth in the Indenture to finance the Project (which is defined as working capital), and to pay costs incurred in connection with the issuance of the Notes. The Empire Springs Charter School is located at 8968 Archibald Avenue, Rancho Cucamonga, CA 91730.

The County of San Bernardino:

The County of San Bernardino is a member of the CMFA and has been asked to hold a TEFRA hearing on June 2, 2020. Upon closing, the County is expected to receive approximately \$3,333 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

| | |
|---------------------------|--------------|
| Tax-Exempt Bond Proceeds: | \$ 5,000,000 |
| Total Sources: | \$ 5,000,000 |

Uses of Funds:

| | |
|-------------------|--------------|
| Working Capital: | \$ 4,900,000 |
| Cost of Issuance: | \$ 100,000 |
| Total Uses: | \$ 5,000,000 |

Terms of Transaction:

| | |
|--------------------|---------------------------------|
| Amount: | \$5,000,000 |
| Maturity: | August 2021 |
| Collateral: | State Apportionment Receivables |
| Bond Purchasers: | Limited Public Offering |
| Rating: | Unrated |
| Estimated Closing: | June 2020 |

Public Benefit:

Empire Springs Charter School was created and is operated by parents. Their talented teachers work hard to incorporate a rich diversity of skills development, curriculum, and extracurricular activity into each day. Their staff works hard to direct the school's resources where the students need them most. As a charter school, they are part of the solution to a better education system. They are dedicated to ensuring that no student is left behind.

Finance Team:

| | |
|----------------------|---------------------------------------|
| Underwriter: | Stifel, Nicolaus & Company, Inc. |
| Bond Counsel: | Stradling Yocca Carlson & Rauth, P.C. |
| Issuer's Counsel: | Jones Hall, APLC |
| Borrower's Counsel: | Linda Rhoads-Parks Attorney at Law |
| Underwriter Counsel: | Kutak Rock LLP |
| Financial Advisor: | Key Charter Advisors, LLC |

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt a Final Resolution of \$5,000,000 for the Empire Springs Charter School located in the City of Rancho Cucamonga, County of San Bernardino, 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.



RIVER SPRINGS CHARTER SCHOOL PROJECT SUMMARY AND RECOMMENDATIONS

| | |
|------------|---|
| Applicant: | River Springs Charter School, Inc. |
| Action: | Final Resolution |
| Amount: | \$8,000,000 |
| Purpose: | Finance Working Capital for River Springs Charter School, located in the City of Temecula, County of Riverside, California. |
| Activity: | Charter School |
| Meeting: | May 15, 2020 |

Background:

The River Springs Charter Schools' Mission is to empower students by fostering their innate curiosity, engaging their parents, and promoting optimum learning by collaboratively developing a personalized learning program for each student. They provide learners with a personalized 21st century education. Their partnership with parents and students transforms learning from factory-model to custom-made, ensuring that students have the experiences and skills necessary to achieve their dreams.

Every student in River Springs Charter Schools' network is on a personalized education journey which includes a rich diversity of skills development, curriculum, and extracurricular activities. Their teachers work with students and their families to foster creativity, build relationships, nurture talents, and prepare them to succeed in the world beyond the classroom.

- 17 student centers serve over 8,000 Springs Charter Schools students in TK-12th grade across Southern California.
- 14 Elementary student center locations
- 14 Junior High student center locations
- 9 High School student center locations
- Over 2,500 students are primarily homeschooled and are visited in their homes by credentialed teachers on a regular basis.
- 900 employees work diligently every day to provide the students with a high-quality personalized education.

The Springs Charter Schools network serves children throughout the counties of Imperial, Inyo, Kern, Los Angeles, Orange, Riverside, San Bernardino, and San Diego. Student centers are

provided in Riverside, Corona, Temecula, Indio, Hemet, Murrieta, Santa Ana, Chula Vista, Vista, Menifee, and Rancho Cucamonga.

Springs Charter Schools was created and is operated by parents. They understand that every child is on a personalized educational journey. Teachers work hard to incorporate a rich diversity of skills development, curriculum, and extracurricular activity into each day, and staff works hard to direct the school's resources where students need them most.

The Project:

The River Springs Charter School has requested that the Authority will issue the California Municipal Finance Authority Revenue Anticipation Notes for the purpose, among others, of financing working capital for the Borrower's operations and pay certain expenses incurred in connection with the issuance of the notes. Pursuant to a Note Purchase Contract, among Stifel, Nicolaus & Company, Incorporated, as underwriter, the Authority and the Borrower, the Notes will be sold to the Underwriter, and the proceeds of such sale will be used as set forth in the Indenture to finance the Project (which is defined as working capital), and to pay costs incurred in connection with the issuance of the Notes. The River Springs Charter School is located at 27740 Jefferson Avenue, Temecula, CA 92590.

The County of Riverside:

The County of Riverside is a member of the CMFA and has been asked to hold a TEFRA hearing on June 16, 2020. Upon closing, the County is expected to receive approximately \$5,333 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

| | |
|---------------------------|--------------|
| Tax-Exempt Bond Proceeds: | \$ 8,000,000 |
| Total Sources: | \$ 8,000,000 |

Uses of Funds:

| | |
|-------------------|--------------|
| Working Capital: | \$ 7,840,000 |
| Cost of Issuance: | \$ 160,000 |
| Total Uses: | \$ 8,000,000 |

Terms of Transaction:

| | |
|--------------------|---------------------------------|
| Amount: | \$8,000,000 |
| Maturity: | August 2021 |
| Collateral: | State Apportionment Receivables |
| Bond Purchasers: | Limited Public Offering |
| Rating: | Unrated |
| Estimated Closing: | June 2020 |

Public Benefit:

River Springs Charter School was created and is operated by parents. Their talented teachers work hard to incorporate a rich diversity of skills development, curriculum, and extracurricular activity into each day. Their staff works hard to direct the school's resources where the students need them most. As a charter school, they are part of the solution to a better education system. They are dedicated to ensuring that no student is left behind.

Finance Team:

| | |
|----------------------|---------------------------------------|
| Underwriter: | Stifel, Nicolaus & Company, Inc. |
| Bond Counsel: | Stradling Yocca Carlson & Rauth, P.C. |
| Issuer's Counsel: | Jones Hall, APLC |
| Borrower's Counsel: | Linda Rhoads-Parks Attorney at Law |
| Underwriter Counsel: | Kutak Rock LLP |
| Financial Advisor: | Delta Managed Solutions, Inc. |

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt a Final Resolution of \$8,000,000 for the River Springs Charter School located in the City of Temecula, 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.



CLAREMONT GRADUATE UNIVERSITY PROJECT SUMMARY AND RECOMMENDATIONS

Applicant: Claremont Graduate University

Action: Final Resolution

Amount: \$39,000,000

Purpose: Finance or Refinance the Construction, Improvement, Renovation and Equipping of Certain Educational Facilities for the Benefit of Claremont Graduate University, located in the City of Claremont, Los Angeles County, California.

Activity: Private University

Meeting: May 15, 2020

Amending Resolution:

The Board of the CMFA previously approved a Final Resolution on November 15, 2019 with a not to exceed amount of \$33,500,000. The new Final Resolution not to exceed amount will be increased to \$39,000,000 due to adding a debt service reserve fund and a potential taxable working capital loan.

Background:

Claremont Graduate University ("GCU") is a private, all-graduate research university in Claremont, California. Founded in 1925, CGU is a member of the Claremont Colleges which includes five undergraduate and two graduate institutions of higher education.

As a member of The Claremont Colleges-a collective of seven highly regarded graduate and undergraduate liberal arts colleges-CGU offers a greater breadth of faculty and campus resources than is typical of a university with 2,300 students. The Claremont Colleges Services provides academic, student, and institutional support services to all of The Claremont Colleges' 7,700 students and 3,600 faculty and staff, offering the resources of a large university without sacrificing CGU's unique, intimate culture. TCC members share a central library with more than two million volumes, a variety of health, counseling, and support services, a central bookstore, excellent campus dining options, and more.

CGU is selling its graduate student housing to a 501(c)3 and this GO issue is funding the gap for the Refunding Escrow to refund CGU's outstanding Series 2016B Bonds (Housing Bonds) and to refund their outstanding 2016 Series A and 2016 Series C Bonds.

It is anticipated that CMFA will issue the Housing Revenue Bonds simultaneously with this issuance to fund the balance of the Refunding Escrow requirement on the 2016 Series B Bonds.

The Project:

The proceeds of the CGU Loan will be applied to: (i) refinance certain prior obligations of CGU that refinanced the costs to construct an approximately 158 unit student, housing facility, including the buildings, furniture, fixtures, and equipment therefor located at 1415 N. College Avenue, Claremont, California, 91711 on the campus of CGU (i.e., the same facility that will be acquired by the Housing Facility Borrower from CGU with proceeds of the Housing Facility Bonds), (ii) to fund a debt service reserve fund for the CGU Bonds, and (iii) to fund the costs of issuing the CGU Bonds. The Housing Facility Borrower will be the legal owner of the Housing Facility; however, the Corporation will be the true beneficial party of interest since the Housing Facility Borrower is a disregarded entity for federal tax purposes.

The City of Claremont:

The City of Claremont is a member of the CMFA and held a TEFRA hearing on November 26, 2019. Upon closing, the City is expected to receive approximately \$10,500 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

| | |
|-------------------|---------------|
| Tax-Exempt Bonds: | \$ 39,000,000 |
| Total Sources: | \$ 39,000,000 |

Uses of Funds:

| | |
|----------------------------|---------------|
| Refund Series 2016B Bonds: | \$ 33,500,000 |
| DSRF: | \$ 2,500,000 |
| Taxable Working Capital: | \$ 3,000,000 |
| Total Uses: | \$ 39,000,000 |

Terms of Transaction:

| | |
|------------------|--|
| Amount: | \$39,000,000 |
| Maturity: | June 2049 |
| Collateral: | Gross Revenue Pledge, Deed of Trust |
| Bond Purchasers: | Public Offering; Institutional and Sophisticated Investors |
| Closing: | June 2020 |
| Expected Rating: | Not Rated |

Public Benefit:

The 158-unit student, housing facility will help service the Claremont Colleges, Cal Poly Pomona, University of La Verne and Mount Sac CCD student populations.

Finance Team:

| | |
|------------------------|-------------------------|
| Underwriter: | Hilltop Securities |
| Series A Purchaser: | Umpqua Bank |
| Bond Counsel: | Nixon Peabody LLP |
| Issuer's Counsel: | Jones Hall, APLC |
| Underwriter's Counsel: | Haynsworth Sinkler Boyd |
| Financial Advisor: | Piedmont Securities LLC |
| Borrower's Counsel: | Loeb & Loeb LLP |
| Trustee: | Wilmington Trust |

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution authorizing the issuance of revenue bonds in an aggregate principal amount not to exceed \$39,000,000 for the Claremont Graduate University Project, City of Claremont, County of Los Angeles, 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.



TRUCKEE RAILYARD COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS

Applicant: Holliday Development

Action: Approval

Amount: \$22,000,000

Purpose: Approve Resolutions Initiating Formation of CMFA Community Facilities District No. 2020-2 and the Intention to Incur Indebtedness (Town of Truckee –Truckee Railyard)

Activity: BOLD/ Community Facilities District

Meeting: May 15, 2020

Background and Resolutions:

CMFA’s BOLD Program (“BOLD”) utilizes the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53311 et seq.) (the “Act”) to raise revenues for the infrastructure needs of local agencies in California. The Town of Truckee (the “Town”) is a member of the CMFA and a participant in BOLD. Holliday Development (the “Developer”) has submitted an application to the CMFA to use BOLD in relation to the Developer’s proposed development of certain property located in the Town. The CMFA and the Town have accepted such application.

The applicant has requested formation of a community facilities district, which will facilitate the future issuance of bonds by the CMFA under the program. Proceeds of bonds will primarily be used to finance public infrastructure facilities to be owned by the Town.

As an initial step in using BOLD for the financing, the CMFA needs to form a community facilities district. The proposed community facilities district will be called California Municipal Finance Authority Community Facilities District No. 2020-2 (Town of Truckee – Truckee Railyard) (the “CFD”).

Under the Act, it is a requirement that the CMFA, as the entity forming the CFD, adopt a resolution stating its intention to form the CFD, stating the types of public facilities to be financed on behalf of the CFD, setting forth the rate and method of apportionment of a proposed special tax to be levied in the CFD, and establishing the boundary. A resolution meeting the requirements

of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Declaring its Intention to Establish California Municipal Finance Authority Community Facilities District No. 2020-2 (Town of Truckee – Truckee Railyard), and to Levy a Special Tax to Finance the Acquisition and Construction of Certain Public Facilities in and for such Community Facilities District (the “Resolution of Intention to Form CFD”).

It is also a requirement under the Act that the CMFA, as the entity forming the CFD, adopt a resolution stating its intention to issue bonds payable from the levy of a special tax within the CFD. A resolution meeting that requirement of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Declaring its Intention to Incur a Bonded Indebtedness in and for the California Municipal Finance Authority Community Facilities District No. 2020-2 (Town of Truckee – Truckee Railyard) to Finance the Acquisition and Construction of Certain Public Facilities (the “Resolution of Intention to Incur Bonded Indebtedness”).

The Project:

The Project is a redevelopment of the former Union Pacific Railroad (UPRR) rail and snow removal operations and provides opportunities to grow and strengthen downtown Truckee’s commercial core and increase the Town’s supply of affordable and workforce housing. Ultimately, the Project is proposed to be a mixed-use development of up to 570 residential units, 70,000 square feet of retail uses, 93,250 square feet of office uses, a 750-seat theater, 25,000 square feet of civic use, a 35,000 square foot grocery store, and a 60-room condominium hotel.

In order to finance the costs of the Facilities, it is necessary to incur bonded indebtedness and other debt (as defined in the Act) in one or more series in the aggregate amount of not to exceed \$22,000,000 on behalf of the CFD and all improvement areas therein.

Development Status:

Infrastructure construction within the Railyard commenced in 2017 with the installation of backbone infrastructure servicing Phases 1, 2 and 3. In 2018, Truckee Development Associates began and completed infrastructure improvements serving Phase 1 of the Railyard. Roadway improvements were accepted by the Town of Truckee in 2018 and a final map was recorded on April 1, 2019.

Currently the developer is constructing the commercial portion of the project, including the movie theater and other retail.

Authorized Facilities:

Funds from the issuance of bonds for the CFD will be used for the following authorized purposes:

- Roadway and Transportation Improvements
- Water System Improvements
- Drainage System and Flood Protection Improvements
- Wastewater System Improvements

Electrical Utility Improvements
Trails, Landscaping, and Open Space Improvements

Impact Fees including:

- Town Traffic Impact Fees
- Town Facilities Fees
- Town Park Impact Fees

Authorized facilities also include Administrative and Incidental Expenses.

Future Action:

Under the Act, at a future meeting of the CMFA Board of Directors, the Board of Directors will need to hold a public hearing and adopt additional resolutions formally creating the CFD, authorizing the incurrence of bonded indebtedness for the CFD, levying the special tax within the CFD, and certain other related matters. The Truckee Railyard CFD will likely be pooled with other like-sized CFD's and sold as a combined financing.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Resolution of Intention to Form CFD and the Resolution of Intention to Incur Bonded Indebtedness in an amount not to exceed \$22,000,000.

EXHIBIT B

IMPROVEMENT AREA NO. 1 OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2020-2 (TOWN OF TRUCKEE – TRUCKEE RAILYARD)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor’s Parcel in Improvement Area No. 1 of the California Municipal Finance Authority Community Facilities District No. 2020-2 (Town of Truckee – Truckee Railyard) shall be levied and collected according to the tax liability determined by the Board through the application of the appropriate amount or rate for Taxable Property, as described herein. All of the property in Improvement Area No. 1, unless exempted by law or by the provisions of Section G herein, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to Improvement Area No. 1 unless a separate Rate and Method of Apportionment is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Accessory Unit**” means a second residential unit of limited size (e.g., granny cottage, second unit) that shares a Parcel with a single-family detached unit.

“**Acre**” means the land area of an Assessor’s Parcel as shown on an Assessor’s Parcel Map, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Final Map or other parcel map recorded at the County Recorder’s Office.

“**Act**” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, (commencing with Section 53311), Part 1, Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of CMFA in carrying out its duties with respect to Improvement Area No. 1, the CFD and the Bonds, including, but not limited to, the levy and collection of Special Taxes, the fees and expenses of its counsel, charges levied by the County in connection with the levy and collection of Special Taxes, costs related to property owner inquiries regarding the Special Tax, costs associated with appeals or requests for interpretation associated with the Special Tax and this RMA, amounts needed to pay rebate to the federal government with respect to Bonds, costs associated with complying with continuing disclosure requirements for CMFA and any major property owners or other obligated parties, costs associated with foreclosure and collection of delinquent Special Taxes, and all other costs and expenses of CMFA and the Town in any way related to the establishment or administration of Improvement Area No. 1 and the CFD.

“Administrator” shall mean the person or firm designated by CMFA to administer the Special Tax according to this RMA.

“Affordable Housing Unit” means any Residential Unit on a Parcel of Developed Property for which a deed restriction has been recorded on title of the property that limits the rental rate or sales price or otherwise restricts the affordability of the Residential Unit or income of its occupants. It is incumbent upon the builder, developer, or property owner to make the Administrator aware of such deed restriction.

“Apartment Square Footage” means, within a building on Mixed-Use/Apartment Property, the aggregate square footage of all Apartment Units within and expected within the building. Apartment Square Foot means a single square-foot unit of Apartment Square Footage.

“Apartment Unit” means an individual residential dwelling unit in a residential structure with two or more Residential Units that share a single Assessor’s Parcel number, are offered for rent to the general public, and cannot be purchased by individual homebuyers.

“Assessor’s Parcel” or **“Parcel”** means a lot or parcel shown on an Assessor’s Parcel Map with an assigned Assessor’s Parcel number.

“Assessor’s Parcel Map” means an official map of the County Assessor designating Parcels by Assessor’s Parcel number.

“Association” means a homeowners or property owners association, including any master or sub-association, that provides services to, and collects dues, fees, or charges from, property within the CFD.

“Association Property” means a Parcel in Improvement Area No. 1 that is owned by an Association.

“Association Square Footage” means any Square Footage within a building that is not located on a Parcel of Association Property, but which Square Footage is leased to the Association.

“Authorized Facilities” means the public facilities authorized to be financed, in whole or in part, by the CFD.

“Average Sales Price” means, within a particular Square Footage Category, the average sales price for Residential Units within such Square Footage Category based on consideration of: (i) the average sales prices for all Residential Units that have sold within the CFD in the past 6 months, which shall not include prices for Residential Units that were sold at a discount for the purpose of stimulating initial sales activity, and (ii) for Residential Units that are expected to sell in a normal marketing environment, the average sales price for Residential Units within such Square Footage Category, as estimated by the Town and CMFA after coordination with developers and builders that are building Residential Units within the CFD.

“Base Special Tax” means, for any Land Use Category, the applicable Special Tax initially identified in Table 1 in Section C, as may be adjusted pursuant to Section D.

“Board” means the Board of Directors of CMFA.

“Bonds” means bonds or other debt (as defined in the Act), whether in one or more series, secured by the Special Tax and issued or assumed by or for Improvement Area No. 1 to fund Authorized Facilities.

“Building Permit” means a single permit or set of permits required to construct a residential or mixed-use structure. If a permit is issued for a foundation, parking, landscaping or other related facility or amenity, but a building permit has not yet been issued for the structure served by these facilities or amenities, such permit shall not be considered a “Building Permit” for purposes of application of the Special Tax herein.

“Capitalized Interest” means funds in any capitalized interest account available to pay debt service on Bonds.

“CFD” means the California Municipal Finance Authority Community Facilities District No. 2020-2 (Town of Truckee – Truckee Railyard).

“CFD Formation” means the date on which the Resolution of Formation to form the CFD and designate Improvement Area No. 1 was adopted by the Board.

“CMFA” means the California Municipal Finance Authority.

“Commercial/Office Square Footage” means the gross saleable or gross leasable square footage within a nonresidential or mixed-use building in Improvement Area No. 1 that is not a Hotel, and which square footage: (i) is not Grocery Store Square Footage, SFA Square Footage, square footage within Affordable Housing Units, or Exempt Square Footage, and (ii) is or is expected to be used for one of the following: (a) a commercial establishment that sells general merchandise, hard goods, food and beverage, personal services, and other items directly to consumers, including but not limited to, restaurants, bars, entertainment venues, health clubs, spas, laundromats, dry cleaners, repair shops, storage facilities, and parcel delivery shops; (b) office space in which professional, banking, insurance, real estate, administrative, or in-office medical or dental activities are conducted; (c) a movie theater; or (d) any other square footage that does not fall within the definition provided in this RMA for other land uses. In a Hotel, any square footage that is leased to a party other than the hotel operator for use as a restaurant, spa, gift shop, or other commercial or retail outlet shall be taxed as Commercial/Office Square Footage. Upon notification by the Hotel operator that such leases exist within the building, the Administrator shall review plans for the Hotel to identify such square footage and, in the event there is any question as to the square footage of such uses, the Administrator shall work with the Town to determine the Commercial/Office Square Footage in the Hotel.

Commercial/Office Square Footage shall be determined based on reference to the condominium plan, site plan, Building Permit, or other information provided by the developer or the Town. The Administrator, in conjunction with the Town, shall make the final determination as to the amount of Commercial/Office Square Footage on any Parcel within Improvement Area No. 1, and such determination shall be conclusive and binding. In a building on Mixed-Use/SFA Property, the SFA Units shall be categorized and taxed as Residential Property, and the square footage of such Residential Units shall not be counted as Commercial/Office Square Footage for

purposes of determining the Maximum Special Tax pursuant to Section C below. Commercial/Office Square Foot means a single square-foot unit of Commercial/Office Square Footage.

“**County**” means the County of Nevada, State of California.

“**Developed Property**” means, in any Fiscal Year, all Parcels of Taxable Property that are not Taxable Public Property or Taxable Association Property for which a Building Permit for new construction was issued prior to June 30 of the preceding Fiscal Year.

“**Development Class**” means, individually, Developed Property, Undeveloped Property, Taxable Association Property, and Taxable Public Property.

“**Exempt Parking Lot**” means a Planning Parcel within Improvement Area No. 1 that meets all of the following criteria: (i) the Planning Parcel is used as a parking lot serving residential and/or commercial uses on adjacent Planning Parcels, (ii) there are no Expected Land Uses assigned to the Planning Parcel, and (iii) other than Pop-Up Commercial Uses, there are no residential or commercial buildings on the Planning Parcel. At the time of CFD Formation and as shown in Attachment 1, it was anticipated that a parking lot that qualified as an Exempt Parking Lot would be built on Planning Parcel 9. However, the parking lot may move to another Planning Parcel, and the Expected Land Uses that had been assigned to that other Planning Parcel may move to Planning Parcel 9. Such a swap shall be considered a Land Use Change, and the Administrator shall apply Section D.1 to determine that Expected Maximum Special Tax Revenues. The Administrator shall then update Attachment 1, and there is no requirement for the updated Attachment 1 to be recorded. The Exempt Parking Lot, if there ultimately is one within Improvement Area No. 1, shall be on whichever Planning Parcel meets the criteria set forth above.

“**Exempt Square Footage**” means, prior to the First Bond Sale, any Square Footage in or expected in a building on a Parcel of Developed Property that is determined by the Administrator to be used or reserved for an Exempt Use. After the First Bond Sale, “Exempt Square Footage” for any building on a Parcel of Developed Property shall be the sum of following, as determined by the Administrator:

1. The Initial Exempt Square Footage for the building; and
2. Square footage in or expected in the building that (i) exceeds the Initial Exempt Square Footage, and (ii) if exempted from the Special Tax, would not reduce coverage on outstanding Bonds below the Required Coverage.

“**Exempt Use**” means Association Square Footage and Public Square Footage.

“**Expected Land Uses**” means the amount, Land Use Category, and Square Footage Category for Residential Units and Non-Residential Property expected in Improvement Area No. 1 at CFD Formation, as identified in Attachment 1 of this RMA. Pursuant to Section D of this RMA, the Administrator shall update Attachment 1 each time there is a Land Use Change or a prepayment; there is no requirement for the updated Attachment 1 to be recorded.

“Expected Maximum Special Tax Revenues” means the aggregate Special Tax that can be levied based on application of the Base Special Tax to the Expected Land Uses. The Expected Maximum Special Tax Revenues at CFD Formation are shown in Attachment 1 and may be revised pursuant to Section D below. There is no requirement for the updated Attachment 1 to be recorded.

“Final Map” means a final map, or portion thereof, approved by the Town pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq*) that creates single family detached lots. The term “Final Map” shall not include any large-lot subdivision map, Assessor’s Parcel Map, or subdivision map or portion thereof, that does not create single family detached lots, including Assessor’s Parcels that are designated as remainder parcels.

“First Bond Sale” means issuance of the first series of Bonds secured, in whole or in part, by Special Taxes levied and collected from Parcels of Taxable Property in Improvement Area No. 1.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“Grocery Store Square Footage” means, within a building on Planning Parcel 10, Square Footage that is part of a grocery store and operated by a recognized grocery retailer, as determined by the Administrator in conjunction with the Town.

“Hotel” means a structure that constitutes a place of lodging, providing temporary sleeping accommodations for travelers, which structure may include one or more of the following: spa services, restaurants, gift shops, meeting and convention facilities. Residential Units that are offered for rent to travelers (e.g., units offered through Airbnb) shall not be categorized as Hotel.

“Hotel Condominium” means a residential unit within a Hotel that is available for purchase. Such a unit shall be categorized as an SFA Unit and taxed accordingly based on the Square Footage of the Hotel Condominium. A Hotel Condominium shall never be categorized as a Hotel Room, whether or not the unit is offered for rent by the owner or the Hotel operator.

“Hotel Room” means an individual room within a Hotel that is available to rent on a nightly basis and cannot be purchased by an individual owner. The Administrator, in conjunction with the Town, shall make the final determination as to the number of Hotel Rooms within a building in Improvement Area No. 1.

“Improvement Area No. 1” means Improvement Area No. 1 of the CFD.

“Improvement Fund” means the account (regardless of its name) identified in the Indenture to hold funds that are available for expenditure to acquire or construct Authorized Facilities.

“Indenture” means the bond indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Independent Price Point Study” means a price point study or letter updating a previous price point study prepared by a Price Point Consultant pursuant to Section D.6 herein. The Independent Price Point Study shall analyze Residential Units with similar density, lot sizes,

square footage ranges, and product type as the Residential Units included in Improvement Area No. 1.

“Initial Exempt Square Footage” means, for any building on a Parcel of Developed Property, the square footage in or expected in the building that, at the time the Parcel became Developed Property, was determined by the Administrator to be reserved for an Exempt Use.

“Land Use Category” means the categories of land use identified in Table 1 in Section C herein.

“Land Use Change” means a proposed or approved change to the Expected Land Uses in Improvement Area No. 1 after CFD Formation.

“Live/Work Unit” means any structure: (i) within which an accessory commercial or business activity is conducted and within which the business operator resides, and (ii) that meets the criteria set forth for live/work units in Section 18.58.130 of the Truckee Municipal Code allowing for exceptions set forth in the Truckee Railyard Master Plan. The Town shall make the final determination as to whether a Residential Unit is a Live/Work Unit.

“Market Rate Unit” means a Residential Unit that is not an Affordable Housing Unit.

“Maximum Special Tax” means the greatest amount of Special Tax that can be levied on a Parcel of Taxable Property in any Fiscal Year, as determined in accordance with Sections C and D herein.

“Mixed-Use/Apartment Building” means a building that includes both Apartment Units and Commercial/Office Square Footage.

“Mixed-Use/Apartment Property” means, in any Fiscal Year, a Parcel of Developed Property for which a Building Permit was issued for construction of a Mixed-Use/Apartment Building.

“Mixed-Use/SFA Building” means a building that includes both SFA Units and Commercial/Office Square Footage.

“Mixed-Use/SFA Property” means, in any Fiscal Year, a Parcel of Developed Property for which a Building Permit was issued for construction of a Mixed-Use/SFA Building.

“Multi-Family Property” means, in any Fiscal Year, all Parcels of Developed Property for which a Building Permit has been issued for construction of a residential structure made up of Apartment Units.

“Non-Residential Property” means Parcels of Developed Property on which buildings have been or are expected to be constructed that will include only Grocery Store Square Footage, Commercial/Office Square Footage, and/or Hotel Rooms.

“Planning Parcel” means a geographic area within Improvement Area No. 1 that, for planning and entitlement purposes, has been designated as a separate Parcel with a numeric identifier to be used for reference until an Assessor’s Parcel is created and an Assessor’s Parcel number is

assigned. The Planning Parcels in Improvement Area No. 1 at CFD Formation are identified in Attachment 2 hereto.

“Price Point Consultant” means any consultant or firm selected by the Town and/or CMFA that: (a) has substantial experience in performing price point studies for Residential Units within community facilities districts or otherwise estimating or confirming pricing for Residential Units in community facilities districts; (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential units in community facilities districts; (c) is independent and not under the control of the Town, CMFA or any developer/builder in Improvement Area No. 1; (d) does not have any substantial interest, direct or indirect, with or in: (i) Improvement Area No. 1, (ii) the Town, (iii) CMFA, or (iv) any owner of real property in Improvement Area No. 1; and (e) is not connected with CMFA or the Town as an officer or employee thereof, but who may be regularly retained to make reports to CMFA or the Town.

“Proportionately” means, for each Development Class, that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all parcels assigned to the Development Class.

“Public Property” means any Parcel within the boundaries of Improvement Area No. 1 that is owned by the Town, County, federal government, State of California or other public agency.

“Public Square Footage” means any Square Footage within a building that is not located on a Parcel of Public Property, but which Square Footage is leased to the Town, County, federal government, State of California or other public agency.

“Required Coverage” means the amount by which the Expected Maximum Special Tax Revenues must exceed the Bond debt service and priority Administrative Expenses (if any), as set forth in the Indenture, Certificate of Special Tax Consultant, or other formation or bond document that sets forth the minimum required debt service coverage.

“Residential Property” means, collectively, Single Family Detached Property, Single Family Attached Property, Multi-Family Property, SFA Units within a Mixed-Use/SFA Building, and Apartment Units within a Mixed-Use/Apartment Building.

“Residential Unit” means an SFD Unit, SFA Unit, or Apartment Unit. An Accessory Unit that shares a Parcel with an SFD Unit shall not be considered a Residential Unit for purposes of levying the Special Tax.

“RMA” means this Rate and Method of Apportionment of Special Tax.

“SFA Square Footage” means, within a building on Mixed-Use/SFA Property, the aggregate square footage of all SFA Units within and expected within the building.

“SFA Unit” means an individual residential dwelling unit within a structure that includes two or more residential units that share common walls, have separate Assessor’s Parcel numbers assigned to them (except for a duplex unit, which may share a Parcel with another duplex unit), and may be purchased by individual homebuyers (which shall still be the case even if the residential units are purchased and subsequently offered for rent by the owner), including such

residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351. For purposes of this RMA, Hotel Condominiums shall also be categorized as SFA Units and taxed accordingly based on the Square Footage of the Hotel Condominium.

“SFD Unit” means a residential dwelling unit that does not share a common wall with another residential dwelling unit.

“Single Family Attached Property” means, in any Fiscal Year, Parcels of Developed Property for which a Building Permit was issued for construction of a residential structure made up of SFA Units.

“Single Family Detached Property” means, in any Fiscal Year, Parcels of Developed Property for which a Building Permit was issued for construction of a SFD Unit.

“Special Tax” or **“Special Taxes”** means a special tax levied in any Fiscal Year to pay the Special Tax Requirement.

“Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay principal and interest on Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments on the Bonds; (iii) replenish reserve funds created for the Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; and (vi) pay directly for Authorized Facilities, so long as such levy under this clause (vi) does not increase the Special Tax levied on Undeveloped Property. The amounts referred to in clauses (i) and (ii) of the definition of Special Tax Requirement may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of CMFA, proceeds received by the CFD from the collection of penalties associated with delinquent Special Taxes; and (c) any other revenues available to pay such costs, each as determined in the sole discretion of CMFA.

“Square Footage” means: (i) for a building on Multi-Family Property and Non-Residential Property and for Mixed-Use/Apartment Buildings, the gross rentable, gross leasable, and gross saleable square footage, as determined by the Administrator in conjunction with the Town; (ii) for SFD Units and SFA Units, the square footage of each individual Residential Unit as reflected on a condominium plan, site plan, or Building Permit, and (iii) for Association Square Footage and Public Square Footage, the net rentable, net leasable, and net saleable square footage in a building on Taxable Property owned by or leased to an Association or public agency. For a Mixed-Use/SFA Building, the Square Footage of each SFA Unit shall be determined by reference to the condominium plan, site plan, or Building Permit, and the Administrator shall work with the Town to determine the net remaining Square Footage for all other Parcels in the Mixed-Use/SFA Building.

If a Building Permit is issued that will increase the Square Footage on any Parcel, the Administrator shall, in the first Fiscal Year after the final Building Permit inspection has been

conducted in association with such expansion, work with the Town to recalculate (i) the Square Footage on the Parcel, and (ii) the Maximum Special Tax for the Parcel based on the increased Square Footage. The final determination of Square Footage for each Parcel shall be made by the Town.

“Square Footage Category” means the mutually exclusive categories for which Maximum Special Taxes are identified in Table 1 in Section C herein. .

“Taxable Affordable Housing Unit” means any Affordable Housing Unit subject to the Special Tax pursuant to Section D.2 herein.

“Taxable Association Property” means, in any Fiscal Year after the First Bond Sale, any Parcel of Association Property that satisfies all three of the following conditions: (i) the Parcel had not been Association Property on the date of the First Bond Sale, (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Association Property, as determined by the Administrator, and (iii) if the Parcel were to be exempt from the Special Tax because it is Association Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

“Taxable Association Square Footage” means, in any Fiscal Year after the First Bond Sale, any Association Square Footage that the Administrator determines is not Exempt Square Footage.

“Taxable Property” means all of the Parcels within the boundaries of Improvement Area No. 1 that are not exempt from the Special Tax pursuant to law or Section G herein.

“Taxable Public Property” means, in any Fiscal Year after the First Bond Sale, any Parcel of Public Property that satisfies all three of the following conditions: (i) the Parcel had not been Public Property on the date of the First Bond Sale, (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Public Property, as determined by the Administrator, and (iii) if the Parcel were to be exempt from the Special Tax because it is Public Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

“Taxable Public Square Footage” means, in any Fiscal Year after the First Bond Sale, any Public Square Footage that the Administrator determines is not Exempt Square Footage.

“Tentative Map” means a tentative map or substantial conformance exhibit for property in Improvement Area No. 1, including any adjustments or amendments thereto.

“Total Tax Burden” means, for Single Family Detached Property and for any Square Footage Category of Single Family Attached Property, the Special Tax for such Square Footage Category, together with ad valorem property taxes, special assessments, special taxes for any overlapping community facilities districts, and any other taxes, fees and charges which would be collected by the County on property tax bills for a Residential Unit with an assessed value equal to the Average Sales Price, and which are payable from and secured by the property assuming such Residential Unit had been completed, sold, and subject to such levies and impositions,

excluding service charges such as sewer and trash, voluntary assessments such as those associated with a Property Assessed Clean Energy program.

“**Town**” means the Town of Truckee.

“**Undeveloped Property**” means, in any Fiscal Year, all Parcels of Taxable Property that are not Developed Property, Taxable Association Property, or Taxable Public Property, as defined herein.

“**Work/Live Unit**” means any structure that: (i) is used primarily for a commercial or business activity but has a secondary living area within which the business operator resides, and (ii) meets the criteria set forth for work/live units in Section 18.58.130 of the Truckee Municipal Code allowing for exceptions set forth in the Truckee Railyard Master Plan. The Town shall make the final determination as to whether a Residential Unit is a Work/Live Unit.

B. DATA FOR ADMINISTRATION OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall: (i) assign each Parcel of Taxable Property to the appropriate Development Class; (ii) for Developed Property, categorize each Parcel as Single Family Detached Property, Single Family Attached Property, Multi-Family Property, Non-Residential Property, Mixed-Use/Apartment Property, Mixed-Use/SFA Property, or Taxable Affordable Housing Unit; (iii) determine the Square Footage Category for each SFA Unit; (iv) for Multi-Family Property and Mixed-Use/Apartment Property, identify the Apartment Square Footage, (v) for Non-Residential Property, Mixed-Use/Apartment Property, Mixed-Use/SFA Property, determine the Commercial/Office Square Footage, number of Hotel Rooms, and/or Grocery Store Square Footage on each Parcel, and (iv) determine the Special Tax Requirement for the Fiscal Year. In addition, the Administrator shall, on an ongoing basis, monitor the Tentative Map, Final Maps, and Building Permits to determine if there are any proposed Land Use Changes that would change the Expected Maximum Special Tax Revenues. If the Expected Maximum Special Tax Revenues will be revised pursuant to a proposed Land Use Change, the Administrator shall apply the steps set forth in Section D herein.

In any Fiscal Year, if it is determined that: (i) a parcel map for property in Improvement Area No. 1 was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new parcels created by the parcel map, and (iii) one or more of the newly-created parcels is in a different Development Class than other parcels created by the subdivision, the Administrator shall calculate the Special Taxes for the property affected by recordation of the parcel map by determining the Special Taxes that apply separately to the property within each Development Class, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map.

C. MAXIMUM SPECIAL TAX

1. Developed Property

The Maximum Special Tax for a Parcel of Developed Property is the greater of (i) the Base Special Tax set forth in Table 1 below, or, (ii) the Maximum Special Tax determined pursuant to Section D.

**Table 1
Base Special Tax for Developed Property**

| Land Use Category | Square Footage Category | Base Special Tax Fiscal Year 2019-20 * |
|---|--|---|
| Single Family Detached Property | All SFD Units | \$3,000 per SFD Unit |
| Single Family Attached Property and SFA Units in a Mixed-Use/SFA Building or in a Hotel | SFA Units greater than 1,600 square feet | \$3,000 per SFA Unit |
| Single Family Attached Property and SFA Units in a Mixed-Use/SFA Building or in a Hotel | SFA Units 1,201 – 1,600 square feet | \$2,700 per SFA Unit |
| Single Family Attached Property and SFA Units in a Mixed-Use/SFA Building or in a Hotel | SFA Units 801 – 1,200 square feet | \$2,400 per SFA Unit |
| Single Family Attached Property and SFA Units in a Mixed-Use/SFA Building or in a Hotel | SFA Units 501 – 800 square feet | \$2,000 per SFA Unit |
| Single Family Attached Property and SFA Units in a Mixed-Use/SFA Building or in a Hotel | SFA Units 500 or less square feet | \$1,600 per SFA Unit |
| Multi-Family Property and Mixed-Use/Apartment Property | All Apartment Square Footage | \$2.40 per Apartment Square Foot |
| Live/Work Units and Work/Live Units | All Residential Units | \$1,600 per Residential Unit |
| Hotel Room | N/A | \$1,250 per Hotel Room |
| Commercial/Office Square Footage | N/A | \$1.00 per Commercial/Office Square Foot |

* On July 1, 2020, and on each July 1 thereafter, all figures shown in Table 1 above shall be increased by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

2. Undeveloped Property

The Maximum Special Tax for Undeveloped Property is \$57,704 per Acre for Fiscal Year 2019-20, which amount shall increase on July 1, 2020 and each July 1 thereafter by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

3. *Taxable Association Property and Taxable Public Property*
Taxable Association Square Footage and Taxable Public Square Footage

The Maximum Special Tax for Taxable Association Property and Taxable Public Property is \$57,704 per Acre for Fiscal Year 2019-20, which amount shall increase on July 1, 2020 and each July 1 thereafter by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year. The Maximum Special Tax for Taxable Association Square Footage and Taxable Public Square Footage is \$1.00 per square foot, which amount shall increase on July 1, 2020 and each July 1 thereafter by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

D. CHANGES TO THE MAXIMUM SPECIAL TAX

1. *Land Use Changes*

The Expected Maximum Special Tax Revenues shown in Attachment 1 were originally calculated based on the Expected Land Uses at CFD Formation. Attachment 1 is subject to modification upon the occurrence of Land Use Changes, as described below. The Administrator shall review all Land Use Changes and compare the revised land uses to the Expected Land Uses to evaluate the impact on the Expected Maximum Special Tax Revenues.

Prior to the First Bond Sale, if a Land Use Change is proposed or identified that will result in a change in the Expected Maximum Special Tax Revenues, no action will be needed pursuant to this Section D. Upon approval of the Land Use Change, the Administrator shall update Attachment 1 to show the revised Expected Maximum Special Tax Revenues. In addition to incorporating the impact of individual Land Use Changes, the Administrator shall, prior to the First Bond Sale, coordinate with the Town and the developers/builders to update Attachment 1 to reflect all changes to the Expected Land Uses that are known at that time.

After the First Bond Sale, if a Land Use Change is proposed or identified, Steps 1 through 3 must be applied:

- Step 1:** By reference to Attachment 1 (which shall be updated by the Administrator each time a Land Use Change has been processed according to this Section D or a partial prepayment has been made), the Administrator shall identify the Expected Maximum Special Tax Revenues prior to the Land Use Change.
- Step 2:** The Administrator shall calculate the Expected Maximum Special Tax Revenues that could be collected from Taxable Property in Improvement Area No. 1 after the Land Use Change based on application of the Base Special Taxes from Table 1.
- Step 3:** If the revenues calculated in Step 2 are (i) higher than those determined in Step 1 or (ii) less than those calculated in Step 1, but the reduction in Expected Maximum Special Tax Revenues does not reduce debt service coverage on outstanding Bonds below Required Coverage, no further action is needed, and the Administrator shall update Attachment 1 to show the revised Expected Maximum Special Tax Revenues.

If the revenues calculated in Step 2 are less than those calculated in Step 1, and the Administrator determines that the reduction in Expected Maximum Special Tax Revenues would reduce debt service coverage on outstanding Bonds below the Required Coverage, one of the following shall occur:

3.a. The landowner requesting the Land Use Change (the “Requesting Landowner”) may make a prepayment in an amount that will ensure that the reduced Expected Maximum Special Tax Revenues are sufficient to provide Required Coverage, as determined pursuant to Section H below. If the Requesting Landowner notifies the Administrator that he/she would like to remedy the reduction by making a prepayment, such prepayment must be made by the earlier of (i) 30 days from the date of delivery of the prepayment estimate or (ii) the date of issuance of any Building Permits for any Parcel owned by the Requesting Landowner that was Undeveloped Property at the time the Administrator prepared the prepayment estimate, **or**

3.b. If a prepayment is not received by the due date specified above, the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the area directly affected by the Land Use Change (as determined by the Administrator) shall be increased proportionately until the Expected Maximum Special Tax Revenues are sufficient to maintain Required Coverage.

If multiple Land Use Changes are proposed simultaneously by a single Requesting Landowner (which may include approval of multiple Final Maps at one time), and the Requesting Landowner requests that the impact of two or more of the Land Use Changes be considered together, the Administrator shall consider the combined effect of the Land Use Changes to determine if there is a reduction in Expected Maximum Special Tax Revenues. If there is a reduction that would reduce debt service coverage below the Required Coverage, and no prepayment has been received, then the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the areas directly affected by the Land Use Changes (as determined by the Administrator) shall be increased proportionately until the Expected Maximum Special Tax Revenues are sufficient to maintain Required Coverage. If Land Use Changes are proposed simultaneously by multiple Requesting Landowners, or if an individual Requesting Landowner proposing multiple Land Use Changes does not request that such Land Use Changes be considered together, the Administrator shall consider the proposed Land Use Changes individually.

Notwithstanding the foregoing, once a certificate of occupancy has been issued for a Residential Unit on a Parcel, the Maximum Special Tax for that Residential Unit cannot be increased because of subsequent Land Use Changes that may occur within the area in which the Residential Unit is located.

The duties imposed on the Administrator pursuant to this Section D to review Land Use Changes, and to review Final Maps and make certain calculations, are intended only to facilitate the administration of the Special Tax and to better assure the sufficiency of tax capacity to pay debt service on Bonds. Such duties are not intended to give any developer, subdivider, or owner

of property the right to receive notice of the potential impact of Land Use Changes on the Special Tax applicable to a Parcel; and each developer, subdivider, or owner of property whose property is the subject of a Land Use Change shall be responsible for understanding the impact thereof on the Special Tax applicable to such property.

2. *Affordable Housing Units*

If, prior to the First Bond Sale, the Administrator is notified that Affordable Housing Units are expected within Improvement Area No. 1, the Administrator shall coordinate with the Town and the developer/builder to identify the size and number of such units, and the Expected Land Uses and Expected Maximum Special Tax Revenues in Attachment 1 shall be updated to reflect the inclusion of Affordable Housing Units that will be exempt from the Special Tax. Once such Affordable Housing Units are built, the units will be exempt from the Special Tax unless and until the deed restriction that qualified the unit as an Affordable Housing Unit is removed.

If, at any time after the First Bond Sale, additional Affordable Housing Units are proposed and, if exemption of the new Affordable Housing Units will decrease Expected Maximum Special Tax Revenues to a point at which Required Coverage cannot be maintained, then the Administrator shall calculate the Maximum Special Tax that must be assigned to each of the new Affordable Housing Units to maintain Required Coverage, and such Affordable Housing Units shall be subject to the levy of the Special Tax pursuant to Step 4 in Section E below. The Maximum Special Tax assigned to each Taxable Affordable Housing Unit shall be escalated each Fiscal Year by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year. Notwithstanding the foregoing, if State law exempts Affordable Housing Units from the levy of special taxes regardless of the impact on Required Coverage, then the new Affordable Housing Units would be exempt pursuant to the law.

3. *Partial Prepayments*

If a Parcel makes a partial prepayment pursuant to Section H below, the Administrator shall recalculate the Maximum Special Tax for the Parcel pursuant to Section H.2. In addition, the Administrator shall update Attachment 1 to reflect the prepayment and the revised Expected Maximum Special Tax Revenues for Improvement Area No. 1. After the prepayment has been received, the application of Sections D, E, and H of this RMA shall be based on the adjusted Expected Maximum Special Tax Revenues after the prepayment.

4. *Conversion of Public Property or Association Property to Private Use*

If, in any Fiscal Year, a Parcel of Public Property or Association Property or Public Square Footage or Association Square Footage is converted to private use, such Parcel or square footage shall be subject to the levy of the Special Tax. The Maximum Special Tax for each such Parcel or such square footage shall be determined based on the applicable Base Special Tax for the Parcel, as determined by the Administrator.

5. *Conversion of a Residential Unit to a Live/Work Unit or Work/Live Unit*

If, in any Fiscal Year after the First Bond Sale, one or more Residential Units that had been taxed as SFD Units or SFA Units in a prior Fiscal Year become Live/Work Units or Work/Live Units, the Administrator shall consider this to be a Land Use Change and shall apply Section D.1 herein to

determine the Maximum Special Tax to be assigned to the Live/Work Unit or Work/Live Unit. If such a change occurs prior to the First Bond Sale, the Maximum Special Tax shall be reduced to the then-current rate for a Live/Work Unit and Work/Live Unit.

6. *Reduction in Maximum Special Tax Prior to First Bond Sale*

The Special Taxes set forth in Table 1 may be proportionately or disproportionately reduced once prior to the First Bond Sale. Such reduction shall be made without a vote of the qualified Improvement Area No. 1 electors following discussion with the developers/builders and a determination by the Town and CMFA that the Total Tax Burden on one or more of the Square Footage Categories may, without a reduction, exceed a Total Tax Burden of 1.80% of the Average Sales Price for the Square Footage Category. Based on the estimated Average Sales Price that the Town and CMFA determine to be appropriate for each Square Footage Category (which may be determined pursuant to an Independent Price Point Study), the Administrator shall reduce the Special Tax to the point at which the Total Tax Burden is estimated to equal 1.80% of the Average Sales Price for each Square Footage Category. Any such reduction shall occur at least 30 days prior to the First Bond Sale. The Special Tax reductions permitted pursuant to this paragraph shall be reflected in an Amended Notice of Special Tax Lien, which the Administrator shall cause to be recorded.

E. METHOD OF LEVY OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall determine the Special Tax Requirement to be collected in that Fiscal Year. A Special Tax shall then be levied according to the following steps:

- Step 1:** The Special Tax shall be levied Proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax for each Parcel of Developed Property until the amount levied is equal to the Special Tax Requirement prior to applying any Capitalized Interest that is available in the CFD accounts.
- Step 2:** If additional revenue is needed after Step 1 in order to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for each Parcel of Undeveloped Property until the amount levied is equal to the Special Tax Requirement.
- Step 3:** If additional revenue is needed after Step 2, the Special Tax shall be levied Proportionately on all Taxable Association Property and Taxable Association Square Footage, up to 100% of the applicable Maximum Special Tax until the amount levied is equal to the Special Tax Requirement.
- Step 4:** If additional revenue is needed after Step 3 in order to meet the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Taxable Affordable Housing Unit, up to 100% of the Maximum Special Tax that had been determined for each Taxable Affordable Housing Unit pursuant to Section D.2.

Step 5: If additional revenue is needed after Step 4, the Special Tax shall be levied Proportionately on all Taxable Public Property and Taxable Public Square Footage, up to 100% of the applicable Maximum Special Tax until the amount levied is equal to the Special Tax Requirement.

F. MANNER OF COLLECTION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that prepayments are permitted as set forth in Section H below and provided further that CMFA may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods.

The Special Tax shall be levied and collected until principal and interest on Bonds have been repaid. However, in no event shall Special Taxes be levied in Improvement Area No. 1 after Fiscal Year 2065-66. Under no circumstances may the Special Tax on a Parcel of Residential Property be increased in any Fiscal Year as a consequence of delinquency or default in payment of the Special Tax levied on another Parcel or Parcels by more than ten percent (10%) above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

G. EXEMPTIONS

Notwithstanding any other provision of this RMA, no Special Tax shall be levied in any Fiscal Year on the following:

- (1) Public Property, except Taxable Public Property.
- (2) Association Property, except Taxable Association Property.
- (3) Exempt Square Footage, except Taxable Public Square Footage or Taxable Association Square Footage.
- (4) Grocery Store Square Footage.
- (5) Parcels that are owned by a public utility for an unmanned facility.
- (6) Parcels that are subject to an easement that precludes any other use on the Parcel.
- (7) Parcels that have fully prepaid the Special Tax obligation assigned to the Parcel pursuant to the formula set forth in Section H below.
- (6) Affordable Housing Units, except Taxable Affordable Housing Units.

H. PREPAYMENTS

The following definitions apply to this Section H:

“Outstanding Bonds” means all Previously Issued Bonds which remain outstanding, with the following exception: if a Special Tax has been levied against, or already paid by, an Assessor’s Parcel making a prepayment, and a portion of the Special Tax will be used to pay a portion of the next principal payment on the Bonds that remain outstanding (as determined by the Administrator), that next principal payment shall be subtracted from the total Bond principal that remains outstanding, and the difference shall be used as the amount of Outstanding Bonds for purposes of this prepayment formula.

“Previously Issued Bonds” means all Bonds that have been issued prior to the date of prepayment.

“Public Facilities Requirement” means either \$9.54 million in 2020 dollars, which shall increase on January 1, 2020, and on each January 1 thereafter by 2% of the amount in effect in the prior year, or such other number as shall be determined by CMFA as sufficient to fund improvements that are authorized to be funded by the CFD. The Public Facilities Requirements shown above may be adjusted if property annexes into Improvement Area No. 1 or there is an adjustment to the Expected Maximum Special Tax Revenues due to a Land Use Change; at no time shall the Public Facilities Requirement exceed the amount of public improvement costs that can be funded by the Expected Maximum Special Tax Revenues, as determined by the Administrator.

“Remaining Facilities Costs” means the Public Facilities Requirement minus public facility costs funded by Previously Issued Bonds, Special Taxes, and any other source of public funding.

1. *Full Prepayment*

The Special Tax obligation applicable to a Parcel in Improvement Area No. 1 may be prepaid and the obligation of the Parcel to pay the Special Tax permanently satisfied as described herein, provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such Parcel at the time of prepayment. An owner of a Parcel intending to prepay the Special Tax obligation shall provide CMFA with written notice of intent to prepay. Within 30 days of receipt of such written notice, CMFA or its designee shall notify such owner of the prepayment amount for such Parcel. Prepayment must be made not less than 60 days prior to any redemption date for Bonds to be redeemed with the proceeds of such prepaid Special Taxes. The Prepayment Amount shall be calculated as follows (capitalized terms as defined below):

Bond Redemption Amount
plus Remaining Facilities Amount
plus Redemption Premium
plus Defeasance Requirement
plus Administrative Fees and Expenses
less Reserve Fund Credit
equals Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount shall be determined by application of the following steps:

- Step 1.** Compute the amount that could be collected from the Parcel prepaying the Special Tax in the Fiscal Year in which prepayment would be received by CMFA by applying the Base Special Tax to the Expected Land Uses for the Parcel. If this Section H is being applied to calculate a prepayment pursuant to Section D above, compute the amount by which the proposed Land Use Change would reduce Expected Maximum Special Tax Revenues below the amount needed for Required Coverage, and use this amount for purposes of this Step 1.
- Step 2.** Divide the Maximum Special Tax computed pursuant to Step 1 for such Parcel by the total Expected Maximum Special Tax Revenues for all property in Improvement Area No. 1, as shown in Attachment 1 and as adjusted by the Administrator after prepayments or Land Use Changes.
- Step 3.** Multiply the quotient computed pursuant to Step 2 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (*the “Bond Redemption Amount”*).
- Step 4.** Compute the current Remaining Facilities Costs (if any).
- Step 5.** Multiply the quotient computed pursuant to Step 2 by the amount determined pursuant to Step 4 to compute the amount of Remaining Facilities Costs to be prepaid (*the “Remaining Facilities Amount”*).
- Step 6.** Multiply the Bond Redemption Amount computed pursuant to Step 3 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (*the “Redemption Premium”*).
- Step 7.** Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment will be received until the earliest redemption date for the Outstanding Bonds. However, if Bonds are callable at the first interest payment date after the prepayment has been received, Steps 7, 8 and 9 of this prepayment formula will not apply.
- Step 8:** Compute the amount of interest CMFA reasonably expects to derive from reinvestment of the Bond Redemption Amount plus the Redemption Premium from the first Bond interest payment date after which the prepayment has been received until the redemption date for the Outstanding Bonds.
- Step 9:** Subtract the amount computed pursuant to Step 8 from the amount computed pursuant to Step 7 (*the “Defeasance Requirement”*).
- Step 10.** The administrative fees and expenses associated with the prepayment will be determined by the Administrator and include the costs of computing the prepayment, redeeming Bonds and recording any notices to evidence the

prepayment and the redemption (the “*Administrative Fees and Expenses*”).

- Step 11.** If and to the extent so provided in the Bond indenture, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the “*Reserve Fund Credit*”).
- Step 12.** The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 3, 5, 6, 9, and 10, less the amount computed pursuant to Step 11 (the “*Prepayment Amount*”).
- Step 13.** From the Prepayment Amount, the amounts computed pursuant to Steps 3, 6, and 9 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Step 5 shall be deposited into the Improvement Fund. The amount computed pursuant to Step 10 shall be retained in the account or fund that is established to pay Administrative Expenses.

Once a full prepayment of a Parcel’s Special Tax obligation has been received, a Notice of Cancellation of Special Tax Lien shall be recorded against the Parcel to reflect the discharge of the Parcel’s obligation to pay the Special Tax. However, a Notice of Cancellation of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current and prior Fiscal Years have been collected.

2. *Partial Prepayment*

A partial prepayment may be made in an amount equal to any percentage of full prepayment desired by the party making a partial prepayment, except that the full amount of Administrative Fees and Expenses determined in Step 10 shall be included in the partial prepayment. The Maximum Special Tax that can be levied on a Parcel after a partial prepayment is made shall be equal to the portion of the Maximum Special Tax that was not prepaid. Once a partial prepayment has been received, an Amended Notice of Special Tax Lien shall be recorded against the Parcel to reflect the reduced Special Tax lien for the Parcel, and the Administrator shall update Attachment 1 to show the revised Expected Maximum Special Tax Revenues. However, an Amended Notice of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current or prior Fiscal Years have been collected.

I. INTERPRETATION OF RMA

Interpretations may be made by Resolution of the Board to interpret, clarify, and/or revise this RMA to correct any inconsistency, vagueness, or ambiguity as it relates to the Special Tax, method of apportionment, classification of properties, or any definition applicable to Improvement Area No. 1 or the CFD, as long as such correction does not materially affect the levy and collection of Special Taxes. CMFA, upon the request of an owner of land within Improvement Area No. 1 which is not Developed Property, may also amend this RMA in any

manner acceptable to CMFA, by resolution or ordinance following a public hearing, upon the affirmative vote of such owner to such amendment and without the vote of owners of any other land within Improvement Area No. 1, provided such amendment only affects such owner's land. Under no circumstances may such revisions to the RMA decrease the Expected Maximum Special Tax Revenues to a level that will reduce debt service coverage below the Required Coverage.

ATTACHMENT 1

Improvement Area No. 1 of the California Municipal Finance Authority Community Facilities District No. 2020-2 (Town of Truckee – Truckee Railyard)

Expected Land Uses and Expected Maximum Special Tax Revenues

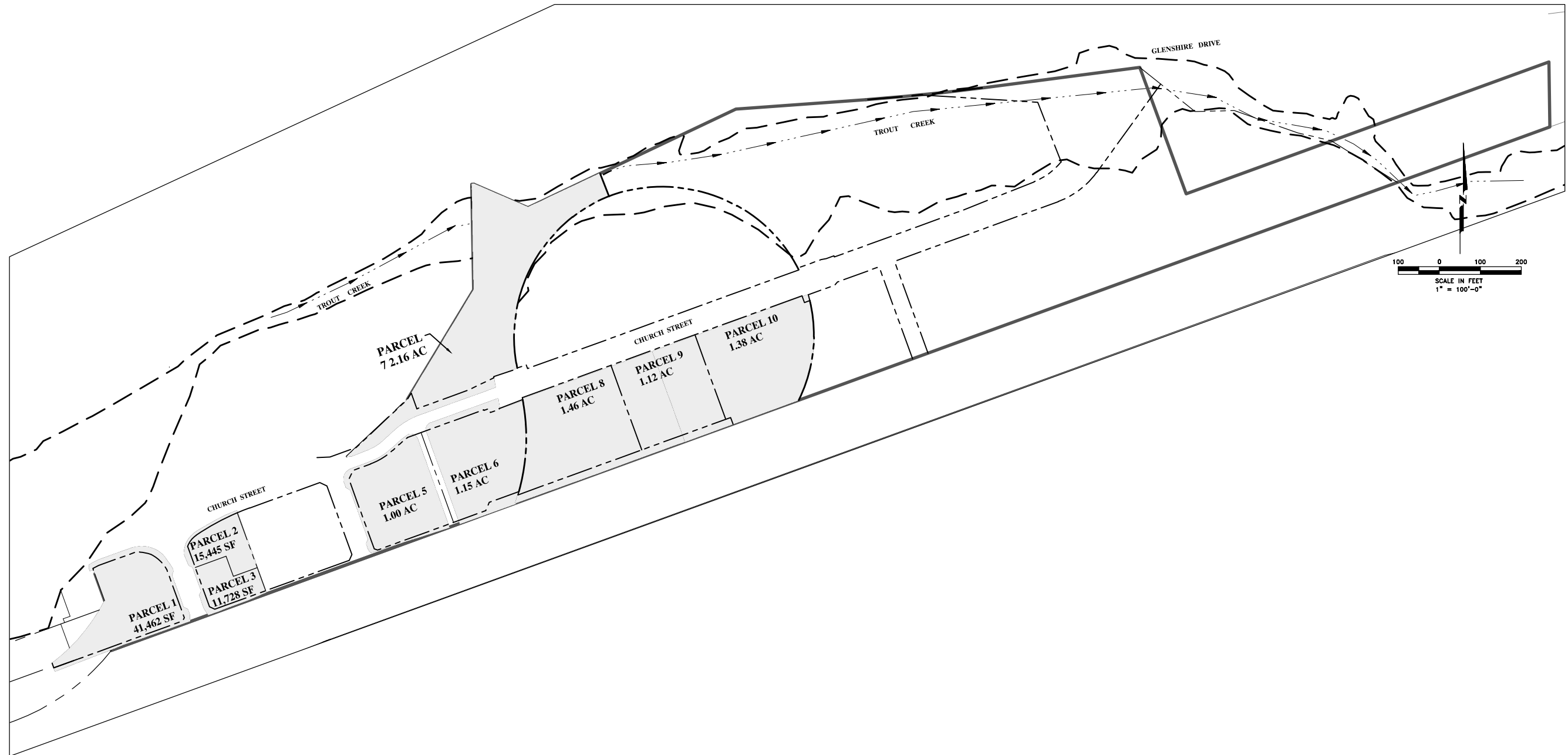
| Planning Parcel | Expected Land Uses | Expected Residential Units/ Non-Res. SqFt/ Hotel Rooms | Base Special Tax (FY 2019-20\$)* | Expected Maximum Special Tax Revenues * (FY 2019-20\$)* |
|---|----------------------------------|--|-------------------------------------|--|
| Parcel 1 | Hotel Rooms | 80 Hotel Rooms | \$1,250/Hotel Room | \$100,000 |
| | SFA Units 801 – 1,200 SqFt | 13 SFA Units | \$2,400/SFA Unit | \$31,200 |
| | Commercial/Office Square Footage | 7,075 square feet | \$1.00/square foot | \$7,075 |
| Parcel 2 | Commercial/Office Square Footage | 14,375 square feet | \$1.00/square foot | \$14,375 |
| Parcel 3 | SFA Units 801 – 1,200 SqFt | 3 SFA Units | \$2,400/SFA Unit | \$7,200 |
| | SFA Units 501 – 800 SqFt | 3 SFA Units | \$2,000/SFA Unit | \$6,000 |
| | SFA Units ≤ 500 SqFt | 28 SFA Units | \$1,600/SFA Unit | \$44,800 |
| | Commercial/Office Square Footage | 5,290 square feet | \$1.00/square foot | \$5,290 |
| Parcel 5 | SFA Units 1,201 – 1,600 SqFt | 10 SFA Units | \$2,700/SFA Unit | \$27,000 |
| | SFA Units 801 – 1,200 SqFt | 25 SFA Units | \$2,400/SFA Unit | \$60,000 |
| | SFA Units 501 – 800 SqFt | 15 SFA Units | \$2,000/SFA Unit | \$30,000 |
| | SFA Units ≤ 500 SqFt | 10 SFA Units | \$1,600/SFA Unit | \$16,000 |
| | Commercial/Office Square Footage | 6,411 square feet | \$1.00/square foot | \$6,411 |
| Parcel 6 | SFA Units > 1,600 SqFt | 5 SFA Units | \$3,000/SFA Unit | \$15,000 |
| | SFA Units 1,201 – 1,600 SqFt | 15 SFA Units | \$2,700/SFA Unit | \$40,500 |
| | SFA Units 801 – 1,200 SqFt | 30 SFA Units | \$2,400/SFA Unit | \$72,000 |
| | SFA Units 501 – 800 SqFt | 15 SFA Units | \$2,000/SFA Unit | \$30,000 |
| | SFA Units ≤ 500 SqFt | 10 SFA Units | \$1,600/SFA Unit | \$16,000 |
| | Commercial/Office Square Footage | 3,400 square feet | \$1.00/square foot | \$3,400 |
| Parcel 7 | Commercial/Office Square Footage | 10,000 square feet | \$1.00/square foot | \$10,000 |
| Parcel 8 | Commercial/Office Square Footage | 48,500 square feet | \$1.00/square foot | \$48,500 |
| Parcel 9 | Exempt Parking Lot | N/A | \$0 | \$0 |
| Parcel 10 | Commercial/Office Square Footage | 15,000 | \$1.00/square foot | \$15,000 |
| | Grocery Store Square Footage | 20,000 | \$0/square foot | \$0 |
| Total Expected Maximum Special Tax Revenues (2019-20 \$) | | | | \$605,751 |

* On July 1, 2020, and on each July 1 thereafter, all figures shown in Table 1 above shall be increased by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

ATTACHMENT 2

**Improvement Area No. 1 of the
California Municipal Finance Authority
Community Facilities District No. 2020-2
(Town of Truckee – Truckee Railyard)**

Identification of Planning Parcels



PROPOSED BOUNDARIES OF
AND FUTURE ANNEXATION AREA OF
CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2020-2
(TOWN OF TRUCKEE-TRUCKEE RAILYARD)

NEVADA COUNTY, STATE OF CALIFORNIA

CLERK'S MAP FILING STATEMENT

FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF DIRECTORS OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY THIS _____ DAY OF _____ 2020.

SECRETARY

CLERK'S MAP CERTIFICATE

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES AND THE FUTURE ANNEXATION AREA OF CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2020-2 (TOWN OF TRUCKEE-TRUCKEE RAILYARD), COUNTY OF NEVADA, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF DIRECTORS OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY, AT A REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF _____, 2020, BY ITS RESOLUTION NO. _____.

SECRETARY

RECORDER'S STATEMENT

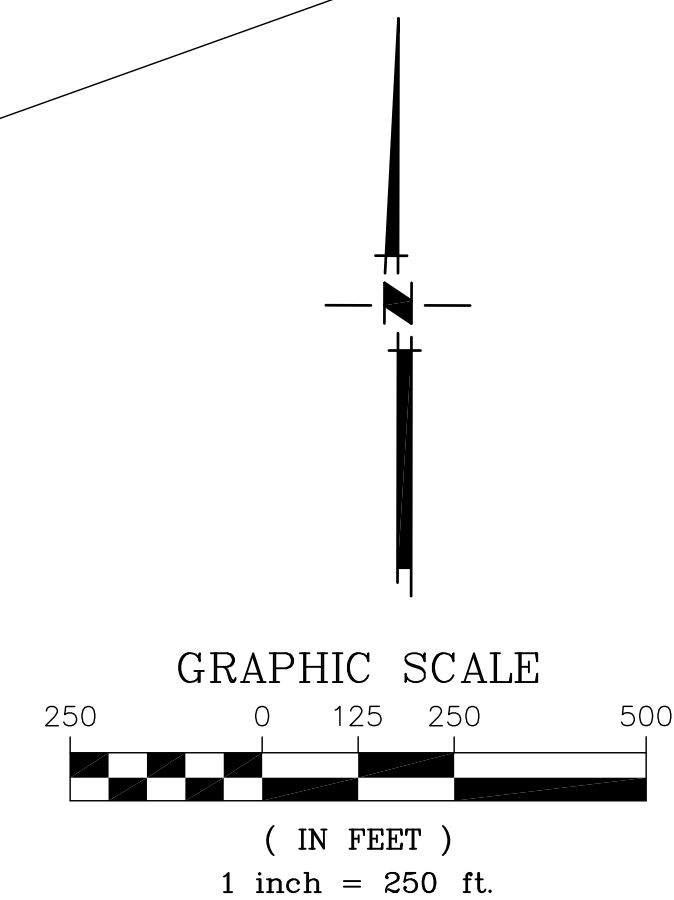
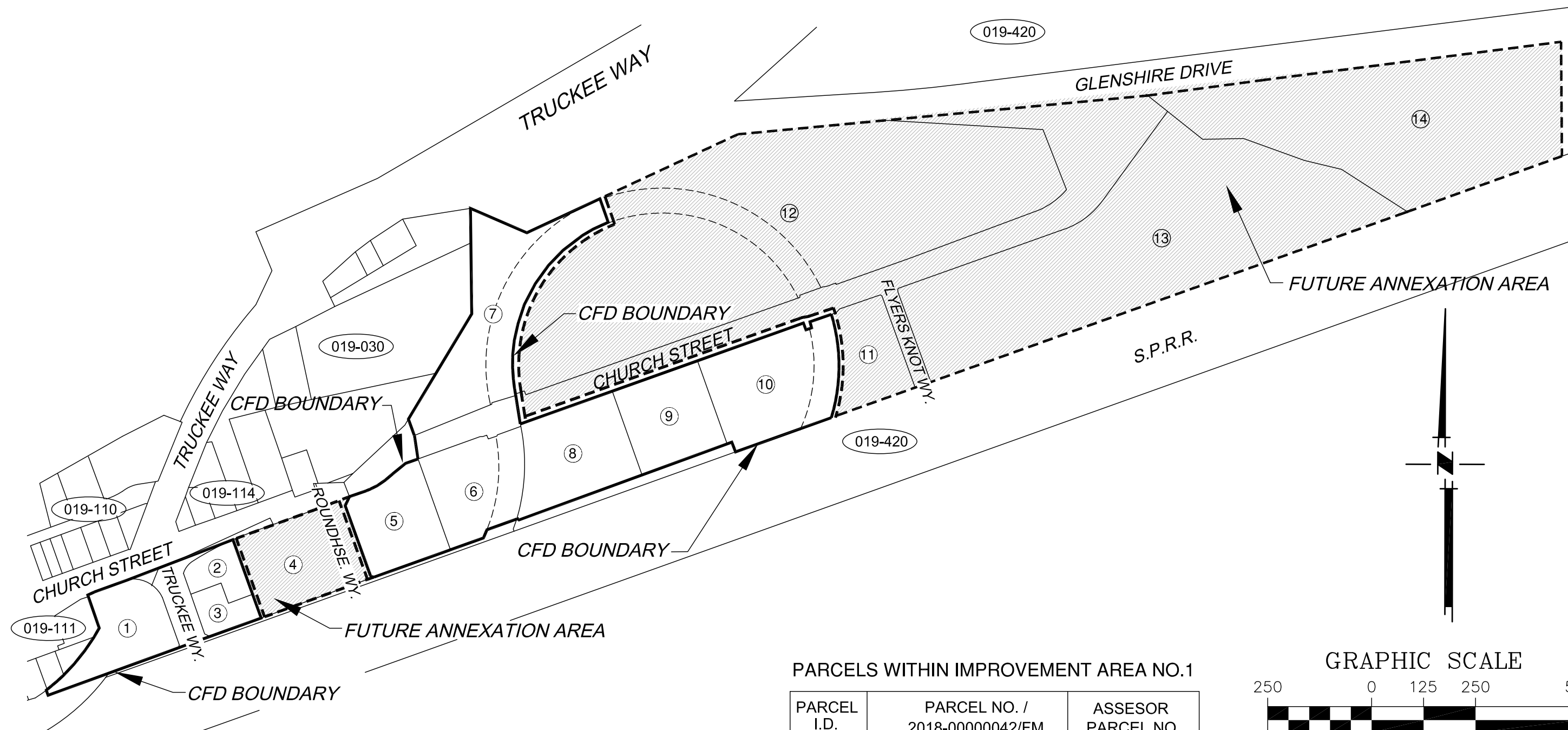
FILED THIS _____ DAY OF _____, 2020, AT THE HOUR OF _____ O'CLOCK _____ M, IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____ THEREOF IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF NEVADA, STATE OF CALIFORNIA.

FEE _____

FILE NO. _____

NEVADA COUNTY RECORDER

DEPUTY



PARCELS WITHIN FUTURE ANNEXATION AREA

| PARCEL I.D. | PARCEL NO. / 2018-00000042/FM | ASSESOR PARCEL NO. |
|-------------|-------------------------------|--------------------|
| ④ | 4 | 19-421-014 |

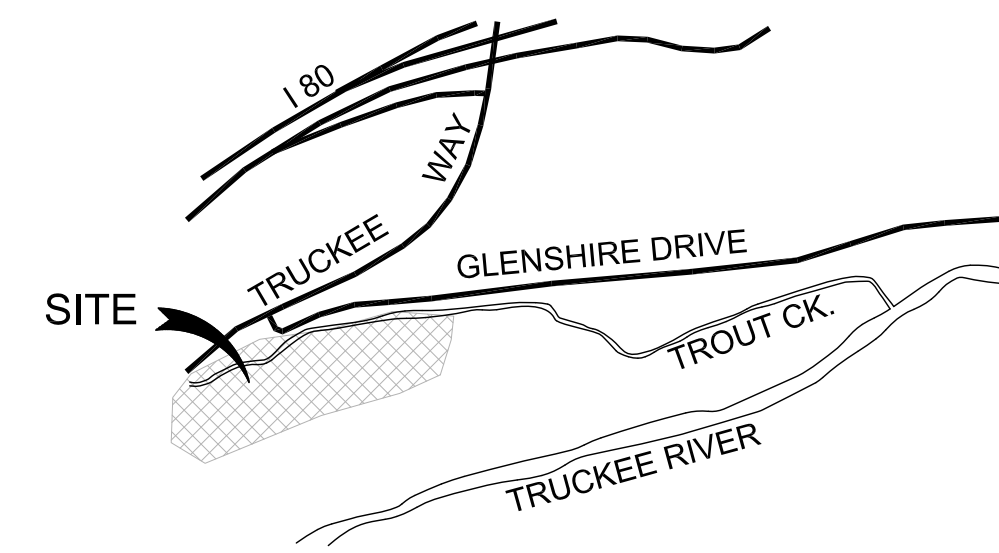
| PARCEL I.D. | PARCEL NO. / 2019-00000114/FM | ASSESOR PARCEL NO. |
|-------------|-------------------------------|--------------------|
| ⑪ | REMAINDER PARCEL | TBD |
| ⑫ | REMAINDER PARCEL | TBD |
| ⑬ | REMAINDER PARCEL | TBD |
| ⑭ | POMBO REVOC. TRUST | TBD |

PARCELS WITHIN IMPROVEMENT AREA NO.1

| PARCEL I.D. | PARCEL NO. / 2018-00000042/FM | ASSESOR PARCEL NO. |
|-------------|-------------------------------|--------------------|
| ① | 1 | 19-421-001 |
| ② | 2 | 19-421-002 |
| ③ | 3 | 19-421-003 |
| ⑤ | 5 | 19-421-005 |
| ⑥ | 6 | 19-421-006 |
| ⑦ | 7 | 19-421-007 |
| PARCEL I.D. | PARCEL NO. / 2019-00000114/FM | ASSESOR PARCEL NO. |
| ⑧ | 8 | TBD |
| ⑨ | 9 | TBD |
| ⑩ | 10 | TBD |

NOTE:
REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF NEVADA FOR THE DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCELS SHOWN HEREON.

- LEGEND**
- 019-420-014 ASSESSOR'S PARCEL NUMBER
 - ①-⑭ ASSESSOR'S BOOK AND PAGE
 - ASSESSOR'S PARCEL LOT LINE
 - COMMUNITY FACILITIES DISTRICT NO. 2020-2
 - FUTURE ANNEXATION AREA



VICINITY MAP
N.T.S.



SIERRA PINE COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS

Applicant: Lewis Group of Companies

Action: Hold the Public Hearing and Approve Various Resolutions Forming the CMFA Community Facilities District

Amount: \$12,550,000

Purpose: Approve Resolutions Forming CMFA Community Facilities District No. 2020-1 (City of Rocklin—Sierra Pine), Authorizing Incurrence of Bonded Indebtedness and Holding Special Landowner Election

Activity: BOLD/ Community Facilities District

Meeting: May 15, 2020

Background and Resolutions:

CMFA’s BOLD Program (“BOLD”) utilizes the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53311 et seq.) (the “Act”) to raise revenues for the infrastructure needs of local agencies in California. The City of Rocklin (the “City”) is a member of the CMFA and a participant in BOLD. Lewis Group (the “Developer”) previously submitted an application to the CMFA to use BOLD in relation to the Developer’s proposed development of certain property located in the City. The CMFA and the City previously accepted such application, and on April 3, 2020, the Board of Directors of CMFA took the initial steps toward formation of a community facilities district for the project under the Act. The resolutions being considered by the Board on May 15, 2020 will complete the formation of the community facilities district and authorize the levying of special taxes and incurrence of bonded indebtedness for the community facilities district.

As an initial step in using BOLD for the financing of public infrastructure to be owned by a local agency such as the City, the CMFA needs to form a community facilities district. On April 3rd, 2020, the CMFA adopted a resolution stating its intention to form a proposed community facilities district (the “Resolution of Intention to Form CFD”) to be called California Municipal Finance Authority Community Facilities District No. 2020-1 (City of Rocklin – Sierra Pine) (the “CFD”), and a resolution stating its intention to incur bonded indebtedness for such CFD (the “Resolution of Intention to Incur Bonded Indebtedness”).

Under the Act, the process of completing the formation of the CFD requires a noticed public hearing, the adoption of a resolution forming the CFD, the holding of a landowner election, and the adoption of an ordinance levying the special taxes. To form the CFD, the Board of Directors of the CMFA will first hold a public hearing on the formation of the CFD and the incurrence of bonded indebtedness for the CFD and consider any public comments received. After such public hearing, if there is no majority protest received, the Board of Directors of the CMFA can then proceed to adopt the resolution of formation for the CFD. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Forming California Municipal Finance Authority Community Facilities District No. 2020-1 (City of Rocklin – Sierra Pine).

Next, the Board of Directors of CMFA can adopt a resolution authorizing the issuance of debt for the CFD. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Determining Necessity to Incur Bonded Indebtedness and Other Debt in and for California Municipal Finance Authority Community Facilities District No. 2020-1 (City of Rocklin – Sierra Pine) (the “Resolution Determining Necessity”).

After adoption of the Resolution Determining Necessity, the Board of Directors of CMFA can proceed to adopt a resolution calling for a special landowner election of the CFD. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Calling Special Election in and for California Municipal Finance Authority Community Facilities District No. 2020-1 (City of Rocklin – Sierra Pine) (the “Resolution Calling Election”). The election is allowed to be held as part of this meeting since timing waivers from 100% of the landowner voters have been received by the CMFA. The Secretary will canvass the results of the landowner election. These ballots have already been received by the Secretary.

The Board of Directors of the CMFA can then proceed to adopt a resolution declaring the results of the landowner election for the CFD and directing filing of the Notice of the Special Tax Lien with the City Recorder for Placer County. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Declaring Results of Special Election and Directing Recording of Notice of Special Tax Lien in California Municipal Finance Authority Community Facilities District No. 2020-1 (City of Rocklin – Sierra Pine) (the “Resolution Declaring Election Results”). The special tax lien puts the rate and method of apportionment on record for all parcels within the applicable Community Facilities District.

The final legislative act is the introduction of an ordinance levying special taxes on the land in the CFD. Assuming its introduction on May 15, 2020, the ordinance can be finally adopted at a subsequent Board meeting.

The Project:

The Sierra Pine project is expected to include construction of 199 residential units within the City of Rocklin. In addition to the residential units, the district will include a public multi-use park, as well as common area recreation lots and paseos. The CFD comprises 26.43 net acres, and no further annexation is anticipated.

Per the developer, underground wet utility and dry conduit construction is currently complete. Streets are paved, street lighting has been installed and perimeter sound wall construction is complete. The first new home closings are anticipated as early as October 2020.

In order to finance the costs of the Facilities it is necessary to incur bonded indebtedness and other debt (as defined in the Act) in one or more series in the aggregate amount of not to exceed \$12,550,000 on behalf of the CFD and all improvement areas therein.

Authorized Facilities:

Funds from the issuance of bonds for the CFD will be used for the following authorized purposes:

Impact Fees including:

- Roadway Fees
- DC Watershed Drainage Fees
- Solid Waste Fees
- Community Park Fees
- School Impact Fees
- Capital Facilities Fees
- Highway 65 Interchange Improvement Fees
- Sewer Participation Fees
- Regional Sewer Fees
- Water Connection Charge Fees
- South Placer Regional Transportation Authority Fees

Authorized facilities also include public improvements or facilities authorized by the Mello-Roos Act, including costs of preliminary planning and consultation, design level improvement plans, agency plan check and plan review approval, construction inspection and construction management, as well as Administrative and Incidental Expenses.

Future Action:

The Ordinance Levying Special Taxes will need to be finally adopted at a future meeting of the Board of Directors. Bonds payable from the special taxes are expected to be issued in the Fall of 2020, subject to further resolution and approval.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors Hold a public hearing, adopt the Resolution of Formation, the Resolution to incur bonded indebtedness in the aggregate amount not to exceed \$12,550,000, the Resolution Determining Necessity, the Resolution Calling Election, the Resolution Declaring Election Results, and introduce the Ordinance.



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

| | |
|-----------|---|
| Action: | Approve Supplemental Indenture related to the California Municipal Finance Authority PACE Limited Obligation Improvement Bonds Series 2019-NR1 (Miller Brothers Brea) |
| Purpose: | Property Assessed Clean Energy (“PACE”) |
| Activity: | PACE Financing and Refinancing of Energy Efficiency, Water Efficiency, Renewable Energy Generation, Seismic Improvements |
| Meeting: | May 15, 2020 |

Proposed Amendment of Indenture Related to Outstanding Bonds:

On October 21, 2019, the CMFA issued its PACE Limited Obligation Improvement Bonds Series 2019-NR1 (Miller Brothers Brea) in the initial principal amount of \$982,824.18 (the “Bonds”) pursuant to an Indenture, dated as of October 1, 2019 (the “Indenture”), by and between the Authority and Wilmington Trust, National Association (the “Trustee”).

The Indenture provides that the Bonds will be owned by only one owner in a denomination equal to the outstanding principal amount of the Bonds, and allows the Bonds to be transferred to Qualified Institutional Buyers if the purchaser executes an investor letter in the form attached to the Indenture. The owner of the Bonds has asked the CMFA to amend the Indenture to allow the Bonds to be transferred to Accredited Investors (as defined in the Indenture). The requested amendment would require changes to be made to the transfer provisions of the Indenture and the forms of the investor letter and the Bonds attached to the Indenture.

Jones Hall, who acted as bond counsel to the CMFA in connection with the Bonds, has prepared a supplement to the Indenture (the “Supplemental Indenture”) to allow the Bonds to be transferred to Accredited Investors.

Public Benefit:

PACE programs encourage energy 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 efficiency improvements or renewable energy retrofits. The

program helps the economies of the communities we serve by creating new jobs and retaining existing jobs.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve the Supplemental Indenture.



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

| | |
|-----------|---|
| Action: | Approve Updates to the CMFA PACE Program Report and Handbook |
| Purpose: | Property Assessed Clean Energy (“PACE”) |
| Activity: | PACE Financing and Refinancing of Energy Efficiency, Water Efficiency, Renewable Energy Generation and Seismic Improvements |
| Meeting: | May 15, 2020 |

CMFA PACE Program Report and Handbook Discussion:

During the January 16, 2015 board meeting, the CMFA approved the original CMFA PACE Program Report and Handbook outlining the general guidelines for the CMFA PACE Program. On May 19, 2017, September 15, 2017 and then again on April 27, 2018 additional updates to the Program Report and Handbook were approved. At this time there are additional program and administrative changes related to reimbursement of qualified costs for up to three years and a minimum \$1,000,000 Commercial PACE assessment amount that are being included. The proposed CMFA PACE Program Report and Handbook incorporates these changes and other administrative items such as an updated map of the CMFA PACE region and current list of program administrators.

Public Benefit:

PACE programs encourage energy 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 efficiency improvements or renewable energy retrofits. The program helps the economies of the communities we serve by creating new jobs and retaining existing jobs.

Recommendation:

The Executive Director recommends the CMFA Board of Directors approve the updates to the CMFA Program Report and Handbook.

PACE Program Report and Handbook



History of Amendments

| Action | Date |
|-------------------------|---|
| Original Adoption | January 16, 2015 |
| First Amendment | May 19, 2017 |
| Second Amendment | September 15, 2017 |
| Third Amendment | April 27, 2018 |
| <u>Fourth Amendment</u> | April 27, 2018 <u>May 15, 2020</u> |
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1 Introduction

The California Municipal Finance Authority’s (“CMFA”) Property Assessed Clean Energy (“PACE”) program (the “Program”) was enabled pursuant to Assembly Bill 811, which was approved by the California State Legislature in July 2008 and codified as Chapter 29 of the Improvement Act of 1911, commencing with Section 5898.10 of the California Streets & Highways Code (“Chapter 29”).

PACE programs are an innovative way to finance or refinance the installation of distributed generation renewable energy sources, energy efficiency improvements, water efficiency improvements, electric vehicle charging infrastructure, seismic strengthening improvements and such other work, infrastructure or improvements as may be authorized by law from time to time that are permanently fixed to real property (“Authorized Improvements”). Interested residential and commercial property owners (“Property Owners”) enter into a voluntary contractual assessment agreement with the CMFA (the “Assessment Contract”) to receive up to 100% project financing. Upon execution of the Assessment Contract and completion of other applicable Program requirements, a contractual assessment (each, an “Assessment”) is levied on each participating property in the amount necessary to finance the installation of the Authorized Improvement(s) over a period of time not to exceed 39 years (typically, 5-30 years) that will not exceed the useful life of the Authorized Improvement(s), and to pay corresponding financing and administration costs related to the Program. Each year, Assessment installments are collected by the applicable county on the participating Property Owner’s property tax bill.

The Program has been established for CMFA members to assist Property Owners in financing Authorized Improvements. The Program facilitates financing for Property Owners in participating areas by issuing bonds secured by the Assessments. The Program has engaged multiple program administrators (each, a “Program Administrator” and together, the “Program Administrators”) responsible for administration of the Program. Such Program Administrators may purchase the bonds issued by the CMFA to provide capital for the Program to finance the eligible improvements. Program Administrators, in turn, work with local contractors that specialize in the installation of Authorized Improvements,

thereby ensuring fair pricing, controlling quality for consumers, utilizing existing incentive programs, and ensuring compliance with local regulations.

This CMFA Program Report and Handbook (this “Program Handbook”) outlines the basic design and financing structure of the Program, and constitutes the report required pursuant to Section 5898.22 of Chapter 29.

2 Maximum Financing Amount for Program

The maximum aggregate dollar amount of the principal component of voluntary contractual assessments to be levied under the Program is \$50 billion, which amount is subject to increase if there is sufficient demand.

Applications from Property Owners for financing under the Program will be considered on a first come, first served basis. If the authorized maximum aggregate dollar amount is exceeded, then the last property that caused such authorized maximum aggregate dollar amount to be exceeded will be ineligible for financing under the Program. Once \$48 billion of Authorized Improvements have been financed, applications will receive a time stamp in order to evidence priority.

3 Future Program Changes

The CMFA reserves the right to change the Program and its terms at any time; however, any such change will not affect a Property Owner’s existing obligation to pay the contractual Assessment agreed to in an executed Assessment Contract.

4 Program Administrators

Program financing is offered to the public through a public/private partnership with one or more Program Administrators. Program Administrators are responsible for originating Program financings while ensuring fair pricing, controlling quality, utilizing existing incentive programs, providing capital, and complying with local regulations. Program Administrators operate independently under the guidelines described in this Program Handbook. Processes and financing rates and terms offered by each Program Administrator may vary. References to Program Administrators in this Program Handbook apply to all

Program Administrators engaged by the Program. A list of active Program Administrators is available online at <http://www.cmfa-ca.com/pace/>.

5 Contacts

5.1 Program

California Municipal Finance Authority (“CMFA”)

Phone (760) ~~930-1333795-9185~~
Fax (760) 683-3390
Email pace@cmfa-ca.com
Address 2111 Palomar Airport Rd, Suite 320
Carlsbad, CA 92011
Online <http://www.cmfa-ca.com/pace/>

5.2 Program Administrators

BlueFlame PACE Services, LLC

Phone (760) 615-5028
Email info@blueflameenergyfinance.com
Address 6814 Embarcadero Lane
Carlsbad, CA 92011
Online www.bluepace.com

~~Energy Efficient Equity Fortifi~~

Phone ~~(424) 532-5518(844) 622-5533~~
Email ~~contact@energyefficientequity.com~~
~~info@fortifi.com~~
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Los Angeles, CA 90025
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~~www.fortifi.com~~

OnPACE Energy Solutions, LLC

Phone (858)334-5272
Email contact@onpaceenergy.com
Address 1871 Amalfi Drive
Encinitas, CA 92024
Online www.onpaceenergy.com

~~PACE Equity~~ ~~Petros PACE Administrator~~, LLC

Phone ~~(567) 686-7636(512) 599-9022~~
Email ~~kmoyer@pace-equity.comMansoor@petrospartners.com~~
Address ~~731 North Jackson Street, Suite 420300 W. 6th Street, Suite 1540
Milwaukee, WI 53202Austin, TX 78701~~
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Samas Capital LLC

Phone (909) 342-4414
Email maarvig@samascapital.com
Address 32 Executive Park
Irvine, CA 92614
Online www.samas-pace.com/

SFA Partners LLC

Phone (760) 304-4371
Email contact@strucfinance.com
Address 1605 San Pablo Dr.
San Marcos, CA 92078
Online www.strucfinance.com

Twain Community Partners II LLC

Phone ~~(314) 300 4194(314) 300 4196~~
Email ~~fran.doherty@twainfinancial.comandrew.meyer@twainfinancial.com~~
Address ~~3 E 3rd Ave, Suite 2001232 Washington Avenue, Suite 200
San Mateo, CA 94401St. Louis, MO 63103~~
Online www.twainfinancial.com

Greenpace Capital LLC

Phone (714) 509-0238

Email info@greenpacecapital.com

Address 395 Second Street

Laguna Beach, CA 92651

Online www.greenpacecapital.com

6 Criteria for Determining Underwriting Requirements; Program Eligibility Requirements

In order to receive financing through the Program, the property to be assessed and the Property Owner(s) must meet certain criteria specified below (as such criteria may be modified from time to time without further action by the Board of the CMFA as long as the criteria remain consistent with the requirements of Chapter 29.) The criteria are designed to ensure that the financed Authorized Improvements are consistent with Chapter 29 and that voluntary contractual Assessments are likely to be repaid when due. The eligibility requirements described herein are the minimum requirements to qualify for financing offered by the Program. Program Administrators may at their own discretion require additional criteria to qualify for financing. Additional program eligibility requirements are included in the CMFA PACE Consumer Protection Policies.

6.1 Properties

To be eligible, the subject property must pay property taxes and meet the requirements as set forth below:

6.1.1 Geography

The subject property must be located within the Program boundaries. The property must be within a city (if the property is located in a city's incorporated territory) or within a county (if the property is located in a county's unincorporated territory) that (a) has been added to the Program in compliance with Chapter 29, (b) is a member of the CMFA (a boundary map showing the boundaries of the current members of the CMFA is attached hereto as Exhibit A) and (c) has adopted a resolution authorizing the CMFA to undertake the Program within its boundaries in compliance with applicable law. The Board of the CMFA shall not need to approve an amendment to this Program Handbook in order for the boundary map(s) to be updated. A current list of cities and counties

participating in the CMFA PACE Program can be found at <http://www.cmfa-ca.com/pace/>.

6.1.2 Property Tax Status

With respect to residential and commercial properties, the property owner must current on all mortgage debt on the subject Property, and has no more than one late payment during the 12-months immediately preceding the application date and the late payment did not exceed 30 days past due.

6.1.3 Equity

In the context of a residential property, all mortgage-related debt on the Property, plus the total financed PACE assessment may not exceed ninety-seven percent (97%) of the market value of the property. In the context of a commercial property, the amount financed by the Program may not exceed fifty percent (50%) of the subject property's market value.

6.1.4 Maximum Assessment

The financing may not exceed (i) fifteen percent (15%) of the market value of the Property, up to the first seven hundred thousand dollars (\$700,000) of the Property's market value, and (ii) ten percent (10%) of the remaining value of the Property above seven hundred thousand dollars (\$700,000) minus any PACE assessment on the Property.

6.1.5 Safeguards to Ensure that the Total Annual Property Tax and Assessments on the Property will not Exceed 5% of the Property's Market Value

The Program Administrator will confirm that the total annual property tax and assessments on any subject property will not exceed five percent (5%) of the subject property's market value, as determined at the time of approval for the Property Owner's contractual Assessment.

6.1.6 Bankruptcy

The property owner has not been a party to any bankruptcy proceedings within the last seven years, except that the property owner may have been party to a bankruptcy proceeding that was discharged or dismissed between two and seven years before the application date and the property owner has had no payments more than 30 days past due on any mortgage debt or nonmortgage debt, excluding medical debt, during the 12 months immediately preceding the application date.

6.1.7 Liens

There shall be no involuntary liens greater than one thousand dollars (\$1,000) on the subject property (i.e. liens placed on the property for failure of the owner to comply with a payment obligation). The subject property shall have no delinquent federal or state tax obligations greater than one thousand dollars (\$1,000). Prohibited liens do not include community facilities district assessments or other financing district liens placed on all properties in that particular financing district. Any non-mortgage-related debt may be subject to review.

Payment Arrangement exception:

If any of the above-mentioned liens exist, the Property Owner may provide documentation of a payment arrangement with a term of less than 12 months to satisfy this requirement, provided however that the sum of the lien balance and mortgage balance conforms to the Equity requirements described herein.

6.1.8 New Construction

Except as otherwise provided in Chapter 29, the Program may not be used to finance facilities for parcels in connection with the initial construction of a residential building, unless the initial construction is undertaken by the intended owner or occupant. New construction of commercial and industrial properties is eligible for Program financing.

6.1.9 Mobile & Manufactured Homes

Mobile homes and manufactured homes are eligible if the homes are permanently attached to the real property, and if the mobile/manufactured home owner(s) also own the underlying land and pay real property taxes (not DMV fees).

6.1.10 HOA

Properties within Homeowners Associations (“HOA”) are eligible, subject to HOA restrictions. It is the Property Owner(s) sole responsibility to ensure that the installed products meet all HOA requirements. The Program and Program Administrators are not responsible for any claims made by an HOA. If an HOA requires a Property Owner to remove and or modify any improvements financed by the Program, the Property Owner shall still be responsible for making Payments as agreed in the Assessment Contract.

6.1.11 Commercial Properties

Commercial Properties, defined as (i) a property of which the primary use is not residential or (ii) a property used for multi-family housing with five or more

units, are eligible for Program financing provided that the Property Owner must provide written notice of the proposed assessment to any lenders with liens secured by the subject property.

6.1.12 Reimbursement of Financing for Approved Measures

~~Eligible Improvements-Approved Measures listed in Exhibit B shall be eligible for Program financing or refinancing for a period of three years following the date such improvements are placed in service.~~

6.2 Property Owners

To be eligible, the Property Owner(s) must meet the following criteria:

6.2.1 Owner of Record

Applicant(s) must be the owner(s) of record according to the property's title records recorded with the applicable participating county.

6.2.2 Mortgage Status

The property owner is current on all mortgage debt on the subject Property, and has no more than one late payment during the 12-months immediately preceding the application date and the late payment did not exceed 30 days past due.

6.2.3 Bankruptcy

The property owner has not been a party to any bankruptcy proceedings within the last seven years, except that the property owner may have been party to a bankruptcy proceeding that was discharged or dismissed between two and seven years before the application date and the property owner has had no payments more than 30 days past due on any mortgage debt or nonmortgage debt, excluding medical debt, during the 12 months immediately preceding the application date.

6.2.4 Approval

All Owners of record must sign the Required Program Documents (as described in the Required Documents sections of this Program Handbook).

6.2.5 Legal Entities

If the property is held in a trust or owned by a legal entity such as a corporation or LLC, the property is eligible for Program participation provided that the applicant(s) produce documentation from the legal entity granting the applicant(s) the authority to enter into such a transaction.

6.3 Projects

The Program offers financing for various Authorized Improvements. The initial Authorized Improvements offered through the Program are identified by the Initial Approved Measures Guidelines attached hereto as Exhibit B; the CMFA may update the Approved Measures Guidelines and, accordingly, the list of Authorized Improvements for financing from time to time. Financing can be used to cover the cost of a project including, but not limited to: products, materials, professional installation, analysis, design, drafting, engineering, permitting, inspections and fees. To be eligible the project must meet the following criteria:

6.3.1 Project Approval

Prior to installation, the Program Administrator must approve each project. To obtain project approval the contractor must define the project's scope, products to be installed, permits required and costs; obtain Property Owner consent and then submit the proposed project for approval to the Program Administrator. Upon receipt of the project request the Program Administrator will determine the project's eligibility for financing. The project's eligibility for financing may be determined based on (A) the use of approved products and (B) a project's capacity to generate renewable energy, make the property energy efficient, conserve water, charge electric vehicles or construct a seismic improvement. If the Program Administrator determines that the project is eligible for financing, a notice to proceed will be sent to the contractor and Property Owner(s).

6.3.2 Approved Products

Products must be approved by a Program Administrator and meet minimum energy production, energy efficiency, water conservation, water efficiency and/or other requirements. Approved Measures Guidelines are attached hereto as Exhibit B, and are available on the Program website, <http://www.cmfa-ca.com/pace/>.

6.3.3 No Used Products

All products and materials must be new at the time of installation. . Used, refurbished or remanufactured products are not eligible for financing.

6.3.4 Permanently Affixed

Products must be permanently affixed to the subject property.

6.3.5 Installation

A licensed contractor that is approved by the Program Administrator must complete all installations. No self-installations are permitted. Installation costs may include, but are not limited to, energy/water audit costs, appraisals, labor, design, drafting, engineering, permit fees, and inspection charges.

6.3.6 Installation Warranty

Contractors must provide a reasonable warranty as determined by a Program Administrator for all work performed.

6.4 Contractors

Only contractors that have been approved by a Program Administrator may complete projects financed by the Program. New contractors may apply to participate in the Program by contacting a Program Administrator and requesting a new contractor application. Upon receiving a completed new contractor application, the Program Administrator will review and determine if the contractor meets the necessary criteria for Program eligibility.

A contractor must meet the following minimum criteria to be approved and register with a Program Administrator:

6.4.1 Good Standing

Contractor must be in good standing with the California State License Board (“CSLB”).

6.4.2 Qualified to Install

Contractors may only perform work for which they have the appropriate CSLB license.

6.4.3 Insured & Bonded

Contractors must have general liability and workers compensation insurance and are required to carry a bond that adequately protects the Property Owner for the project costs.

6.5 Third Party Transactions

The Program may be used in conjunction with third party transactions including, but not limited to, Leases and Power Purchase Agreements, the payments under which may be prepaid in whole or in part, subject to the requirements of Chapter 29.

6.6 PACE Assessment Refinancing

The Program may be used to refinance existing PACE Assessments.

6.7 Consumer Protections

The Program must operate in compliance with the Board approved CMFA PACE Consumer Protection Policies.

7 Financing Terms, Costs and Fees

This section contains the general fees and terms of the financing offered by the Program. The costs of issuing bonds and administering the Program will be financed through participant application fees, bond proceeds and an administrative component of the contractual Assessments. Program Administrators may apply additional terms, rates and fees to each Assessment as specified in the financing documents and provided to the Property Owner upon application approval. A form of the Assessment Contract, which specifies the terms and conditions that would be agreed to by a Property Owner and the CMFA, is attached as Exhibit C. Substantially similar forms of the Assessment Contract may be used by the Program Administrators, subject to approval by the CMFA.

7.1 Minimum Assessment Amount

The minimum residential Assessment amount is five thousand dollars (\$5,000). The minimum non-residential Assessment amount is one million dollars (\$1,000,000).

7.2 Maximum Assessment Amount

The maximum residential Assessment amount is two hundred thousand dollars (\$200,000), although Program Administrators may at their own discretion approve amounts over two hundred thousand dollars (\$200,000) on a case-by-case basis. Assessments over two hundred thousand dollars (\$200,000) require lender notification. There shall be no maximum Assessment amount for commercial non-residential and industrial properties. The maximum residential and non-residential Assessment amounts are also subject to the limitations set forth in Section 6.1.4 of this Program Handbook.

7.3 Maximum Interest Rate

Interest rates may be up to the maximum rate allowed by law in the subject property's jurisdiction.

7.4 Financing of Costs and Fees

In addition to financing the eligible improvements, the CMFA will finance the following, which will be included in the Assessments:

7.4.1 Recording Fee

The recording fee is a one-time fee used to record the Recording Documents (defined below) at the county recorder's office.

7.4.2 Initial Administrative Fee

The initial administrative fee is a one-time fee used for expenses associated with administration of the Program and issuance of the bonds, including closing fees paid to the CMFA, fees paid to other entities responsible for Program administration and management, fees of issuer and bond counsel to the CMFA, trustee fees, as well as other related costs of issuance of any bond.

7.4.3 Annual Ongoing Administrative Fee

The annual ongoing administrative fee is used for ongoing administrative expenses incurred by the Program in connection with collecting Assessments and the administration and management of the Program.

7.4.4 Reserve Deposit

Program Administrators may require property owners to finance a deposit to a reserve fund or account, which would be used to pay debt service on a related series of bonds in the event of contractual Assessment installment delinquencies. The amount of such deposit, if any, will be provided in the financing documents.

7.4.5 Interest Before First Payment (Capitalized Interest)

An amount equal to the interest accruing from the Bond Issuance Date for a period of time that does not exceed the period specified in Chapter 29 may be added to the principal balance of the Assessment.

7.4.6 Third Party Expenses

Costs, fees and other expenses associated with third party financings including but not limited to leases and power purchase agreements.

7.4.7 Refinancing Expenses

Costs and expenses associated with refinancing activities, including but not limited to principal repayment, processing fees, accrued interest and prepayment penalties.

7.4.8 Results of Consultations with the County Auditors/Controllers

The CMFA will add to each property's annual contractual assessment installments the amounts charged for that year by the applicable county for collecting voluntary contractual assessment installments on the property tax bill.

7.4.9 Additional Fees

Additional fees may be applied to each Assessment as specified in the financing documents and provided to the Property Owner upon application approval.

7.5 Terms

The Program offers financing terms of up to thirty-nine (39) years. The financing term may not exceed the "useful life" of the installed Authorized Improvement. The Program Administrator determines the useful life and maximum financing term offered for each Assessment.

7.6 Prepayment

Assessments can be prepaid in full at any time and may or may not be subject to a prepayment penalty. Any prepayment penalties will be identified in the Assessment Contract.

7.7 Repayment

Property Owners will repay the principal, interest and applicable fees over the financing term as agreed to and specified in the Assessment Contract. Except as otherwise approved by the CMFA, payment will be billed and paid as a line item on the property tax bill. Failure to repay as agreed will result in additional interest and penalties and may result in foreclosure and sale of the subject property.

8 Quality Control

Program Administrators may at their own discretion conduct the following quality control procedures to ensure that any projects financed by the Program meet the Program and Program Administrator's eligibility requirements:

8.1 Inspection

Residential Program Administrator ~~reserves the right to~~ shall schedule an on-site validation visit ~~by an independent third-party inspector?~~ to confirm that the approved Eligible Product was fully and permanently installed ~~either before or after~~ loan proceeds have been ~~dispersed~~ disbursed.

8.2 Building Permits

If Building Permits are required for a project, the Program Administrator may cause the Property Owner to furnish a copy of the approved permit. Property Owners are responsible for obtaining any required permits and should speak to their contractor to determine if a project requires a permit prior to submitting a financing request. If permits are required, finalized permit documentation must be submitted with the Completion Certificate (as defined below).

9 Required Documents

The following documents are required for financing by the program. A description of each document is as follows:

9.1 Financing Documents

The following individual documents are included in the Financing Documents:

9.1.1 Application

To be submitted at the beginning of the process, used by the Program Administrator to determine eligibility and approval amount.

9.1.2 Assessment Contract

A contract between the Property Owner(s) and the CMFA to provide financing for approved projects. The Assessment Contract specifies the terms and conditions that would be agreed to by a Property Owner and the CMFA. A form of Assessment Contract is attached as Exhibit C.

9.1.3 Project Definition

A document describing the scope, products and costs of each project being financed in the Assessment Contract.

9.1.4 Financing Estimate and Disclosure

A document prescribed by Chapter 29 that shall be completed and delivered to a residential Property Owner before the Property Owner consummates an

Assessment. Such Financing Estimate and Disclosure shall describe the products, financing costs and certain other considerations set forth in Section 5898.17 of Chapter 29.

9.1.5 Right to Cancel

The property owner is given the right to cancel the contractual assessment on or before midnight of the third business day after all property owners sign the financing documents, in accordance with SB 242 and AB 2693.

9.1.6 Completion Certificate

A Document signed by the Contractor and Property Owner upon acceptable completion of each project; submitted to the Program Administrator upon completion of each project.

The Completion Certificate must be submitted with the following documents:

- A final invoice from all contractor(s)
- A Bill of Sale
- If required by the jurisdiction, a signed finalized permit from the appropriate city or county building department for all permitted Authorized Improvements
- If no building permits are required for any of that contractor's installed Authorized Improvements, the participating contractor's Business license for the city or county
- Conditional Lien Release
- In the case of PV Solar a signed interconnection agreement with the appropriate utility
- Evidence of third party inspection??

9.2 Recording Documents

The following documents are recorded with the participating county as public record.

9.2.1 Notice of Assessment

A notice of the existence and amount of an Assessment that shall be recorded with the county recorder of the county in which the subject property is located.

9.2.2 Payment of Contractual Assessment Required

A notice meeting the requirements of Section 5898.24(d) that shall be recorded in the office of the county recorder for the county in which the subject property is located concurrently with the Assessment Contract.

9.3 Additional Documents

The Program Administrator may at its own discretion require additional documents for Program financing.

9.4 Public Agency Official

The CMFA will, from time to time, authorize certain representatives to execute Assessment Contracts on its behalf. Each member of the Board of Directors of the CMFA is authorized to execute Assessment Contracts.

Address: California Municipal Finance Authority
2111 Palomar Airport Road, Suite 320
Carlsbad, CA 92011

Phone: (760) ~~795-9185930~~ 1333

Email: pace@cmfa-ca.com

10 General Terms & Conditions

Agree to All Program Terms

By execution of the Financing Documents, each executing Property Owner certifies that they have read, understood and agreed to the terms of the Program as outlined in this Program Handbook in addition to the terms of the Assessment Contract. Property Owner also thereby certifies that the Property Owner(s), the property, and the products meet all Program eligibility requirements.

Property Owner Representations

By submitting an application the Property Owner represents that he, she or it:

- Is the legal Property Owner;
- Has the authority to install the approved products on the property;
- Has received a copy of this Program Handbook;
- Is authorizing the Program Administrator to obtain credit information;

Inspection

The Program and Program Administrators reserve the right to inspect any and all products financed by the Program at any time during installation or the term of the Assessment.

Rebates and Incentives

Federal, state, or local laws or rebate programs may change at any time. The Program and Program Administrators are not liable for any loss of or change in a rebate or tax credit. Property Owners should consult with their tax advisors and/or accountants as to the applicability of any federal tax credits to their personal tax situation.

Tax Matters

The Program and Program Administrators do not offer any tax advice or related services. Property Owners should consult with a qualified tax advisor or accountant on any tax matters, including prospective deductions of any part of the Contractual Assessment.

Fraudulent Activity

Any misrepresentations made to the CMFA, the Program or Program Administrator by a Property Owner or Contractor at any time may cause the Property Owner and/or the Contractor to be terminated from the Program and may result in legal action.

Renewable Energy Certificates

Renewable Energy Certificates (“RECs”) and all related green attributes associated with a project financed by the Program shall be retained or assigned as set forth in a program administration agreement between the CMFA and the Program Administrator for such project.

Marketing Guidelines

Use of any trademarks, logos or other branding collateral owned by the CMFA or its Program Administrators requires prior written approval.

Collection & Use of Data

By submitting a Program application, Property Owner agrees that the Program Administrator may disclose his or her personal information to Program staff, and that the Program Administrator and Program staff may disclose that information to third parties when such disclosure is essential to the conduct of the Program Administrators' or its member agencies' business or to provide services to Property Owner, including, but not limited to, where such disclosure is necessary to (i) comply with the law, legal process or regulators, (ii) enable the Program Administrator or the Program staff or third parties to provide services to Property Owner and to otherwise perform their duties, and (iii) obtain and provide credit reporting information.

In order to receive funding for this Program and to enable communication regarding the State of California's rebate program, Property Owner consents to the release of his or her name and contact information to the California Solar Initiative or the utility solar rebate program operated by the local utility. Property Owner further agrees to the release of his or her name and contact information and the subject property's utility usage data for twelve (12) months before installation of the improvements and throughout the financing term, from the local utility company to the Program Administrator, Program staff, its grantors, and its designated contractors for the purpose of conducting surveys and evaluating the Program and its impact. In addition, Property Owner understands that the CMFA is a public agency which, in certain circumstances, may have an obligation to release information under the California Public Records Act or pursuant to court order.

No Endorsement

The Program and Program Administrator offer no endorsement of the contractors, products, or product claims of economic value, warranty, energy savings, safety or reliability of the products.

Prepayments

Early pre-payment of the assessment may result in pre-payment penalties as set forth in the Assessment Contract.

Defaults on Assessment Payments

After written notification, defaults in payment of Assessments will result in the initiation of foreclosure proceedings.

Releases and Indemnification

By submitting a Program application, Property Owner thereby acknowledges that the CMFA has established the Program solely for the purpose of assisting the Property Owners in the CMFA participating jurisdictions with the financing of approved products and that the CMFA, Program Administrators, its member agencies and Program staff, including their officers, directors, employees and agents, have no responsibility of any kind for, and shall have no liability of any kind arising out of, the installation, operation, financing, refinancing or maintenance of the products. Property Owner agrees that Property Owner and his or her successors in interest to the fee simple title in the subject property shall be solely responsible for the installation, operation, financing, refinancing or maintenance of the products. Participation in the Program does not in any way obligate the CMFA, Program Administrators, its member agencies and Program staff, including their officers, directors, employees and agents, to guarantee or ensure the performance of any products. Property Owner thereby acknowledges that the subject property will be responsible for payment of the contractual assessment regardless of whether the products are properly installed or operate as expected.

Property Owner also agrees to release, defend, indemnify, and hold harmless the CMFA, Program Administrators, its member agencies and Program staff, including their officers, directors, employees and agents, from and against any claims, actions, demands, costs, damages or lawsuits, including the payment of attorneys' fees and cost of court, arising out of or in any way connected with his or her participation in this Program, including, without limitation, the installation, maintenance or repair of the products or compliance with any applicable federal, state or local laws.

Property Owner Is Responsible for Products, Permits and Inspections

The Property Owner is solely responsible for all products installed on his or her property, including the selection of any contractor(s), energy auditor(s), or equipment, including manufacturers. Any performance related issues are the responsibility of the Property Owner and the Property Owner's contractor(s). Neither the CMFA, Program staff, including their officers, directors, employees

and agents nor the Program Administrator is responsible for the performance of the products. ***The CMFA and the Program Administrators disclaim any express or implied warranty of merchantability or fitness for a particular purpose in connection with the Property Owner’s purchase or installation of any product under the Program.***

Completion of all city and county permitting and inspections are the responsibility of the Property Owner. The Program Administrator will require a copy of the final approved permit to submit a Completion Certificate.

Dispute Resolution

Signed Assessment Contract:

The parties who have signed an Assessment Contract for the Program shall attempt in good faith to promptly resolve any dispute arising out of or relating to any Assessment Contract under the Program by negotiations between the Program Administrator or his or her designated representative and the Property Owner. Either party must give the other party or parties written notice (sent by certified mail) of any dispute. Within thirty (30) calendar days after delivery of the notice, the Program Administrator, and the Property Owner shall meet at a mutually acceptable time and place, and shall attempt to resolve the dispute. If the matter has not been resolved within thirty (30) calendar days of the first meeting, any party may pursue other remedies, including mediation. All negotiations and any mediation conducted pursuant to this clause are confidential and shall be treated as compromise and settlement negotiations, to which Section 1152.5 of the California Evidence Code shall apply, and Section 1152.5 is incorporated herein by reference. Each party is required to continue to perform its obligations under the Assessment Contract pending final resolution of any dispute arising out of or relating to the Assessment Contract. If a meeting and mediation is unsuccessful, the matter will be submitted to arbitration. The parties will mutually select an arbitrator. The arbitration will be decided using so-called “baseball arbitration” or “best last offer” where the arbitrator may only choose one of the final two offers.

No Signed Assessment Contract:

Property Owners who wish to dispute decision(s) made by the Program or Program Administrator, but who have not signed a formal Assessment Contract, shall use a similar process. Written notice must be sent by certified mail to the

Program Administrator at the Address indicated in the Contact section of this Program Handbook. The notice must identify the issue(s) for resolution, the circumstances that surround the issue(s), the section in the Handbook that the issue(s) pertain(s) to, and a timeline of events. Within thirty (30) calendar days after delivery of the notice, the Program Administrator with the Property Owner, and shall attempt to resolve the dispute. The Program Administrator shall render a written decision in 30 calendar days and send that decision to the Property Owner. The decision of the Program Administrator is final.

11 Definitions

Application Date

The Date that a Program Administrator receives an Application for financing.

Recording Date

The Date that that the recordation of the Recording Documents is confirmed by the County.

Bond Issuance Date

The Date of issuance of the Bond secured by the Assessment.

First Payment Date

The date that the first installment payment is due for an Assessment pursuant to the applicable Assessment Contract.

Program Administrator

The Program Administrators ~~listed in Section 5 above~~ are responsible for administration of the Program and management of the process to ensure that Assessments are made according to Program eligibility requirements. ~~There are currently sevenfour Program Administrators: Energy Efficient Equity, SFA Partners, LLC, PACE Equity, LLC, Samas Capital, LLC, Twain Community Partners II, LLC, BlueFlame PACE Services, LLC, and OnPACE Energy Solutions, LLC and Greenpace Capital.~~

Property Owner

A Property Owner is the owner of record as determined by the official County records. A Property Owner may be a person or entity. In the case of entity ownership, Property Owner may also be used to describe a required signatory for the Financing Documents.

EXHIBIT A

Boundary Map of CMFA PACE Program

A current list of CMFA Approved PACE Jurisdictions can be found on the CMFA website at: <http://www.cmfa-ca.com/cmfa-pace-approved-jurisdictions/>

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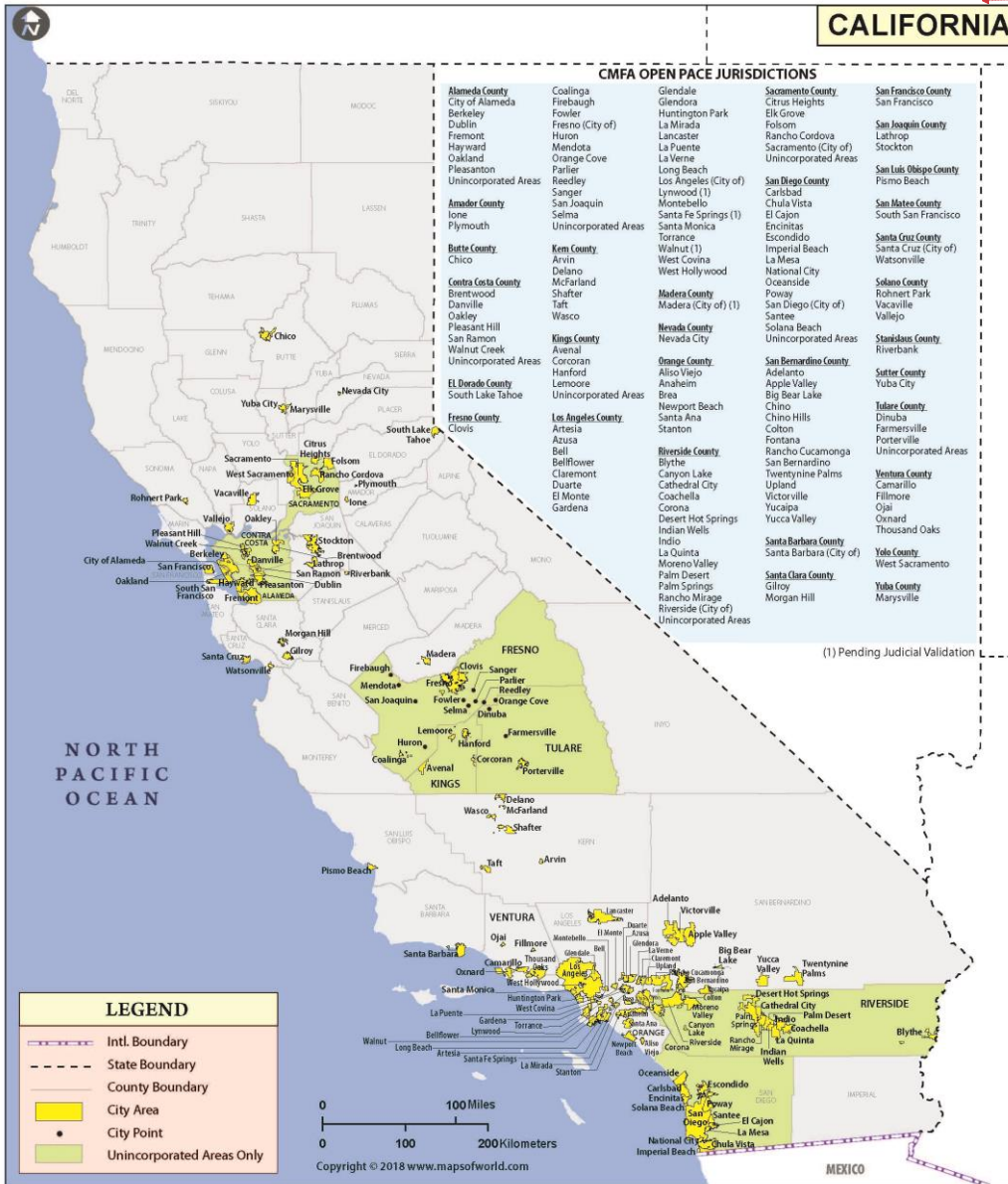


EXHIBIT B

Approved Measures Guidelines

1 Renewable & Alternative Energy Products

1.1 Solar Photovoltaic

| Product Type | Eligibility Specifications |
|---------------------------|---|
| Solar Panel | Product must be listed as California Energy Commission as SB1-compliant product |
| Solar Photovoltaic System | Product must be on California Solar Initiative Eligible Products list. |
| Solar Inverter | Product must be listed as California Energy Commission as SB1-compliant product |

1.2 Solar Thermal

| Product Type | Eligibility Specifications |
|---------------------|---|
| Solar Water Heating | System must have the OG-300 System Certification by the Solar Rating and Certification Corporation (SRCC) Product must comply with Title 24. |
| Solar Pool Heating | Product must have the OG-100 Collector Certification by the Solar Rating and Certification Corporation (SRCC) |

1.3 Alternative Energy

| Product Type | Eligibility Specifications |
|-----------------------------------|---|
| Small Wind Turbine | Product must be certified by the Small Wind Certification Council as meeting the requirements of the AWEA Small Wind Turbine Performance and Safety Standard (9.1-2009) |
| Advanced Energy Storage System | <ol style="list-style-type: none"> 1. System must be pre-approved and listed in the E3 Eligible Product Database 2. System must have obtained certification from a nationally recognized testing laboratory for one of the acceptable standards: <ol style="list-style-type: none"> a. UL1973 b. UL Subject 9540 c. IEC 62842-2 d. IEC 62109 e. UL 1741 f. Other equivalent standard 3. System must maintain roundtrip efficiency \geq 63.5% 4. System must carry a minimum 10-year manufacturer warranty |
| Electric Vehicle Charging Station | <ol style="list-style-type: none"> 1. Product must be certified as meeting the Underwriters Laboratory Subject 2594 Standard Testing for Charging Stations 2. Product must be a Level 2 charger with SAE J1772 standard charging plug |
| Stationary Fuel Cell Power System | System must be certified as meeting the ANSI/CSA America FC1 standard. Installation must comply with the Standard for the Installation of Stationary Fuel Cell Power Plants (NFPA 853). |
| Co-Generation System | Commercial Only - Custom Criteria |
| Hydrogen Fuel Power System | Commercial Only - Custom Criteria |
| Natural Gas System | Commercial Only - Custom Criteria |

1.4 Cogeneration

| Product Type | Eligibility Specifications |
|----------------------------|--|
| Micro turbine | Product must meet the eligibility requirements outlined in the current California Self-Generation Incentive Program (SGIP) Handbook. |
| Internal Combustion Engine | Commercial Only - Custom Criteria |
| Fuel Cell | System must be certified as meeting the ANSI/CSA America FC1 standard |

2 Energy Efficiency Products

2.1 High-Efficiency Heating Ventilation and Air Conditioning (HVAC)

| Product Type | Eligibility Specifications |
|---------------------------------|---|
| Air-Source Heat Pump | Product must comply with Title 24. |
| Central Air Conditioner | Product must comply with Title 24. |
| Furnace | Product must comply with Title 24. |
| Evaporative Cooler | Product must comply with Title 24. Product must be permanently affixed to the home. |
| Boiler | 1. Product must be AHRI Certified 2. Efficiency: a. AFUE \geq 85%. Product must comply with Title 24 |
| Geothermal Heat Pump | Product must comply with Title 24. |
| Hydronic Radiant Heating | System must be powered by one of the following high-efficiency heating sources: a. Boiler (AFUE \geq 85%) b. Gas Storage Water Heater (EF \geq 0.67) c. Gas Tankless Water Heater (EF \geq 0.90) d. Electric Heat Pump Water Heater (EF \geq 2) |
| Mini-Split Air Conditioner | 1. Product must be AHRI certified 2. Efficiency: a. SEER \geq 15 |
| Mini-Split Heat Pump | 1. Product must be AHRI certified 2. Efficiency: a. SEER \geq 15 b. HSPF \geq 8.5 |
| Biomass / Wood Stove | Product must be certified and listed on the EPA Certified Wood Stoves list |
| Duct Replacement | Product must comply with Title 24. |
| Heat/Energy Recovery Ventilator | Product must be certified by the Home Ventilation Institute (HVI) |
| Exhaust Ventilation Fixture | Product must be ENERGY STAR Certified |
| Whole House Fan | Product must be listed in California Energy Commission Appliance Efficiency Database |
| Attic Ventilation Fixture | Product must be equipped with a thermostat control |
| Ceiling Fan | Product must be ENERGY STAR Certified |

| | |
|---------------------------------------|---|
| Energy Efficient Refrigeration System | Product must comply with Title 24. Product must be permanently affixed to the home. |
| Pellet Stove | Product must be on the List of EPA Certified Wood Stoves. |

2.2 Windows Doors and Skylights

| Product Type | Eligibility Specifications |
|---|---|
| Windows | 1. Product must be NFRC Certified 2. Efficiency: a. U-Factor \leq 0.30 b. SHGC \leq 0.25 |
| Doors | 1. Product must be NFRC Certified 2. Opaque (No Glass) Efficiency: a. U-Factor \leq 0.17 b. SHGC = Any 3. \leq 1/2-Lite (Some Glass) Efficiency: a. U-Factor \leq 0.25 b. SHGC \leq 0.25 4. $>$ 1/2-Lite (Mostly Glass) Efficiency: a. U-Factor \leq 0.30 b. SHGC \leq 0.25 |
| Skylights & Tubular Day Lighting Device | 1. Product must be NFRC Certified 2. Efficiency: a. U-Factor \leq 0.53 b. SHGC \leq 0.28 |
| Applied Window Film | Product must be NFRC Certified |
| Exterior Window Shading Device | <ol style="list-style-type: none"> 1. Product must shade to at least one window or door 2. Product must be one of the following styles: <ol style="list-style-type: none"> a. Patio Cover b. Fixed Awning c. Operable Awning d. Operable Shutter e. Solar Screen 3. Product is NOT eligible to be installed on properties located within LA County or California Building Climate Zones 1, 3-5 4. Other exterior structural products including, but not limited to, sunroom enclosures, exterior decks, balconies, roof overhangs, detached/free-standing arbors, detached/free-standing pergolas, and/or carports are NOT eligible 5. Interior window shading products are NOT eligible |

2.3 Building Envelope

| Product Type | Eligibility Specifications |
|--------------------------|---|
| Cool Wall Coating | <ol style="list-style-type: none"> 1. Product must be a preapproved E3 Cool Wall Coating product 2. Product must have solar reflectance ≥ 0.5 as tested to ASTM C1549-09 standard 3. Product primary application surface must be exterior wall surfaces of conditioned buildings 4. Trim, soffit, and/or fascia may be included in work scope as secondary items, as applicable 5. Product is only eligible to be installed on properties located within CA Building Climate Zones 4-10 and 12-15 |
| Cool Roof – Prescriptive | <ol style="list-style-type: none"> 1. Low-Slope Roof ($\leq 2:12$) Efficiency Rating: Aged (3 yrs.) Solar Reflectance ≥ 0.5 2. Steep-Slope Roof ($> 2:12$) Efficiency Rating: Aged Solar Reflectance ≥ 0.15 |
| Cool Roof – Performance | <p>If a Cool Roof-Prescriptive roofing product is not specified, one of the following performance measures must also be implemented in the scope of work:</p> <ol style="list-style-type: none"> a. Provide an air-space of at least 1" between the top of the roof deck and the bottom of the roofing product b. Insulate attic floor to R-value ≥ 38 c. Seal & Insulate attic HVAC ductwork to R-8 and $\leq 6\%$ leakage d. Install an eligible radiant barrier (Reflectivity ≥ 0.9 and Emittance ≤ 0.1) with reflective side facing air space e. Insulate above roof deck to R-value ≥ 4 f. Install roof construction with thermal mass with a weight of at least 25 lb/ft² |
| Attic Insulation | <ol style="list-style-type: none"> 1. R-value ≥ 38 2. Product should be installed following ENERGY STAR guidelines |
| Wall Insulation | <ol style="list-style-type: none"> 1. R-value ≥ 13 2. Product should be installed following ENERGY STAR guidelines |

| | |
|--|---|
| Under-Floor Insulation | 1. R-value \geq 19 2. Product should be installed following ENERGY STAR guidelines |
| Radiant Barrier | 1. Radiant Barrier type products must be installed with reflective side facing an open-air space and meet the following performance ratings: a. Reflectivity \geq 0.9 b. Emittance \leq 0.1 2. Radiation Control Coating type products must be installed to face an open-air space and meeting the following performance ratings: a. Emittance \leq 0.25 |
| Air Sealing | 1. Air sealing should be performed to BPI, ENERGY STAR, and/or ASHRAE 62. 2 guidelines for air sealing, ventilation, and weatherization. Product must comply with Title 24. |
| Reflective Paint | 1. Product must be approved Cool Wall Coating product 2. Product must have solar reflectance \geq 0.5 as tested to ASTM C1549-09 standard 3. Product primary application surface must be exterior wall surfaces of conditioned buildings 4. Trim, soffit, and/or fascia may be included in work scope as secondary items, as applicable 5. Product is only eligible to be installed on properties located within CA Building Climate Zones 4-10 and 12-15 |
| Insulation Carpet and Padding (with stipulation) | 1. R-value \geq 19 2. Product should be installed following ENERGY STAR guidelines |

2.4 High Efficiency Water Heating

| Product Type | Eligibility Specifications |
|---|---|
| Gas Storage Water Heater | 1. Product must be ENERGYSTAR Certified 2. Efficiency: a. EF \geq 0.67 |
| Electric Heat Pump Storage Water Heater | 1. Product must be ENERGYSTAR Certified 2. Efficiency: a. EF \geq 2.0. Product must comply with Title 24. |
| Gas Tankless Water Heater | 1. Product must be ENERGY STAR Certified 2. Efficiency: a. EF \geq 0.90 |
| Whole House Water | Installation cannot include any work on the wastewater system or the city main |

| | |
|--------------------------------|---|
| Manifold System | |
| Electric Tankless Water Heater | Product must comply with Title 24. |
| Recirculation Hot Water System | System must meet the EPA Water Sense Guide for Efficient Hot Water Delivery Systems definition for one of the following water delivery options: a. Dedicated Recirculation Line b. Whole House Manifold System c. Demand-initiated Recirculating System d. Core Plumbing System. Installation cannot include any work on the wastewater system or the city main |

2.5 High Efficiency Pool Equipment

| Product Type | Eligibility Specifications |
|--------------------------------|---|
| Pool Pump and Motor | 1. Product must be ENERGYSTAR Certified 2. Single Speed Pump Efficiency: a. $EF \geq 3.8$ 3. Multi-Speed Pump Efficiency: a. $EF \geq 3.8$ for most efficient speed |
| Electric Heat Pump Pool Heater | 1. Product must be listed in California Energy Commission Appliance Efficiency Database 2. $COP \geq 4.5$ |
| Gas Pool Heater | 1. Product must be listed in California Energy Commission Appliance Efficiency Database 2. Thermal Efficiency $\geq 83\%$. Product must comply with Title 24 |
| Automatic Pool Cover | Product must be UL certified as meeting ASTM F1346 Standard Performance Specification |

2.6 High Efficiency Lighting

| Product Type | Eligibility Specifications |
|--------------------------|--|
| Indoor Lighting Fixture | Product must comply with Title 24 or use LED technology. |
| Outdoor Lighting Fixture | Product must comply with Title 24 or use LED technology. |

| | |
|--|---|
| Lighting Control | 1. Product must be listed in the California Energy Commission Appliance Efficiency Database. 2. Eligible control types include: a. Automatic Time-Switch b. Daylight/Photo-Sensor c. Dimmer d. Occupant/Motion/Vacancy Sensor |
| Occupancy Sensor Lighting | Sensor shall employ a dual element PIR sensor having highest sensitivity to infrared |
| Lighting Control Systems | 1. Product must be listed in the California Energy Commission Appliance Efficiency Database. 2. Eligible control types include: a. Automatic Time-Switch b. Daylight/Photo-Sensor c. Dimmer d. Occupant/Motion/Vacancy Sensor |
| Refrigeration Case Lighting w/ Occupancy Sensors | Commercial Only - Custom Criteria |
| SMART Parking Lot Fixtures | Commercial Only - Custom Criteria |
| SMART Parking Garage Fixtures | Commercial Only - Custom Criteria |
| SMART Pathway Lighting | Commercial Only - Custom Criteria |
| SMART Wallpack Fixtures | Commercial Only - Custom Criteria |
| Task Ambient Lighting | Commercial Only - Custom Criteria |
| Wireless Lighting Controls | Commercial Only - Custom Criteria |

2.7 Indoor Water Efficiency

| Product Type | Eligibility Specifications |
|--------------|----------------------------|
|--------------|----------------------------|

| | |
|--------------------------------|---|
| High-Efficiency Toilet Fixture | Product must comply with Title 24. |
| High-Efficiency Faucet Fitting | 1. Product must be Water Sense Qualified 2. Flowrate ≤ 1.5 GPM 3. Must be permanently installed |
| High-Efficiency Showerhead | 1. Product must be Water Sense Qualified 2. Flowrate ≤ 2.0 GPM |
| Hot Water Delivery System | System must meet the EPA Water Sense Guide for Efficient Hot Water Delivery Systems definition for one of the following water delivery options: a. Dedicated Recirculation Line b. Whole House Manifold System c. Demand-initiated Recirculating System d. Core Plumbing System |
| Waterless Urinals | Commercial Only - Custom Criteria |

2.8 Outdoor Water Efficiency

| Product Type | Eligibility Specifications |
|--|---|
| High-Efficiency Sprinkler Nozzle | Product must be on SoCal Water Smart Qualified Sprinkler Nozzle product list |
| Weather-Based Irrigation Controller | Product must be Water Sense Certified |
| Drip Irrigation | Product installed in turf, garden, planter, or flower bed area |
| Rainwater Catchment System | 1. Sized to hold \geq 50 gallons at one time 2. Must be permanently installed |
| Artificial Turf | 1. Product must be water and air permeable 2. Product must be non-toxic and lead free 3. Product installation must carry \geq 10 year warranty |
| Gray Water System | 1. System must meet California Plumbing Code, Chapter 16A 2. Eligible system types include: a. Single Fixture b. Multi-Fixture Simple (\leq 250GPD) c. Multi-Fixture Complex ($>$ 250GPD) |
| Cooling Condensate Reuse | Commercial Only - Custom Criteria |
| Cooling Tower | Commercial Only - Custom Criteria |
| Cooling Tower Controllers | Commercial Only - Custom Criteria |
| Core Plumbing System (replace/leak repair) | Installation cannot include any work on the wastewater system or the city main |
| Deionization Equipment | Commercial Only - Custom Criteria |
| Industrial Process Water Reuse | Commercial Only - Custom Criteria |
| Pre-rinse spray valves | Commercial Only - Custom Criteria |

| | |
|---|--|
| Drought Tolerant Landscaping | 1. Product installation area must replace existing live turf grass or other irrigated area 2. Products must be installed to limit excess site runoff 3. Requested financing amount may only include: a. Removal of existing landscape material b. Site preparation for installation c. Installation of eligible hardscape/ groundcover material d. Installation of eligible irrigation options 4. Requested finance amount may NOT include: a. Installation of live plants or biodegradable plant material b. Removal/replacement of pre-existing hardscape areas (i.e. driveways, pools, etc.) c. Installation of water features (i.e. ponds, fountains, etc.) d. Installation of any other products not listed in specification #3 |
| Roof Gutters (with stipulation) | As part of rainwater harvesting system |
| Pavers (with stipulation) | with a minimum of 1/4" joint spacing |
| Sewer Lateral Repair | Lower costs for wastewater Agency |
| Sewer Lateral | Lower costs for wastewater Agency |
| Trenchless Sewer Lateral Lines | Lower costs for wastewater Agency |
| Septic to Sewer Conversion (with stipulation) | Reduce water loss and likelihood of failure |

2.9 Control System

| Product Type | Eligibility Specifications |
|---------------------------------|-----------------------------------|
| Elevator Motors and Controls | Commercial Only - Custom Criteria |
| HVAC Duct Zoning Control System | Commercial Only - Custom Criteria |

| | |
|--|-----------------------------------|
| HVAC Control System | Commercial Only - Custom Criteria |
| Industrial Process Equipment Motors and Controls | Commercial Only - Custom Criteria |
| Building Energy Efficient Management Control Systems | Commercial Only - Custom Criteria |

3 Seismic Improvements

| Product Type | Eligibility Specifications |
|----------------------|--|
| Seismic Improvements | A copy of the pulled permit must be submitted for this product prior to funding. The permit must reference in the scope of work that the work is being done in accordance with Chapter A3, an approved standard plan set, or custom engineered solution. Product is not eligible in Los Angeles County or WRCOG. |

EXHIBIT C

Form of Assessment Contract

**CALIFORNIA MUNICIPAL FINANCE AUTHORITY
PACE PROGRAM**

ASSESSMENT CONTRACT

THIS ASSESSMENT CONTRACT (this “Contract”), dated as of _____, 20____, is by and between the California Municipal Finance Authority (the “Authority”), and the owner[s] of record, _____ (the “Property Owner”) of the fee interest in the real property described on Exhibit A (the “Property”).

RECITALS

WHEREAS, the Authority is a joint exercise of powers authority, the members of which include numerous cities and counties in the State of California;

WHEREAS, the Authority has established the CMFA PACE Program (the “Program”) to allow the financing or refinancing of certain distributed generation renewable energy sources, energy efficiency improvements, water efficiency improvements, seismic strengthening improvements, electric vehicle charging infrastructure and such other work, infrastructure or improvements as may be authorized by law from time to time that are permanently fixed to real property (the “Authorized Improvements”) through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the California Streets & Highways Code (“Chapter 29”) and the issuance of improvement bonds under the Improvement Bond Act of 1915 (California Streets and Highways Code Section 8500 and following) (the “1915 Act”) upon the security of the unpaid contractual assessments;

WHEREAS, Chapter 29 provides that assessments may be levied under the provisions thereof only with the free and willing consent of the owner of each lot or parcel on which an assessment is levied at the time the assessment is levied pursuant to a contract between the property owner and the public agency;

WHEREAS, the Authority has conducted the proceedings required by Chapter 29 with respect to the territory within the boundaries of the City or County identified in Exhibit A (the “Participating Entity”);

WHEREAS, the Authority has appointed _____, as a program administrator (together with any successors thereto, the “Program Administrator”) for the Program as it pertains to this Contract;

WHEREAS, the Property is located in the boundaries of the Participating Entity, and the Participating Entity has consented to (a) owners of property within its jurisdiction (the “Participating Property Owners”) participating in the Program and (b) the Authority conducting assessment proceedings under Chapter 29 and issuing bonds under the 1915 Act to finance or refinance the Authorized Improvements; and

WHEREAS, pursuant to Chapter 29, the Authority and the Property Owner desire to enter into this Contract, pursuant to which the Property Owner will agree to pay an assessment in order to finance or refinance the installation of the Authorized Improvements described in Exhibit A (the

“Improvements”) and the Authority will agree to provide financing, all on the terms set forth in this Contract;

NOW, THEREFORE, in consideration of the foregoing and the material covenants hereinafter contained, the Property Owner and the Authority formally covenant, agree and bind themselves and their successors and assigns as follows:

AGREEMENT

Section 1. Purpose. The Property Owner and the Authority are entering into this Contract for the purpose of financing or refinancing the installation of the Improvements identified on Exhibit A.

Section 2. The Property. This Contract relates to the Property, which is described on Exhibit A. The Property Owner has provided to the Authority sufficient evidence that the Property Owner is the owner of the fee interest in the Property and possesses all legal authority necessary to execute this Contract.

Section 3. Assessment; Bonds; Installment; Prepayment; Collection.

(a) *The Assessment.* The Property Owner hereby freely and willingly agrees that an assessment in the amount specified in Exhibit B (the “Assessment”) shall be levied by the Authority on the Property pursuant to Chapter 29. The amount of the Assessment shall be the amount specified in Exhibit B, which includes an amount to pay the costs of the Improvements, an amount to pay incidental expenses and, if so specified in Exhibit B, an amount for capitalized interest on bonds to be issued. The Property Owner acknowledges and agrees that the amount of the Assessment does not exceed the special benefit conferred on the Property by the installation of the Improvements thereon.

(b) *Bonds.* The Authority hereby determines that serial bonds, term bonds or both (the “Bonds”) shall be issued as provided in the 1915 Act to represent and be secured by the Assessment to pay the cost of the Improvements. The per annum interest rate born by the Bonds shall not exceed the Maximum Interest Rate specified in Exhibit B. The final maturity date of the Bonds shall be no later than the Final Maturity Date specified in Exhibit B.

(c) *Interest; Assessment Installments.* Interest on the Assessment shall begin to run from the date of the Bonds and shall be computed at the rate specified in the Bonds. The unpaid Assessment shall be payable in annual installments corresponding in number and in the pro rata share of the proportionate amount to the number of installments and principal amount of Bonds maturing or becoming subject to mandatory prior redemption in each year. An annual proportion of the Assessment shall be payable in each fiscal year preceding the date of maturity or mandatory prior redemption date of each of the Bonds, sufficient to pay the pro rata share of the Bonds when due.

(d) *Collection.* The annual proportion of the Assessment coming due in any year, together with the annual interest thereon, shall be payable in the same manner and at the same time and in the same installments as the general taxes on real property are payable, and have the same priority, become delinquent at the same time and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property.

(e) *Administrative Expenses.* In addition to the annual installment of the Assessment described in subsection (c) of this Section, the Authority shall, in accordance with and subject to the limitations contained in Section 8682 and Section 8682.1 of the 1915 Act, add thereto amounts to in order to pay for the costs of collecting the Assessment, the annual administration of the Assessment, the annual administration of the Bonds and other administrative costs (the “Annual Assessment Administrative Fee”).

(f) *Prepayment of the Assessment.* The Assessment may be prepaid, in whole or in any amount of at least \$[5,000], at any time upon the payment of (i) the amount of any delinquent installments of principal or interest on the Assessment, together with penalties accrued to the date of prepayment, plus (ii) the whole or, subject to the minimum amount set forth in this subsection, a portion of the unpaid non-delinquent principal of the Assessment (the “Assessment Prepayment Amount”), plus (iii) interest on the Assessment Prepayment Amount to the earlier of March 2 or September 2 occurring at least 50 days following the date the prepayment is made, plus (iv) an amount equal to the redemption premium, if any, necessary to redeem the principal amount of Bonds corresponding to the amount of the Assessment Prepayment Amount, plus (v) a reasonable fee, if charged by the Authority or Program Administrator, for the cost of administering the prepayment and the redemption of bonds.

(g) *No Reduction or Offset.* The Property Owner hereby acknowledges and agrees that the Assessment will not be subject to reduction, offset or credit of any kind in the event that the Improvements fail to perform in any way or for any reason.

Section 4. Lien; Foreclosure.

(a) *Lien.* The Assessment, and each installment thereof and the interest and penalties thereon shall constitute a lien against the Property until they are paid, which lien shall be coequal to and independent of the lien for general taxes.

(b) *Foreclosure.* The Property Owner acknowledges and agrees that if any Assessment installment is not paid when due, the Authority has the right to have such delinquent installment and its associated penalties and interest stripped off the secured property tax roll and immediately enforced through a judicial foreclosure action that could result in a sale of the Property for the payment of the delinquent installments, associated penalties and interest, and all costs of suit, including attorneys’ fees. The Property Owner acknowledges that the Authority may obligate itself, through a covenant with the owners of the Bonds, to exercise its judicial foreclosure rights with respect to delinquent Assessment installments under circumstances specified in such covenant.

Section 5. Financing or Refinancing of the Improvements. The parties hereby agree that the net proceeds of the Bonds allocable to the Assessment shall be used to finance or refinance the Improvements. Such financing or refinancing may be structured through a power purchase agreement or lease, the payments under which may be prepaid in whole or in part, subject to the requirements of Chapter 29.

Section 6. Term; Contract Runs with the Land; Division.

(a) Except as otherwise set forth in this Contract, this Contract shall expire upon the final payment or prepayment of the Assessment.

(b) This Contract establishes rights and obligations that are for the benefit of the Property and, therefore, such rights and obligations run with the land pursuant to Civil Code Section 1462.

(c) The obligation to pay the Assessment is an obligation of the Property and no agreement or action of the Property Owner shall be competent to impair in any way the Authority's rights, including, but not limited to, the right to pursue judicial foreclosure of the Assessment lien or the right to enforce the collection of the Assessment or any installment thereof against the Property.

(d) In the event the Property is divided while the Assessment remains unpaid, the unpaid installments of the Assessment shall be segregated and apportioned in accordance with the benefits to the original lot or parcel plus costs and fees of making the apportionment.

Section 7. Recordation of Documents. The Authority shall record or cause to be recorded in the office of the County Recorder the various notices and other documents required by Chapter 29 and other applicable laws to be recorded against the Property.

Section 8. Notice. To the extent required by applicable Law, the Property Owner shall provide written notice to any subsequent purchaser of the Property, or a portion thereof, of the obligation to pay the Assessment.

Section 9. Waivers, Acknowledgment and Contract.

(a) Since the Assessment is voluntary and imposed, in accordance with Chapter 29, pursuant to this Contract, the Property Owner hereby waives any otherwise applicable requirements of Article XIID of the California Constitution, or any other provision of California law, for an engineer's report, notice, public hearing, protest or ballot.

(b) The Property Owner hereby waives its right to repeal the Assessment by initiative or any other action, or to file any lawsuit or other proceeding to challenge the Assessment or any aspect of the proceedings of the Authority undertaken in connection with the Program. The Property Owner hereby agrees that the Property Owner and its successors in interest to fee title in the Property shall be solely responsible for the installation, operation and maintenance of the Improvements. The Property Owner hereby acknowledges that the Property will be responsible for payment of the Assessment regardless of whether the Improvements are properly installed, operated, maintained or perform as expected.

(c) The Property Owner hereby agrees that the Authority is entering into this Contract solely for the purpose of assisting the Property Owner with the financing or refinancing of the installation of the Improvements, and that neither the Authority nor the Participating Entity has any responsibility of any kind for, and shall have no liability arising out of, the installation, operation, financing, refinancing, maintenance or performance of the Improvements. The Property Owner hereby waives the right to recover from and fully and irrevocably releases the Authority, the Participating Entity and any and all agents, employees, program administrators, attorneys,

representatives and successors and assigns of the Authority and the Participating Entity from any and all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees), relating to the subject matter of this Contract that the Property Owner may now have or hereafter acquire against the Authority, the Participating Entity and any and all agents, employees, program administrators, attorneys, representatives and successors and assigns of the Authority or the Participating Entity.

(d) To the extent that the foregoing waivers and agreements are subject to Section 1542 of the California Civil Code or similar provisions of other applicable law, it is the intention of the Property Owner that the foregoing waivers and agreements will be effective as a bar to any and all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees), of whatever character, nature and kind, known or unknown, suspected or unsuspected, and Property Owner agrees to waive any and all rights and benefits conferred upon the Property Owner by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law. Section 1542 reads as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

| | | | |
|--|-------|------------------|-------|
| BY INITIALING BELOW, OWNER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES. | | | |
| Property Owner 1 | _____ | Property Owner 3 | _____ |
| Initials: | | Initials: | |
| Property Owner 2 | _____ | Property Owner 4 | _____ |
| Initials: | | Initials: | |

(e) The waivers, releases and agreements set forth in this Section shall survive termination of this Contract.

Section 10. Indemnification.

(a) The Property Owner agrees to indemnify, defend, protect, and hold harmless the Authority, the Participating Entity and any and all agents, employees, program administrators, attorneys, representatives and successors and assigns of the Authority or the Participating Entity, from and against all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees) and any demands of any nature whatsoever related directly or indirectly to, or arising out of or in connection with (i) the Property Owner's participation in the

Program, (ii) the Assessment, (iii) the Improvements, or (iv) any other fact, circumstance or event related to the subject matter of this Contract, regardless of whether such losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees) accrue before or after the date of this Contract.

(b) The provisions of this Section shall survive the termination of this Contract.

Section 11. Right to Inspect Property. The Property Owner hereby grants the Authority, its agents and representatives the right to enter at any reasonable time, upon reasonable notice, to inspect the Improvements. The Property Owner further hereby grants the Authority, its agents and representatives the right to examine and copy any documentation relating to the Improvements.

Section 12. Carbon Credits. The Property Owner hereby agrees that any carbon credits attributable to the Improvements shall be owned by the Authority or its assignees.

Section 13. Program Application. The Property Owner hereby represents and warrants to the Authority that the information set forth in the Program Application submitted to the Authority in connection with its request for financing is true and correct as of the date hereof, and that the representations set forth in the Program Application with respect to the Property and the Property Owner are true and correct as of the date hereof as if made on the date hereof.

Section 14. Amendment. This Contract may be modified or amended only by the written agreement of the Authority and the Property Owner.

Section 15. Binding Effect; Assignment. This Contract inures to the benefit of and is binding upon the Authority, the Property Owner and their respective successors and assigns. The Authority has the right to assign any or all of its rights and obligations under this Contract without the consent of the Property Owner. The Authority intends to delegate certain of its functions under this Contract to the Program Administrator and may pledge and assign this Contract to a trustee as security for the Bonds.

Section 16. Exhibits. Exhibits A and B attached to this Contract are incorporated into this Contract by this reference as if set forth in their entirety in this Contract.

Section 17. Severability. If any provision of this Contract is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision of this Contract.

Section 18. Corrective Instruments. The Authority and the Property Owner shall, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required in order to carry out the expressed intention of this Contract.

Section 19. Governing Law; Venue. This Contract shall be construed in accordance with and governed by the laws of the State of California applicable to contracts made and performed in the State of California. This Contract shall be enforceable in the State of California, and any action arising hereunder shall (unless waived by the Authority in writing) be filed and maintained in the

Superior Court of California, County of San Diego; provided, however, that actions to foreclose delinquent installments of the Assessment shall be filed and maintained in the Superior Court of California in the County identified in Exhibit A.

Section 20. Counterparts. This Contract may be executed in several counterparts, each of which is an original and all of which constitutes one and the same instrument.

Section 21. Monitoring and Recording of Telephone Calls. The Program may monitor and/or record telephone calls for security and customer service purposes. By agreeing to this Contract the Property Owner agrees to have his, her or its telephone calls with the Program recorded.

Section 22. Electronic Signatures.

(a) The parties hereto acknowledge and agree that this Contract may be executed by one or more electronic means (“Electronic Signatures”). Each party hereto agrees that Electronic Signatures provided by such party shall constitute effective execution and delivery of this Contract by such party to all other parties to or relying on this Contract. Each party hereto agrees that Electronic Signatures shall constitute complete and satisfactory evidence of the intent of such party to be bound by those signatures and by the terms and conditions of this Contract as signed. Each party hereto agrees that Electronic Signatures shall be deemed to be original signatures for all purposes.

(b) Each party hereto agrees to accept Electronic Signatures provided by any and all other parties to this Contract as (i) full and sufficient intent by such parties to be bound hereunder, (ii) effective execution and delivery of this Contract, and (iii) constituting this Contract an original for all purposes, without the necessity for any manually signed copies to be provided, maintained or to exist for back up or for any other purpose.

(c) If Electronic Signatures are used to execute this Contract, each party hereto hereby accepts the terms of, and intends and does sign, this Contract by its Electronic Signature hereto.

Section 23. Contract Documents.

(a) The Property Owner acknowledges and agrees that the entire agreement between Property Owner and the Authority includes each and every document specified in the List of Documents contained in Exhibit B (collectively, the “Contract Documents”).

(b) By executing this Contract, the Property Owner acknowledges and agrees that:

(i) The Property Owner has had sufficient time to review and has reviewed each of the Contract Documents and has had the opportunity to ask any questions of the Authority that Property Owner may have regarding such Contract Documents;

(ii) The Property Owner has reviewed, understands and agrees to each and every additional requirement and term contained in the [Program Administrator Procedures Handbook] (as defined in Exhibit B to this Contract, the “Program Handbook”);

(iii) The Property Owner has reviewed, understands, agrees to and affirms each and every representation and warranty contained in the Property Owner’s application and the Program Handbook; and

(iv) Prior to executing this Contract has read and understands the Property Owner’s Acknowledgments and Disclosures contained in the (A) Application, (B) this Contract, (C) the Privacy Notice, and (D) the Program Handbook.

Section 24. Execution and Return of Contract. The Property Owner must execute and return this Contract to the Authority at the address set forth in the “Notice Information” section of Exhibit A so that it is received by the Authority not later than _____. If the Property Owner fails to return this Contract so executed to the Authority by the indicated date, the Program reserves the right to require the Property Owner to enter into a new Contract. The signature of each person signing as or on behalf of the Property Owner must be notarized by a duly licensed notary unless all such persons have previously successfully completed the identity verification process approved by the Authority.

IN WITNESS WHEREOF, the Authority and the Property Owner have caused this Contract to be executed in their respective names by their duly authorized representatives, all as of the Effective Date. The "Effective Date" is defined as the last date entered with the signatures of the parties below.

Property Owner 1:

_____, Signature

Date: _____
Month/Day/Year

Identity Verification Code:

Property Owner 2:

_____, Signature

Date: _____
Month/Day/Year

Identity Verification Code:

Authority: Authorized Signatory

Name (Please Print)

Signature

Date of Execution by Authority

EXHIBIT A

**DESCRIPTION OF PROPERTY, DESCRIPTION OF THE IMPROVEMENTS,
AND NOTICE INFORMATION**

Description of Property:

Property Owner(s) Name(s):

Property Address:

APN:

Participating Entity:

County:

Description of Improvements:

The Improvements consist of the following:

Notice Information:

[PACE Program Notice Information]

[Property Owner Notice Information]

EXHIBIT B

**LIST OF CONTRACT DOCUMENTS, DISBURSEMENT, AND SCHEDULE
OF ANNUAL ASSESSMENT INSTALLMENTS, INCLUDING PRINCIPAL,
INTEREST AND ANNUAL ASSESSMENT ADMINISTRATIVE FEE**

List of Contract Documents:

This Contract shall consist of the following documents:

- This Contract and the exhibits hereto;
- The Application;
- The Completion Certificate;
- The Assessment Cost and Payment Summary;
- The Notice of Assessment;
- The Payment of Contractual Assessment Required;
- The Program Administrator Procedures Handbook (____ Program), Version ____, dated _____; and
- The Program website located at _____.

Assessment:

The amount of the Assessment is \$_____ (the "Assessment Amount"), of which \$_____ is allocable to the cost of the Improvements, \$_____ is allocable to incidental expenses and \$_____ is allocable to capitalized interest.

Bonds:

The Maximum Interest Rate to be borne by the Bonds is ___% per annum.

The Final Maturity Date of the Bonds shall be September 2, 20__.

Estimated Maximum Annual Assessment Installments:

The schedule of the estimated maximum annual installments of the Assessment is based on the following assumptions:

1. Bonds allocable to the Assessment are issued in an amount equal to Assessment Amount.
2. The Bonds bear interest at a rate equal to the Maximum Interest Rate.
3. The final maturity date of the Bonds is the Final Maturity Date.
4. The Assessment Interest Rate is ____%.
5. The Annual Percentage Rate (APR) attributable to the Assessment is ____%. APR is the Effective Cost of Credit in consumer loans and real estate loans expressed as a percentage interest rate. The annual percentage rate is the interest rate the borrower actually pays, including fees required in order to participate in the Program.



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

| | |
|-----------|---|
| Action: | Approve Release of Notices of Non-Renewal to CMFA C-PACE Program Administrators |
| Purpose: | Property Assessed Clean Energy (“PACE”) |
| Activity: | PACE Financing and Refinancing of Energy Efficiency, Water Efficiency, Renewable Energy Generation and Seismic Improvements |
| Meeting: | May 15, 2020 |

Notice of Non-Renewal to CMFA C-PACE Program Administrators Discussion:

CMFA PACE is an Open PACE program allowing for multiple Program Administrators (PACE providers) to operate under the CMFA PACE umbrella. The CMFA currently has seven (7) Commercial PACE (C-PACE) Program Administrators. Program Administrators enter into a three-year Program Administrator Agreement (PAA) with the CMFA which automatically renews unless a notice of non-renewal is given prior to expiration of the current term.

The volume of C-PACE completed both through the CMFA and statewide has been much lower than previously projected by the marketplace. In addition, the current health crisis will likely affect retail and hospitality, two major markets for PACE, for the foreseeable future. Therefore, in order to maximize public benefit provided by the CMFA, staff should focus on areas less affected by the current crisis such as the private activity bond and BOLD programs.

Several PAA’s are coming up for renewal in the next year and sending notices of non-renewal at this time will allow the current Program Administrators to smoothly transition to another JPA PACE program. The CMFA may also allow early termination of the PAA at the Program Administrators request to help facilitate an earlier transition. In the case of either the expiration of the Agreement at its stated termination date or a mutually agreed upon early termination, the Administrator and the CMFA will need to continue to work together to administer assessments originated by the Administrator prior to the termination of the PAA.

Recommendation:

The Executive Director recommends the CMFA Board of Directors approve sending notices of non-renewal to CMFA C-PACE Program Administrators.



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).

Index of Charities

| Name | List Date | Page # |
|---|------------------|---------------|
| California Association of Food Banks | 4/3/2020 | 1 |
| Caregivers Volunteers Assisting the Elderly | 4/24/2020 | 2 |
| Curry Without Worry | 4/24/2020 | 3 |
| Health Communication Research Institute, Inc. | 1/10/2020 | 4 |
| Mixed Roots Foundation | 4/24/2020 | 5 |
| People Assisting The Homeless (PATH) | 3/27/2020 | 6 |
| PRIDE Industries | 4/24/2020 | 7 |
| United Service Organizations, Inc. | 3/13/2020 | 8 |

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 5/8/2020 List Date 4/3/2020

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 2016

| Revenues: | Amount | % | Notes |
|---|---------------------|---------------|--|
| Government/Earned | \$23,967,874 | 94.4% | 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 | 1,428,189 | 5.6% | |
| Other | <u>2,387</u> | <u>0.0%</u> | |
| Total Revenue: | <u>\$25,398,450</u> | <u>100.0%</u> | |
| Expenses: | | | |
| Program | \$23,667,655 | 95.7% | |
| Administration | 937,930 | 3.8% | |
| Fund Raising | <u>116,750</u> | <u>0.5%</u> | |
| Total Expenses: | <u>\$24,722,335</u> | <u>100.0%</u> | |
| Excess/(Deficit) of Revenues Over Expenses: | <u>\$676,115</u> | | |
| Net Assets: | <u>\$4,055,169</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;

Caregivers Volunteers Assisting the Elderly

1765 Goodyear Ave

Ventura , CA 93003 County Ventura

www.vccaregivers.org

FEIN 77-0081692 Founded: 1985

Previous Donation: Yes No

List Date 4/24/2020

Mission:

CAREGIVERS mission is to promote the health, well-being, dignity, and independence of frail, homebound elders through one-on-one relationships with trusted volunteers.

CAREGIVERS provides non-medical, in-home support services and transportation for homebound, frail elders, preventing their premature placement into board and care facilities and making it possible for them to continue to live in the comfort and security of their own homes.

CAREGIVERS makes every effort to "match" a carefully screened and trained volunteer to a frail, homebound elder who needs basic assistance and companionship, in order to foster a long term, one-on-one relationship between them.

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 | \$24,858 | 6.3% | |
| Contributions | 368,191 | 93.6% | |
| Other | <u>256</u> | <u>0.1%</u> | |
| Total Revenue: | <u>\$393,305</u> | <u>100.0%</u> | |
| Expenses: | | | |
| Program | \$264,542 | 65.7% | |
| Administration | 65,057 | 16.2% | |
| Fund Raising | <u>72,827</u> | <u>18.1%</u> | |
| Total Expenses: | <u>\$402,426</u> | <u>100.0%</u> | |
| Excess/(Deficit) of Revenues Over Expenses: | <u>(\$9,121)</u> | | |
| Net Assets: | <u>\$149,340</u> | | |

BOD: Karen Jensen; Gail Field; Bill Dracht; Giatha Hemme; John D>L> McBride; Ann Romero; Augie Martinez

Curry Without Worry
 1032 Irving Street, Box 908
 San Francisco , CA 94122 County San Francisco
 www.currywithoutworry.org

FEIN 45-0552584 Founded: 2007

Previous Donation: Yes No 30,000 List Date 4/24/2020

Mission:

Curry Without Worry was founded in December of 2006, as a 501(c)3 with the sole purpose of serving soul pleasing food to the hungry people of San Francisco. While we desire to feed those people most in need of a meal, it is also our philosophy that hunger is not defined by an empty stomach. For this reason, Curry Without Worry is open to whomever hungers to join us. The mix of those who accept a meal brings a sense of equality, and peace to the experience, and allows those who truly are having a hard time in life to realize that there are people who care about bringing all people together.

We serve a free weekly meal in downtown San Francisco, and Kathmandu, Nepal. For a small suggested donation, we sell a similar meal at the Noe Valley Farmers Market every Saturday in San Francisco.

Impact:

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

Financial Information:

Annual Filing with Registry of Charitable Trusts CA

| Revenues: | Amount | % | Notes |
|-------------------------|------------------------|----------------------|-------|
| Government/Earned | | | |
| Contributions | 69,945 | 100.0% | |
| Other | | | |
| Total Revenue: | <u>\$69,945</u> | <u>100.0%</u> | |
| Expenses: | | | |
| Program | | | |
| Administration | | | |
| Fund Raising | | | |
| Total Expenses: | | | |
| Excess/(Deficit) of | | | |
| Revenues Over Expenses: | <u>\$69,945</u> | | |
| Net Assets: | <u>\$13,255</u> | | |

BOD: Shrawan Nepali; Fiona Ma; Clarence Chang

Health Communication Research Institute, Inc.

5025 J Street, Suite 311

Sacramento , CA 95815 County Sacramento

joshuashousehospice.org

FEIN 68-0195121 Founded: 1989

Previous Donation: Yes No

List Date 1/10/2020

Mission:

The Health Communication Research Institute, Inc. is a nonprofit established in 1989 with a commitment to reduce health disparities through community-based research and program development. In 2015, HCRI, Inc. narrowed its focus to better understanding the healthcare needs of the homeless population; developing programs to address those needs; and creating Joshua's House, a hospice house for the terminally ill homeless.

Impact:

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

Financial Information: IRS Form 990EZ for 2017

| Revenues: | Amount | % | Notes |
|-------------------------|------------------|---------------|-------|
| Government/Earned | | | |
| Contributions | 168,388 | 100.0% | |
| Other | | | |
| Total Revenue: | <u>\$168,388</u> | <u>100.0%</u> | |
| Expenses: | | | |
| Program | \$89,207 | 100.0% | |
| Administration | | | |
| Fund Raising | | | |
| Total Expenses: | <u>\$89,207</u> | <u>100.0%</u> | |
| Excess/(Deficit) of | | | |
| Revenues Over Expenses: | <u>\$79,181</u> | | |
| Net Assets: | <u>\$93,881</u> | | |

BOD: Marlene M. von Friederichs-Fitzwater; Jose Martinez/ Mary Hartman Morris; Jean Wigglesworth; Richard Abrusci; Rachel Wickland; Linzy M. Davenport; Catherine Geraty Hoag; HOLLY Harper; Craig Dresang; Charlotte O. Norton; Kathy Marty; plus 3

Mixed Roots Foundation
 445 S. Figueroa Street, Suite 3100
 Los Angeles , CA 90071 County Los Angeles
 www.mixedrootsfoundation.org

FEIN 45-2207782 Founded: 2011

Previous Donation: Yes No

List Date 4/24/2020

Mission:

We collaborate with individuals, businesses & organizations in the greater community to promote and support organizations, create awareness, and inspire future generations touched by adoption and foster care to achieve their dreams and goals through strategic outreach, multimedia, and innovative grant making programs.

Our Goals

- Serve as the principle philanthropic steward of the adoption and foster care community
- Assist our strategic and community partners for continued growth and prosperity
- Become the leading voice in creating awareness about the adoption and foster care experience
- Develop local, national, global leadership through collaboration within the adoption and foster care community and beyond
- Grow Mixed Roots Foundation and its circle of influence

Impact:

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

Financial Information: IRS Form 990-EZ for FY 2017

| Revenues: | Amount | % | Notes |
|-------------------------|-------------------------|----------------------|-------|
| Government/Earned | | | |
| Contributions | 53,401 | 100.0% | |
| Other | | | |
| Total Revenue: | <u>\$53,401</u> | <u>100.0%</u> | |
| Expenses: | | | |
| Program | \$54,774 | 100.0% | |
| Administration | | | |
| Fund Raising | | | |
| Total Expenses: | <u>\$54,774</u> | <u>100.0%</u> | |
| Excess/(Deficit) of | | | |
| Revenues Over Expenses: | <u>(\$1,373)</u> | | |
| Net Assets: | <u>\$1,246</u> | | |

BOD: Holly Choon Hyang Bachman; Kim Feder; Lilly Burchstead; Bonnie Ryder

People Assisting The Homeless (PATH)

340 North Madison Avenue
Los Angeles , CA 90004 County Santa Barbara
epath.org

FEIN 95-3950196 Founded: 1984

Previous Donation: Yes No

List Date 3/27/2020

Mission:

Our mission is to end homelessness for individuals, families, and communities. PATH envisions a world where every person has a home. Our values include creative collaborations, strategic leadership, empowerment for all, and passionate commitment.

On July 1, 2015, Casa Esperanza Homeless Shelter merged with PATH to become PATH Santa Barbara. We are very happy to be a part of the Santa Barbara community, working to rebuild lives and strengthen neighborhoods.

In Santa Barbara we provide a variety of services for our neighbors experiencing homelessness that include employment, outreach, housing navigation, interim housing, and rapid rehousing.

Impact:

A donation would be restricted to their Santa Barbara location

Financial Information: IRS Form 990 for FY 2018

| Revenues: | Amount | % | Notes |
|---|---------------------|---------------|-------|
| Government/Earned | \$39,407,647 | 82.7% | |
| Contributions | 8,173,635 | 17.1% | |
| Other | <u>88,713</u> | <u>0.2%</u> | |
| Total Revenue: | <u>\$47,669,995</u> | <u>100.0%</u> | |
| Expenses: | | | |
| Program | \$38,725,989 | 84.4% | |
| Administration | 6,294,108 | 13.7% | |
| Fund Raising | <u>859,009</u> | <u>1.9%</u> | |
| Total Expenses: | <u>\$45,879,106</u> | <u>100.0%</u> | |
| Excess/(Deficit) of Revenues Over Expenses: | <u>\$1,790,889</u> | | |
| Net Assets: | <u>\$10,074,366</u> | | |

BOD: Harreld Adams; Ron Fox; David Alden; Michael Goldberg; Stanley Schneider; Shane Goldsmith; Julie Summers; Myrna Hant; Brian Tucker; Terry Bird; Marsha Jones Moutrie; Dylan Ward; Jame Blumenfeld; Mark Jones, Sr.; Cathy Watts; + 12 others

PRIDE Industries
 10030 Foothills Blvd.
 Roseville , CA 95747 County Placer
 prideindustries.com

FEIN 94-1650529 Founded: 2000

Previous Donation: Yes No

List Date 4/24/2020

Mission:

At the heart of everything we do is our mission to create jobs for people with disabilities. But we also care deeply about our customers' missions and business, and we are dedicated to delivering competitive, custom business solutions that will exceed their expectations and help them fulfill their goals.

Through teamwork, in a culture where we respect, value, and appreciate all differences, we create a challenging and rewarding environment with a passion for customer service. We are energized knowing that our efforts make a positive difference in the communities we serve.

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 | \$222,838,445 | 99.0% | Other is from a related entity - Pride Industries One, Inc. That has about \$85,000,000 in revenue and expenses. FEIN 91-1827109 |
| Contributions | 226,132 | 0.1% | |
| Other | <u>2,066,238</u> | <u>0.9%</u> | |
| Total Revenue: | <u>\$225,130,815</u> | <u>100.0%</u> | |
| Expenses: | | | |
| Program | \$200,575,436 | 89.8% | |
| Administration | 22,807,262 | 10.2% | |
| Fund Raising | <u>12,000</u> | <u>0.0%</u> | |
| Total Expenses: | <u>\$223,394,698</u> | <u>100.0%</u> | |
| Excess/(Deficit) of Revenues Over Expenses: | <u>\$1,736,117</u> | | |
| Net Assets: | <u>\$21,641,242</u> | | |

BOD: Bob Olsen; Judson Riggs; Mike Snegg; Sandy Smoley; Larry Welch; Ed Bonner; Walt Payne; Jim Barone; Rob Lynch; Rick Maya; Ronald J. Mittelstaedt; Dorene Dominguez; H. Rao Unnava; Dawn Clayton; Michael Ziegler

United Service Organizations, Inc.

2111 Wilson Blvd

Arlington, VA , CA 22201 County Los Angeles

<https://bobhope.uso.org/>

FEIN 13-1610451 Founded: 1941

Previous Donation: Yes No

List Date 3/13/2020

Mission:

Bob Hope USO provides USO services, programming and outreach at six centers and dozens of military installations across 51,000 square miles in Southern and Central California, from San Luis Obispo to the San Diego County Line.

A 501c3 non-profit organization operating centers around the world including at LAX, Ontario International Airport, Orange County at John Wayne Airport, Palm Springs International Airport, Military Entrance Processing Station Los Angeles and at March ARB Deployment Center.

The USO is not part of the federal government. A congressionally chartered, private organization, the USO relies on the generosity of individuals, organizations and corporations to support its activities, and is powered by a family of volunteers to accomplish our mission of connection.

Impact:

A donation would be directed to the **Bob Hope USO**

Financial Information: IRS Form 990 for FY 2018

| Revenues: | Amount | % | Notes |
|---|----------------------|---------------|-------|
| Government/Earned | \$20,419,020 | 15.1% | |
| Contributions | 114,342,925 | 84.4% | |
| Other | <u>793,853</u> | <u>0.6%</u> | |
| Total Revenue: | <u>\$135,555,798</u> | <u>100.0%</u> | |
| Expenses: | | | |
| Program | \$90,292,808 | 69.7% | |
| Administration | 13,282,155 | 10.3% | |
| Fund Raising | <u>25,984,825</u> | <u>20.1%</u> | |
| Total Expenses: | <u>\$129,559,788</u> | <u>100.0%</u> | |
| Excess/(Deficit) of Revenues Over Expenses: | <u>\$5,996,010</u> | | |
| Net Assets: | <u>\$92,238,132</u> | | |

BOD: 26 Members - none on our BOD

| | Food Bank | City | Counties Served | Executive Director/Contact | Phone # | Last Donated To | Previous Date |
|----|---|----------------|---|------------------------------|----------------|-----------------|---------------|
| 1 | Alameda County Community Food Bank | Oakland | Alameda County | Suzan Bateson | (510) 635-3663 | | |
| 2 | ATCAA Food Bank - Tuolumne County | Jamestown | Tuolumne County | Joe Tobin | (209) 984-3960 | 5/8/2020 | 1/10/2020 |
| 3 | Community Action Agency of Butte County - North State Food Bank | Chico | Butte, Colusa, Glenn, Plumas, Sierra, and Tehama County | Tom Tenorio | (530) 712-2600 | 5/8/2020 | 1/31/2020 |
| 4 | California Emergency Foodlink | Sacramento | Sacramento County | John Healey | (916) 387-9000 | | |
| 5 | Central California Food Bank | Fresno | Fresno County | Andy Souza | (559) 237-3663 | 4/24/2020 | |
| 6 | Community Action Partnership of Kern | Bakersfield | Kern County | Jaime Orona | (661) 398-4520 | | |
| 7 | Community Action Partnership of San Bernardino County | San Bernardino | San Bernardino County | Patricia Nickols-Butler | (909) 723-1514 | | |
| 8 | Community Action of Napa Valley Food Bank | Napa | Napa County | Shirley King | (707) 253-6128 | | |
| 9 | Community Food Bank of San Benito County | Hollister | San Benito County | Maria Lynn Thomas | (831) 637-0340 | 1/10/2020 | |
| 10 | Dignity Health Connected Living | Redding | Shasta County | Shurla Lovejoy | (530) 226-3060 | 1/10/2020 | |
| 11 | Emergency Food Bank | Stockton | San Joaquin County | Mary Ann Lucero | (209) 464-7369 | | |
| 12 | Feeding San Diego | San Diego | San Diego County | Vince Hall | (858) 452-3663 | | |
| 13 | FIND - Food In Need of Distribution | Indio | Riverside County | Debbie Espinosa | (760) 775-3663 | 3/20/2020 | |
| 14 | Food Bank of Contra Costa & Solano | Concord | Contra Costa and Solano County | Joel Sjostrom | (925) 676-7543 | 5/8/2020 | |
| 15 | Food Bank of El Dorado County | Cameron Park | Alpine and El Dorado County | Mike Sproull | (530) 621-9950 | 1/10/2020 | |
| 16 | Food Bank for Monterey County | Salinas | Monterey County | Melissa Kendrick | (831) 758-1523 | | |
| 17 | Food for People | Eureka | Humboldt County | Anne Holcomb | (707) 445-3166 | 1/10/2020 | |
| 18 | FOOD Share of Ventura County | Oxnard | Ventura County | Monica White | (805) 983-7100 | | |
| 19 | Foodbank of Santa Barbara | Santa Barbara | Santa Barbara County | Erik Talkin | (805) 967-5741 | | |
| 20 | FoodLink for Tulare County | Exeter | Tulare County | Nicole Celaya | (559) 651-3663 | | |
| 21 | Imperial Valley Food Bank | Imperial | Imperial County | Sara Griffen | (760) 370-0966 | 1/10/2020 | |
| 22 | Interfaith Council of Amador | Jackson | Amador County | Beth Stanton | (209) 267-9006 | | |
| 23 | The Jacobs & Cushman San Diego Food Bank | San Diego | San Diego County | James Floros | (858) 527-1419 | 1/10/2020 | |
| 24 | Kings Community Action Organization | Hanford | Kings County | Jeff Garner Juan Martinez | (559) 582-4386 | 1/10/2020 | |
| 25 | Los Angeles Regional Food Bank | Los Angeles | Los Angeles County | Michael Flood | (323) 234-3030 | 1/10/2020 | |
| 26 | Mendocino Food & Nutrition Program - The Fort Bragg Food Bank | Fort Bragg | Mendocino County | Amanda Friscia | (707) 964-9404 | 1/31/2020 | |
| 27 | Merced County Food Bank | Merced | Merced County | Bill Gibbs | (209) 726-3663 | | |
| 28 | Orange County Food Bank | Garden Grove | Orange County | Mark Lowry | (714) 897-6670 | 4/3/2020 | 1/10/2020 |
| 29 | Placer Food Bank | Roseville | Placer County | Dave Martinez | (916) 783-0481 | | |
| 30 | Redwood Empire Food Bank | Santa Rosa | Sonoma County | David Goodman | (707) 523-7900 | 10/27/2017 | |
| 31 | The Resource Connection Food Bank | San Andreas | Calaveras County | Tina Mather | (209) 754-1257 | 1/10/2020 | |
| 32 | Sacramento Food Bank and Family Services | Sacramento | Sacramento County | Blake Young | (916) 456-1980 | 3/20/2020 | |
| 33 | SF-Marín Food Bank | San Francisco | Marín and San Francisco County | Paul Ash | (415) 282-1900 | 4/3/2020 | |

| | | | | | | | |
|----|---|-----------------|-----------------------------------|----------------------|----------------|-----------|-----------|
| 34 | Second Harvest of Silicon Valley | San Jose | Santa Clara and San Mateo County | Leslie Bacho | (650) 610-0800 | | |
| 35 | Second Harvest Food Bank San Joaquin & Stanislaus | Manteca | San Joaquin and Stanislaus County | Keenon Krick | (209) 239-2091 | 10/4/2019 | |
| 36 | Second Harvest Food Bank Orange County | Irvine | Orange County | Harald Herrmann | (949) 653-2900 | 3/20/2020 | 1/10/2020 |
| 37 | Second Harvest Food Bank Santa Cruz County | Watsonville | Santa Cruz County | Willy Elliott-McCrea | (831) 722-7110 | | |
| 38 | SLO Food Bank | San Luis Obispo | San Luis Obispo County | Adrienne Harris | (805) 238-4664 | | |
| 39 | Westside Food Bank | Santa Monica | Los Angeles County | Bruce Rankin | (310) 828-6016 | | |
| 40 | Yolo Food Bank | Woodland | Yolo County | Michael Bisch | (530) 668-0690 | 2/7/2014 | |
| 41 | Yuba-Sutter Food Bank | Yuba City | Sutter and Yuba County | Michelle Downing | (530) 673-3834 | | |

Donations as of 5/8/2020

