AGENDA OF THE
REGULAR MEETING OF THE
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

May 8, 2014
10:00 a.m.
League of California Cities
1400 K Street, 3rd Floor
Sacramento, California

3252 Southern Hills Drive
Fairfield, CA 94534

709 Portwalk Place
Redwood City, CA 94065

Yuba County
915 8th Street, Suite 103
Marysville, CA 95901

I. Call the Roll (alternates designate which member they are representing).

II. Consideration of the Minutes of the April 17, 2014 Regular Meeting.

III. Staff Updates.

IV. Consideration of the Consent Calendar.

V. Appoint Dan Harrison as a League of California Cities Commissioner.

VI. Election of Secretary for the CSCDA Commission.

VII. Consideration of Criteria for CSCDA P3 Asset Ownership Program. (Cathy Bando/Roger Davis)

This ___ page agenda was posted at 1100 K Street, Sacramento, California on ______________, 2014 at __: __ m,
Signed ________________________________. Please fax signed page to (925) 933-8457.
VIII. Consideration of deposit and reimbursement agreement for the proposed Statewide Communities Infrastructure Program Assessment District in Yucaipa. (Staff: Scott Carper)

IX. Consideration of deposit and reimbursement agreement for the proposed Community Facilities District No. 2014-01 (University Park). (Staff: Scott Carper)

X. Consideration of resolution ordering judicial foreclosure of delinquent assessment installments levied within Assessment District No. 07-02 (San Diego). (Staff: Scott Carper)

XI. Consideration of resolution ordering judicial foreclosure of delinquent assessment installments levied within Assessment District No. 11-01 (San Joaquin). (Staff: Scott Carper)

XII. Consideration of CSCDA Program Manager Request for Proposal. (Cathy Bando)

XIII. Public Comment

XIV. Adjourn
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
CONSENT CALENDAR

1. Consent Calendar:
   b. Inducement of Palms Residential Care Facility, Inc. (Park Kingsmore Apartments), City of Los Angeles, County of Los Angeles; issue up to $50 million in multi-family housing debt obligations.
   c. Pilgrim Terrace Affordable, LP (Pilgrim Terrace Apartments), City of Santa Barbara, County of Santa Barbara; issue up to $14 million in multi-family housing debt obligations.

Thursday, May 8, 2014

Note: Persons requiring disability-related modification or accommodation to participate in this public meeting should contact (925) 933-9229, extension 225.
Item II

Consideration of the Minutes of the April 17, 2014 Regular Meeting.
Commission Chair Larry Combs called the meeting to order at 10:03 am.

I. Roll Call

Commission members present: Larry Combs, Chair, and Dwight Stenbakken. Tim Snellings, alternate Commissioner Ron Holly, representing Terry Schutten, and alternate commissioner Brian Moura, representing Kevin O’Rourke also participated by conference telephone.

CSCDA Executive Director, Catherine Bando was also present.

Others present included: Perry Stottlemeyer and Norman Coppinger, League of California Cities; Caitlin Lanctot and Mike LaPierre, HB Capital; Mark Paxson, State Treasurer’s Office; and Cliff Staton, Renewable Funding. Scott Carper, HB Capital; Greg Stepanicich, Richards Watson & Gershon; Chris Lynch, Jones Hall; and Patricia Eichar and Erin Pham, Orrick Herrington & Sutcliffe, participated by conference telephone.

II. Approval of minutes—April 3, 2014

The commission approved the minutes for the regular meeting held April 3, 2014.

Motion to approve by Stenbakken; second by Snellings; unanimously approved by roll-call vote.

III. Staff Updates

Executive Director Bando reported that ad hoc committee for the program manager RFP met again and made one substantial change—the committee is hoping to accelerate the schedule by three months. The goal is to have a new contract in place by October, with a July 2015 effective date.

IV. Approval of Consent Calendar

1. Approve the following invoices for payment:

   a. Wells Fargo invoice #1064216

2. Induce the following projects:
a. APEC International, LLC (Swansea Park Senior Apartments-Phase II), City of Los Angeles, County of Los Angeles; issue up to $24 million in multi-family housing debt obligations.

3. Approve the City of Dana Point as a program participant.

Motion to approve by Holly; second by Stenbakken; unanimously approved by roll-call vote.

V. Approve the financing, all necessary actions, the execution and delivery of all necessary documents and authorize any member to sign all necessary financing documents for the following:

a. Huntington Memorial Hospital, City of Pasadena, County of Los Angeles; issue up to $65 million in 501(c)(3) nonprofit revenue bonds.

Motion to approve by Holly; second by Stenbakken; unanimously approved by roll-call vote.

b. Sonoma Academy, City of Santa Rosa, County of Sonoma; up to $10 million in 501(c)(3) nonprofit revenue refunding bonds.

Motion to approve by Snellings; second by Holly; unanimously approved by roll-call vote.

VI. Consideration of criteria for PACE programs.

Executive Director Bando explained that as a result of the recent decision to launch the residential PACE program, it seems that it may be advantageous to augment with additional PACE programs. Therefore, it seems to be a good idea to establish policies with regard to qualifying firms relating to these other PACE programs. Accordingly, staff recommends adoption of the ten-point qualifying criteria as set forth in the sheet provided to commissioners.

Additionally, Bando requested a couple of commissioners assist with refining the PACE program. Commissioners Snellings and Moura volunteered to assist.

Motion to approve staff recommendation by Stenbakken; second by Snellings; unanimously approved by roll-call vote.

VII. Consideration of agreement for services (non-residential) between CSCDA and Renewable Funding for the CaliforniaFIRST program.

Executive Director Bando explained that this agreement is essentially similar to the recent agreement with Renewable Funding for the residential program, but although it has been in place since Fall of 2013, no such agreement was in place regarding the non-residential program.

Motion to approve staff recommendation by Stenbakken; second by Holly; unanimously approved by roll-call vote.
VIII. Consideration of resolution of intention to finance the installation of distributed generation renewable energy resources, energy efficiency and water efficiency improvements for 40 counties (statewide validation).

Caitlin Lanctot explained that CSCDA established CaliforniaFIRST program for financing energy and water efficiency upgrades and renewable energy facilities for private use. Previously, CSCDA’s practice was to establish a separate program in a county when it had been asked to do so by the county and a city within the county. To date, CSCDA has established the program in 17 counties and 145 cities. Prior to offering the program to CSCDA members, the program must be legally formed and validated. One of the first steps in statewide formation is the approval of the Resolution of Intention (ROI), which must be done for the remaining 40 counties.

Staff recommends approval of the ROI, which directs creation of a report that identifies the details of the program and sets the date for the public hearing to receive public comment on the proposed program report, and for the Commission to confirm or modify the report.

Mike LaPierre suggested that we might want to include CSCDA members within Los Angeles County, even though Los Angeles County not a CSCDA member. Chris Lynch indicated that the amendment to the resolution be that we have the parenthetical, which is now 40 counties, be modified to reflect a name designated by the Executive Director after consultation with bond counsel reflecting the appropriate name and that we include the 40 counties plus those current member cities that are within Los Angeles County.

Motion to approve staff recommendation, as amended, by Snellings; second by Stenbakken; unanimously approved by roll-call vote.

IX. Consider the following resolutions for Assessment District 14-01 (County of Contra Costa) related to the upcoming Statewide Community Infrastructure Program (SCIP).

SCIP has received an application from the City of Oakley, County of Contra Costa to finance the payment of capital improvements. The public hearing is set for June 12, 2014.

   a. A resolution of intention to finance the payment of development impact fees, including approval of proposed boundary map;

   b. A resolution preliminarily approving engineer’s reports, setting public hearing of protests and providing property owner ballots for Statewide Community Infrastructure Program Assessment District.

Motion to approve staff recommendation by Holly; second by Stenbakken; unanimously approved by roll-call vote.

X. Public Comment.

None.

XI. Adjournment.
Commission Chair Larry Combs adjourned the meeting at 10:26 am.

Submitted by: Perry Stottlemeyer, League of California Cities staff

The next regular meeting of the commission is scheduled for

Thursday, May 8, at 10:00 a.m.

in the League’s office at 1400 K Street, Sacramento, California.
Item IV

Consent Calendar:


b. Inducement of Palms Residential Care Facility, Inc. (Park Kingsmore Apartments), City of Los Angeles, County of Los Angeles; issue up to $50 million in multi-family housing debt obligations.

c. Pilgrim Terrace Affordable, LP (Pilgrim Terrace Apartments), City of Santa Barbara, County of Santa Barbara; issue up to $14 million in multi-family housing debt obligations.
March 31, 2014
Invoice No: 1403018

Scott Carper
California Statewide Communities Development Authority
2999 Oak Road, Suite 710
Walnut Creek, CA 94597

Dear Mr. Carper,

This invoice is submitted for professional public finance consulting services in association with assessment engineering for the Emerson Ranch project. Please remit invoice payment payable to David Taussig and Associates, Inc.

PAYMENT IS DUE UPON RECEIPT. AN INTEREST CHARGE OF 1.2% PER MONTH WILL BE APPLIED TO INVOICES 30 DAYS PAST DUE.

Professional Services through March 31, 2014

<table>
<thead>
<tr>
<th>Professional Services</th>
<th>Hours</th>
<th>Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>President</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taussig, David</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3/13/2014 Review update requests with Mr. Perez, research costs and review Agreement.</td>
<td>1.25</td>
<td>230.00</td>
<td>287.50</td>
</tr>
<tr>
<td>3/27/2014 Final proof Engineer’s Report, discuss with Mr. Perez.</td>
<td>2.25</td>
<td>230.00</td>
<td>517.50</td>
</tr>
<tr>
<td>3/31/2014 Discuss water agency issues with Mr. Perez, review emails from Josh, Dave L., et al., review ER and propose changes.</td>
<td>1.50</td>
<td>230.00</td>
<td>345.00</td>
</tr>
<tr>
<td>Vice President</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perez, Nathan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3/5/2014 Attention to SCIP work with Orrick and RBC, phone calls, emails.</td>
<td>1.25</td>
<td>190.00</td>
<td>237.50</td>
</tr>
<tr>
<td>3/12/2014 Attention to calls and emails and status updates with SCIP team, engineering research in response to inquiries.</td>
<td>1.63</td>
<td>190.00</td>
<td>309.70</td>
</tr>
<tr>
<td>3/13/2014 Attention to work on Acquisition Agreement with Orrick.</td>
<td>.63</td>
<td>190.00</td>
<td>119.70</td>
</tr>
<tr>
<td>3/24/2014 Attention to edits to ER following agendizing of Oakley ER, discussions with Orrick and RBC.</td>
<td>1.25</td>
<td>190.00</td>
<td>237.50</td>
</tr>
<tr>
<td>3/26/2014 Attention to finalization of Preliminary ER, distribution to Orrick for 4/12 intent Meeting with CSCDA.</td>
<td>1.75</td>
<td>190.00</td>
<td>332.50</td>
</tr>
<tr>
<td>3/31/2014 Attention to emails/calls with Orrick regarding ER and tables, updates, work with Ms. Wright, quick annual cashflow analysis to Client.</td>
<td>2.38</td>
<td>190.00</td>
<td>452.20</td>
</tr>
<tr>
<td>Project</td>
<td>CSCDA/Emerson Ranch City of Oakley</td>
<td>Invoice</td>
<td>1403018</td>
</tr>
<tr>
<td>------------------</td>
<td>------------------------------------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td>Manager</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wekwete, Kudakwashe</td>
<td>Preparing cashflow for project per Mr. Perez's request.</td>
<td>1.25</td>
<td>170.00</td>
</tr>
<tr>
<td>3/27/2014</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Analyst</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wright, Kelly</td>
<td>Discussions with Mr. Perez regarding ER. Report updates.</td>
<td>1.25</td>
<td>130.00</td>
</tr>
<tr>
<td>3/28/2014</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td></td>
<td>16.39</td>
<td>3,214.10</td>
</tr>
<tr>
<td>Reimbursable Expenses</td>
<td>Reproduction ARC</td>
<td>45.99</td>
<td></td>
</tr>
<tr>
<td>3/31/2014</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Reimbursables</strong></td>
<td></td>
<td>45.99</td>
<td></td>
</tr>
<tr>
<td>Additional Fees</td>
<td>Administrative Expenses</td>
<td>96.42</td>
<td></td>
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<tr>
<td><strong>Total Additional Fees</strong></td>
<td></td>
<td>96.42</td>
<td></td>
</tr>
<tr>
<td><strong>Total this invoice</strong></td>
<td></td>
<td></td>
<td>$3,356.51</td>
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**Outstanding Invoices**

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<tr>
<th>Number</th>
<th>Date</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1402024</td>
<td>2/28/2014</td>
<td>2,015.61</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>****</td>
<td><strong>2,015.61</strong></td>
</tr>
</tbody>
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## Applicant Information

Name of Developer: **J Development LLC**
TIN or EIN: **26-4236691**

### Primary Contact

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name</td>
<td>David</td>
</tr>
<tr>
<td>Last Name</td>
<td>Park</td>
</tr>
<tr>
<td>Title</td>
<td>CEO</td>
</tr>
<tr>
<td>Street</td>
<td>3530 Wilshire Blvd</td>
</tr>
<tr>
<td>City</td>
<td>Los Angeles</td>
</tr>
<tr>
<td>State</td>
<td>California</td>
</tr>
<tr>
<td>Phone</td>
<td>310-295-8764</td>
</tr>
<tr>
<td>Ext.</td>
<td></td>
</tr>
<tr>
<td>Fax</td>
<td>310-954-9421</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:david@jdevelopmentllc.com">david@jdevelopmentllc.com</a></td>
</tr>
</tbody>
</table>

### Borrower Description:

- Same as developer? [ ]
- Name of Borrowing Entity: **Palms Residential Care Facility, Inc.**

### Type of Entity:

- For-profit Corporation [ ]
- Non-profit Corporation [ ]
- Partnership [ ]
- Other (specify) [ ]

- Will you be applying for State Volume Cap? [ ]

- Date Organized: 10-5-2006
- No. of Multi-Family Housing Projects Completed in the Last 10 Years: **3**
- No. of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **3**

### Primary Billing Contact

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name</td>
<td>David</td>
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<td>Street</td>
<td>3530 Wilshire Blvd</td>
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<td>City</td>
<td>Los Angeles</td>
</tr>
<tr>
<td>State</td>
<td>California</td>
</tr>
<tr>
<td>Phone</td>
<td>310-295-8764</td>
</tr>
<tr>
<td>Ext.</td>
<td></td>
</tr>
<tr>
<td>Fax</td>
<td>310-954-9421</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:david@jdevelopmentllc.com">david@jdevelopmentllc.com</a></td>
</tr>
</tbody>
</table>
Project Information

Project Name: Park Kingsmore Residences
New Project Name (optional):

Facility Information

Facility #1
Facility Name: Park Kingsmore Residences
Facility Bond Amount: $50,000,000.00

Project Address:
Street: 3060-3076 West Olympic Blvd
City: Los Angeles
County: Los Angeles
State: California
Zip: 90006

Is Project located in an unincorporated part of the County? Y N

Total Number of Units:
Market: 135
Restricted: 88
Total: 223
Lot size: 66,000
Amenities:
Day care, language classes, computer classes, entreprenuer classes, roof deck, commercial access, wifi, exercise program, huge community room, computer access, on-site social

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings):
2-story basement, and one-story concrete podium ground floor, with four stories of wood frame construction, above the podium.

Type of Housing:
☐ New Construction
☐ Acquisition/Rehab

Facility Use:
☐ Family
☐ Senior

Is this an Assisted Living Facility? ☐

Has the City or County in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Name of Agency:
First Name: Deron
Last Name: Williams
Title: Chief Deputy, City Councilman Herb Wesson
Phone: 213-473-7010
Fax:
Email: deron.williams@lacity.org

Public Benefit Info:
Percentage of Units in Low Income Housing: 20
Percentage of Area Median Income (AMI) for Low Income Housing Units: 60
Total Number of Management Units: 2

<table>
<thead>
<tr>
<th>#</th>
<th>Bedrooms (Unit Size)</th>
<th>%AMI</th>
<th>No. of restricted units</th>
<th>Restricted rent</th>
<th>Market rent</th>
<th>Expected savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Studio</td>
<td>50</td>
<td>5</td>
<td>725.00</td>
<td>1,100.00</td>
<td>375.00</td>
</tr>
<tr>
<td>2.</td>
<td>Studio</td>
<td>60</td>
<td>43</td>
<td>870.00</td>
<td>1,100.00</td>
<td>230.00</td>
</tr>
<tr>
<td>3.</td>
<td>1 Bedroom</td>
<td>50</td>
<td>2</td>
<td>776.00</td>
<td>1,800.00</td>
<td>1,024.00</td>
</tr>
<tr>
<td>4.</td>
<td>1 Bedroom</td>
<td>60</td>
<td>18</td>
<td>932.00</td>
<td>1,800.00</td>
<td>868.00</td>
</tr>
<tr>
<td>5.</td>
<td>2 Bedrooms</td>
<td>60</td>
<td>18</td>
<td>1,119.00</td>
<td>2,695.00</td>
<td>1,576.00</td>
</tr>
</tbody>
</table>
Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.

**Government Information**

*Project/Facility is in:*

<table>
<thead>
<tr>
<th>Congressional District #:</th>
<th>State Senate District #:</th>
<th>State Assembly District #:</th>
</tr>
</thead>
<tbody>
<tr>
<td>33</td>
<td>26</td>
<td>43</td>
</tr>
</tbody>
</table>
Financing Information

Maturity 35 Years

Interest Rate Mode:  
- [x] Fixed  
- [ ] Variable

Type of Offering:  
- [x] Public Offering  
- [ ] Private Placement  
- [ ] New Construction  
- [ ] Acquisition of Existing Facility  
- [ ] Refunding

(Refunding only) Will you be applying for State Volume Cap?  
- [ ] Yes  
- [x] No

Is this a transfer of property to a new owner?  
- [ ] Yes  
- [x] No

Construction Financing:  
- [x] Credit Enhancement  
- [ ] None  
- [ ] Letter of Credit  
- [ ] Other (specify): EB5

Name of Credit Enhancement Provider or Private Placement Purchaser: Northmarq Capital

Permanent Financing:  
- [x] Credit Enhancement  
- [ ] None  
- [ ] Letter of Credit  
- [ ] Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: Northmarq Capital

Expected Rating:  
- [ ] Unrated

Moody's: AA  
S&P: AA  
Fitch: AA

Projected State Allocation Pool:  
- [x] General  
- [ ] Mixed Income  
- [ ] Rural

Will the project use Tax-Credit as a source of funding?  
- [x] Y  
- [ ] N
## Sources and Uses

### Sources of Proceeds

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax-Exempt Bond Proceeds</td>
<td>$41,370,602.00</td>
</tr>
<tr>
<td>Taxable Bond Proceeds</td>
<td>$</td>
</tr>
<tr>
<td>Tax Credits</td>
<td>$4,147,646.00</td>
</tr>
<tr>
<td>Developer Equity</td>
<td>$</td>
</tr>
<tr>
<td>Other Funds (Describe)</td>
<td></td>
</tr>
<tr>
<td>Gap Investment</td>
<td>$2,013,405.00</td>
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<tr>
<td>EB5 Equity/Loan</td>
<td>$18,000,000.00</td>
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<tr>
<td>Deferred Developer Fee</td>
<td>$2,500,000.00</td>
</tr>
<tr>
<td></td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Sources</strong></td>
<td>$68,031,653.00</td>
</tr>
</tbody>
</table>

### Uses:

<table>
<thead>
<tr>
<th>Use</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Acquisition</td>
<td>$3,930,000.00</td>
</tr>
<tr>
<td>Building Acquisition</td>
<td>$</td>
</tr>
<tr>
<td>Construction or Remodel</td>
<td>$49,438,306.00</td>
</tr>
<tr>
<td>Cost of Issuance</td>
<td>$1,103,849.00</td>
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<tr>
<td>Capitalized Interest</td>
<td>$3,636,966.00</td>
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<tr>
<td>Reserves</td>
<td>$1,000,000.00</td>
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<tr>
<td>Other Uses (Describe)</td>
<td>$</td>
</tr>
<tr>
<td>Demolition</td>
<td>$350,000.00</td>
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<tr>
<td>Architect</td>
<td>$843,544.00</td>
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<tr>
<td>GC Overhead</td>
<td>$2,168,347.00</td>
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<tr>
<td>Developer Fee</td>
<td>$1,500,000.00</td>
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<tr>
<td>Other Soft Costs</td>
<td>$4,060,641.00</td>
</tr>
<tr>
<td><strong>Total Uses</strong></td>
<td>$68,031,653.00</td>
</tr>
</tbody>
</table>
Financing Team Information

Bond Counsel
Firm Name: Orrick, Harrington,

Primary Contact
First Name: Justin Last Name: Cooper
Title: partner
Address:
Street: 405 Howard Street
City: San Francisco
Phone: 415-773-5908
Email: jcooper@orrick.com

Bank/Underwriter/Bond Purchaser
Firm Name: Hutchinson Shockey Erley

Primary Contact
First Name: Lauro Last Name: Garcia
Title: partner
Address:
Street: 515 South Flower Street
City: Los Angeles
Phone: 858-509-0556
Email: lgarcia@hsemuni.com

Financial Advisor
Firm Name: Northmarq Capital

Primary Contact
First Name: Rob Last Name: Hervey
Title: EVP, Managing Director
Address:
Street: 500 Newport Center Drive
City: Newport Beach
Phone: 949-717-5210
Email: rhervey@northmarq.com

Rebate Analyst
Firm Name:

Primary Contact
First Name:
Title:
Address:
Street:
City:
Phone:
Email:
### Applicant Information

**Name of Developer:** Reiner Communities  
**TIN or EIN:** 20-3821985

### Primary Contact

**First Name:** Sean  
**Last Name:** Burrowes  
**Title:** Investment Director

**Address:**  
**Street:** 8105 Irvine Center Drive  
**City:** Irvine  
**State:** California  
**Zip:** 92618  
**Phone:** 949-753-0555  
**Email:** sburrowes@reinercommunities.com

### Borrower Description:

- [ ] Same as developer?

**Name of Borrowing Entity:** Entity to be formed "Pilgrim Terrace Affordable, LP"

### Type of Entity:

- [ ] For-profit Corporation
- [ ] Partnership
- [ ] Non-profit Corporation
- [ ] Other (specify)

- [ ] Will you be applying for State Volume Cap?

**Date Organized:** to be formed

**No. of Multi-Family Housing Projects Completed in the Last 10 Years:** 20  
**No. of Low Income Multi-Family Housing Projects Completed in the Last 10 Years:** 20

### Primary Billing Contact

**Organization:** Reiner Communities  
**First Name:** Sean  
**Last Name:** Burrowes  
**Title:** Investment Director

**Address:**  
**Street:** 8105 Irvine Center Drive  
**City:** Irvine  
**State:** California  
**Zip:** 92618  
**Phone:** 949-753-0555  
**Email:** sburrowes@reinercommunities.com
Project Information

Project Name: Pilgrim Terrace Homes
New Project Name (optional):

Facility Information

Facility #1

Facility Name: Pilgrim Terrace
Facility Bond Amount: $12,075,000.00

Project Address:
Street: 649 Pilgrim Terrace Drive
City: Santa Barbara State: California Zip: 93101
County: Santa Barbara

Is Project located in an unincorporated part of the County? Yes

Total Number of Units:
Market: 
Restricted: 84
Total: 84
Lot size: 8.25 acres

Amenities:
Community Room, Laundry Facilities, Service Coordinator, Adjacent Park, Community Garden

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings):
Single Story Wood Frame, 26 Buildings

Type of Housing:
New Construction
Acquisition/Rehab

Facility Use:
Family
Senior

Is this an Assisted Living Facility? No

Has the City or County in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Name of Agency:
First Name: Last Name:
Title: Ext: Fax:
Phone: Email:

Public Benefit Info:
Percentage of Units in Low Income Housing: 100
Percentage of Area Median Income (AMI) for Low Income Housing Units: 50

Total Number of Management Units: 1

<table>
<thead>
<tr>
<th>#</th>
<th>Bedrooms (Unit Size)</th>
<th>%AMI</th>
<th>No. of restricted units</th>
<th>Restricted rent</th>
<th>Market rent</th>
<th>Expected savings</th>
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<tr>
<td>1</td>
<td>1 Bedroom</td>
<td>50</td>
<td>16</td>
<td>704.00</td>
<td>1,465.00</td>
<td>761.00</td>
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<td>2</td>
<td>1 Bedroom</td>
<td>60</td>
<td>60</td>
<td>854.00</td>
<td>1,465.00</td>
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<td>3</td>
<td>2 Bedrooms</td>
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<td>842.00</td>
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<td>4</td>
<td>2 Bedrooms</td>
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<td>5</td>
<td>1,021.00</td>
<td>1,675.00</td>
<td>654.00</td>
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</table>

Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.
<table>
<thead>
<tr>
<th>Government Information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project/Facility is in:</strong></td>
</tr>
<tr>
<td>Congressional District #:</td>
</tr>
<tr>
<td>24</td>
</tr>
</tbody>
</table>
Financing Information

Maturity 17 Years

Interest Rate Mode:
- Fixed
- Variable

Type of Offering:
- Public Offering
- Private Placement
- New Construction
- Acquisition of Existing Facility
- Refunding

(Refunding only) Will you be applying for State Volume Cap? ☐ Yes ☑ No
Is this a transfer of property to a new owner? ☐ Yes ☑ No

Construction Financing:
- Credit Enhancement
- Letter of Credit
- None
- Other (specify) : FMAC

Name of Credit Enhancement Provider or Private Placement Purchaser: TBD, likely FMAC

Permanent Financing:
- Credit Enhancement
- Letter of Credit
- None
- Other (specify) : FMAC

Name of Credit Enhancement Provider or Private Placement Purchaser: TBD, likely FMAC

Expected Rating:
- Unrated

Moody's: aaa
S&P: Aa+
Fitch: aaa

Projected State Allocation Pool:
- General ☑ Mixed Income ☐ Rural

Will the project use Tax-Credit as a source of funding? ☑ Yes ☐ No
## Sources and Uses

### Sources of Proceeds

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Tax-Exempt Bond Proceeds</td>
<td>$12,075,000</td>
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<tr>
<td>Taxable Bond Proceeds</td>
<td>$</td>
</tr>
<tr>
<td>Tax Credits</td>
<td>$6,420,857</td>
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<tr>
<td>Developer Equity</td>
<td>$1,758</td>
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<td>Other Funds (Describe)</td>
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<tr>
<td><strong>Seller Carry Note</strong></td>
<td>$2,500,000</td>
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<tr>
<td><strong>Total Sources</strong></td>
<td>$20,997,615</td>
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### Uses:

<table>
<thead>
<tr>
<th>Use</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Land Acquisition</td>
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<tr>
<td>Building Acquisition</td>
<td>$12,006,300</td>
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<tr>
<td>Construction or Remodel</td>
<td>$3,715,218</td>
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<tr>
<td>Cost of Issuance</td>
<td>$596,061</td>
</tr>
<tr>
<td>Capitalized Interest</td>
<td>$</td>
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<tr>
<td>Reserves</td>
<td>$301,483</td>
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<td>Other Uses (Describe)</td>
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<td><strong>Developer Fee</strong></td>
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<td><strong>Other/Misc/Admin</strong></td>
<td>$650,835</td>
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<td><strong>Total Uses</strong></td>
<td>$20,997,615</td>
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</table>
Financing Team Information

**Bond Counsel**
Firm Name: Orrick Herrington

**Primary Contact**
First Name: Justin  
Last Name: Cooper  
Title: Bond Counsel  
Address:  
Street: 405 Howard Street  
City: San Francisco  
Phone: 415-773-5908  
Email: jcooper@orrick.com  

**Bank/Underwriter/Bond Purchaser**
Firm Name:Citi  
Primary Contact  
First Name: Jay  
Last Name: Abeywardena  
Title:  
Address:  
Street: 325 E. Hillcrest Drive  
City: Thousand Oaks  
Phone: (805) 557-0943  
Email: jay.m.abeywardena@citi.com

**Financial Advisor**
Firm Name:tbd  
Primary Contact  
First Name:  
Last Name:  
Title:  
Address:  
Street:  
City:  
Phone:  
Email:  

**Rebate Analyst**
Firm Name:  
Primary Contact  
First Name:  
Last Name:  
Title:  
Address:  
Street:  
City:  
Phone:  
Email: 
Item VII

Consideration of Criteria for CSCDA P3 Asset Ownership Program. (Cathy Bando/Roger Davis)
SUMMARY AND APPROVALS

DATE: MAY 8, 2014
PROGRAM: P3 ASSET OWNERSHIP
PURPOSE: CONSIDERATION OF CRITERIA FOR P3 ASSET OWNERSHIP PROGRAM

Background:

At the CSCDA meeting on February 20, 2014, the CSCDA Commission authorized formation of an Ad Hoc Committee to analyze possible establishment of a P3 asset ownership program. The Ad Hoc Committee consisting of Commissioners Ron Holly, Brian Moura, and Tim Snellings along with Executive Director Cathy Bando and General Counsel Greg Stepanicich worked with Orrick, Herrington & Sutcliffe to develop the attached criteria based on Orrick’s previous work in designing and implementing this structure.

Consideration:

The Commission shall consider approval of the attached criteria for establishing a P3 asset ownership structure.
Criteria for Ownership (P3) Structure

1. Sponsor would agree to include structural and document protections of CSCDA, set out in an outline prepared by Orrick Herrington & Sutcliffe based on its prior experience designing and implementing this structure. These protections will include:
   a. Disclaimers of contractual liability of any kind with respect to the bonds and all the other agreements to which CSCDA is a party.
   b. Disclaimer of responsibility for information contained in any disclosure document (other than the “Authority” and “Litigation” sections).
   c. Adequate indemnifications or Indenture provisions for the funding of accounts with enough revenues from the project to cover any expenses the CSCDA may incur for any reason (budgeted and unbudgeted).
   d. Delegation as much as possible to the Bond Trustee, the Manager or the Financial Consultant of any additional responsibilities CSCDA might otherwise have as a result of its ownership of the project.

2. Orrick would be Issuer and Bond Counsel, and in such capacity would report to the Board any material adverse deviations prior to authorization of bonds and documents by the Board.

3. In the event a disclosure document is prepared, any opinion rendered by disclosure or underwriters counsel would also be addressed to CSCDA.

4. In event of private placement or limited offering, an investor letter would be required in connection with the original sale in form satisfying #1 and 2 above.

5. CSCDA would select an Insurance Consultant, and the insurance required with respect to the project would meet or exceed the recommendations of the insurance consultant.

6. CSCDA would not select, but would review the qualifications of, the Facilities Manager.

7. CSCDA would engage BLX Group or other competent party as Financial Consultant to act as CSCDA’s fiduciary financial consultant on the transaction, and post closing to oversee performance of the Facilities Manager, including formulation of budgets and approving disbursements, performing other tasks of the CSCDA as owner that are specified in accordance with #1d above, review post-issuance rebate and other tax and disclosure compliance, and report annually to the Board on the foregoing.

8. CSCDA will, at its discretion, annually review the Insurance Consultant, Facilities Manager and Financial Consultant, and make any changes it deems appropriate, provided that it will not seek to change the Facilities Manager without consent of the Bond Trustee and any ground lessor, donee of the project or other holder of residential interests in the project, and subject to any conditions set out in the bond documents.
9. The foregoing are in addition to the usual provisions and procedures the CSCDA applies to approving traditional conduit financings.
Item VIII

Consideration of deposit and reimbursement agreement for the proposed Statewide Communities Infrastructure Program Assessment District in Yucaipa. (Staff: Scott Carper)
SUMMARY AND APPROVALS

REQUEST: CONSIDERATION OF DEPOSIT AND REIMBURSEMENT AGREEMENT FOR THE PROPOSED STATEWIDE COMMUNITIES INFRASTRUCTURE PROGRAM ASSESSMENT DISTRICT IN YUCAIPA.

DATE: MAY 8, 2014

Background:

The Deposit and Reimbursement Agreement provides the means by which each individual developer seeking formation of the assessment district or community facilities district will provide a deposit to pay the initial costs of formation, including engineer's reports, appraisals and legal fees that will ultimately be reimbursed from the proceeds of a bond sale for the formed district. The adoption of the resolution and execution of the Deposit and Reimbursement Agreement does not obligate the Authority to form the districts, but it does obligate the Authority to take reasonable action toward formation.

Orrick has reviewed and drafted the form of Deposit and Reimbursement Agreement.

Approvals:

Staff recommends consideration of approval of the Deposit and Reimbursement Agreement.
RESOLUTION NO. 14R-____

RESOLUTION OF THE COMMISSION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY APPROVING A FORM OF DEPOSIT AND REIMBURSEMENT AGREEMENT FOR THE PROPOSED CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY STATEWIDE COMMUNITIES INFRASTRUCTURE PROGRAM ASSESSMENT DISTRICT

WHEREAS, under the authority of the Municipal Improvement Act of 1913 (the “1913 Act”), being Division 12 (commencing with Sections 10000 and following) of the California Streets and Highways Code (the “Code”), the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”) intends to finance, through its Statewide Community Infrastructure Program, certain capital improvements and the payment of certain development impact fees for public improvements (together, the “Improvements”) through the creation of a Statewide Community Infrastructure Program Assessment District for the Yucaipa Valley Water District to be formed in 2014 (the “Assessment District”); and

WHEREAS, a form of Deposit and Reimbursement Agreement between the Authority and each developer within the related Assessment District, is made available to the Commission; and

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

Section 1. The foregoing recitals are true and correct, and this Commission so finds and determines.

Section 2. The form of Deposit and Reimbursement Agreement, by and between the Authority and each developer is hereby approved. Any member of the Commission of the Authority, the Executive Director of the Authority, or their administrative delegates duly authorized pursuant to Resolution No. 14R-4 of the Authority, adopted on February 6, 2014 (each, an “Authorized Signatory”) is hereby authorized and directed to execute and deliver one or more Deposit and Reimbursement Agreement in substantially said form, with any changes therein as may be necessary after consultation with counsel to the Authority, such approval to be conclusively evidenced by the execution and delivery of the Deposit and Reimbursement Agreement.

Section 3. This resolution shall take effect immediately upon its passage.
PASSED AND ADOPTED by the California Statewide Communities Development Authority this 8th day of May, 2014.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on May 8, 2014.

By ____________________________________________
Authorized Signatory
California Statewide Communities
Development Authority
Item IX

Consideration of deposit and reimbursement agreement for the proposed Community Facilities District No. 2014-01 (University Park). (Staff: Scott Carper)
SUMMARY AND APPROVALS

REQUEST: CONSIDERATION OF DEPOSIT AND REIMBURSEMENT AGREEMENT FOR THE PROPOSED COMMUNITY FACILITIES DISTRICT NO. 2014-01 (UNIVERSITY PARK).

DATE: MAY 8, 2014

Background:

The Deposit and Reimbursement Agreement provides the means by which each individual developer seeking formation of the assessment district or community facilities district will provide a deposit to pay the initial costs of formation, including engineer's reports, appraisals and legal fees that will ultimately be reimbursed from the proceeds of a bond sale for the formed district. The adoption of the resolution and execution of the Deposit and Reimbursement Agreement does not obligate the Authority to form the districts, but it does obligate the Authority to take reasonable action toward formation.

Orrick has reviewed and drafted the form of Deposit and Reimbursement Agreement.

Approvals:

Staff recommends consideration of approval of the Deposit and Reimbursement Agreement.
RESOLUTION NO. 14R-__

RESOLUTION OF THE COMMISSION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY APPROVING A FORM OF DEPOSIT AND REIMBURSEMENT AGREEMENT FOR THE PROPOSED COMMUNITY FACILITIES DISTRICT NO. 2014-01 (UNIVERSITY PARK)

WHEREAS, the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”) has determined to undertake certain proceedings toward the establishment of a community facilities district pursuant to the Community Facilities Act of 1982, Chapter 2.5 of Division 2 of Title 5 of the California Government Code, commencing with Section 53311 (the “Act”), proposed to be named “California Statewide Communities Development Authority Community Facilities District No. 2014-01 (University Park)” (the “Community Facilities District”) for the purposes of financing certain public improvements and development impact fees to partially mitigate the impacts of new development is expected to occur or has occurred within the proposed boundaries of or adjacent to the Community Facilities District and located in the City of Rohnert Park by the issuance of bonds to be secured by the special tax to be levied in the Community Facilities District pursuant to the Act; and

WHEREAS, a form of Deposit and Reimbursement Agreement (the “Deposit and Reimbursement Agreement”) between the Authority and [Brookfield Emerson Land LLC] (the “Developer”) is on file with the Secretary of the Authority and presented to this meeting; and

NOW, THEREFORE, BY IT RESOLVED by the Commission as follows:

Section 1. The foregoing recitals are true and correct, and this Commission so finds and determines.

Section 2. The Commission hereby determines to undertake proceedings pursuant to the Act for the purposes of financing the public improvements and development impact fees in the Community Facilities District and hereby directs any member of the Commission of the Authority, the Executive Director of the Authority, or their administrative delegates duly authorized pursuant to Resolution No. 14R-4 of the Authority, adopted on February 6, 2014 (each, an “Authorized Signatory”) to prepare or cause to be prepared proceedings to accomplish the same and to submit the same to the Commission for consideration at the earliest practical opportunity and hereby ratifies any such actions of the any of the foregoing taken prior to this meeting.

Section 3. The form of Deposit and Reimbursement Agreement is hereby approved. Any Authorized Signatory is hereby authorized and directed to execute and deliver the Deposit and Reimbursement Agreement in substantially such form, with any changes therein as may be necessary after consultation with counsel to Authority, such approval to be conclusively evidenced by the execution and delivery of the Deposit and Reimbursement Agreement.
Section 4. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 8th day of May, 2014.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on May 8, 2014.

By__________________________
Authorized Signatory
California Statewide Communities Development Authority
Item XI

Consideration of resolution ordering judicial foreclosure of delinquent assessment installments levied within Assessment District No. 11-01 (San Joaquin). (Staff: Scott Carper)
REQUEST: CONSIDERATION OF RESOLUTION ORDERING JUDICIAL FORECLOSURE OF DELINQUENT ASSESSMENT INSTALLMENTS LEVIED WITHIN ASSESSMENT DISTRICT NO. 11-01 (SAN JOAQUIN).

DATE: MAY 8, 2014

Background:

The Resolution allows CSCDA’s foreclosure counsel Stradling Yocca Carlson & Rauth to commence foreclosure proceedings on the parcel owned by SNB Tracy in SCIP 2011A. SNB Tracy is the developer of Tracy Gateway, a 141 acre commercial/retail project in Tracy. SCIP issued approximately $7.2 MM of bonds for the project in 2011. The development was to be anchored by a new Sutter Hospital, but Sutter subsequently pulled out. SNB Tracy was in partnership with Tracy Gateway which has filed for bankruptcy. Tracy Gateway is also delinquent, and foreclosure counsel has filed a secured claim and will be seeking a stay of the bankruptcy in order to commence foreclosure on those parcels. SNB Tracy is in work-out discussions to acquire all the property and bring the assessments current. The delinquent amount goes back to December 10, 2012 and is $495,000. However, in the meantime we will be proceeding with foreclosure. Monitoring foreclosures are covered as part of the annual administration budget included in the levy. Cost of legal action by foreclosure counsel is recovered as part of the judgment to bring the property current. The cost to cover foreclosure is not the responsibility of CSCDA. While this is unfortunate, it is SCIP’s only significant delinquency.

Stradling Yocca Carlson & Rauth has reviewed and drafted the form of Resolution Ordering Judicial Foreclosure of Delinquent Assessment Installments. Orrick has also reviewed and approved.

Approvals:

Staff recommends consideration of approval of the Resolution Ordering Judicial Foreclosure.
RESOLUTION NO. 14-

RESOLUTION OF THE COMMISSION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY ORDERING JUDICIAL FORECLOSURE OF DELINQUENT ASSESSMENT INSTALLMENTS LEVIED WITHIN ASSESSMENT DISTRICT NO. 11-01 (SAN JOAQUIN) PURSUANT TO THE MUNICIPAL IMPROVEMENT ACT OF 1913 AND ORDERING THAT THE TAX COLLECTOR BE CREDITED WITH THOSE INSTALLMENTS

WHEREAS, Assessment District No. 11-01 (San Joaquin) (the “Assessment District”) of the California Statewide Communities Development Authority (“CSCDA”) has levied special assessments for the payment of bonds (“Special Assessments”) pursuant to the Municipal Improvement Act of 1913, Division 12 of the Streets and Highways Code of California, (the “Municipal Act”) and incurred bonded indebtedness pursuant to the provisions of the Improvement Bond Act of 1915, Division 10 of the Streets and Highways Code of California (the “Bond Act”); and

WHEREAS, pursuant to the provisions of the Municipal Act and Bond Act, the County Treasurer-Tax Collector has duly and regularly levied and recorded the Special Assessments, which Special Assessments, and interest and penalties thereon constitute liens against the lots and parcels of land against which they are made, until the same are paid; and

WHEREAS, certain Special Assessments have not been paid when due, and certain Special Assessments may not be paid in the future; and

WHEREAS, pursuant to provisions of the Bond Act, this Commission of the California Statewide Communities Development Authority, acting in its capacity as the legislative body of the Assessment District (“Commission”), is authorized, not later than four (4) years subsequent to the last maturity of the principal of bonds secured by the assessment, to order the delinquent Special Assessments to be collected by an action brought in the superior court to foreclose the lien of those Special Assessments; and

WHEREAS, pursuant to the provisions of the Bond Act, CSCDA covenanted for the benefit of bondholders to commence and diligently prosecute any foreclosure action regarding delinquent installments of any assessments which secure the bonds that were issued by the Assessment District; and

WHEREAS, the Commission has determined that public convenience and necessity require prompt action to initiate foreclosure proceedings; and

WHEREAS, pursuant to the provisions of the Bond Act, when an action is ordered to foreclose on a lien of delinquent Special Assessments, the County Treasurer-Tax Collector shall be credited upon the current assessment roll with the amount charged against the delinquent account, including applicable penalties, interest and costs, and to be relieved of further duty in regard thereto; and
WHEREAS, the Commission previously retained Stradling, Yocca, Carlson & Rauth, a Professional Corporation (“Special Counsel”), to prosecute such judicial foreclosure actions;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY THAT:

Section 1. The Commission hereby finds and determines that the foregoing recitals are true and correct.

Section 2. All delinquent Special Assessments on parcels listed in Exhibit A attached hereto and incorporated herein, and all future Special Assessments on said parcels which are not paid when due, along with all delinquent penalties, interest and fees, shall be collected by action brought in the Superior Court of San Joaquin County to foreclose the liens thereof pursuant to the California Streets and Highways Code.

Section 3. All costs and attorneys’ fees incurred in the collection of the delinquent Special Assessments shall be sought in the foreclosure action pursuant to the California Streets and Highways Code. Special Counsel is authorized to require the payment of costs and attorneys’ fees as a condition of any pre-judgment or post-judgment redemption.

Section 4. Special Counsel in conjunction with CSCDA personnel and consultants are authorized and directed as applicable, pursuant to Streets and Highways Code Section 8833(a):

a) To record notices of intent to remove the delinquent special assessment installments from the tax rolls; and

b) To request that the applicable County officials remove current and future delinquent assessment installments from the tax rolls.

Section 5. All inquiries regarding payment of the delinquent Special Assessments shall be forwarded to Stradling Yocca Carlson & Rauth c/o Allison E. Burns, Esq., 660 Newport Center Drive, Suite 1600, Newport Beach, California 92660.

Section 6. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority on May____, 2014.

* * * * *

I, the undersigned, a duly appointed, and qualified Authorized Signatory of the Commission of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of said Authority at a duly called meeting of the Commission of said Authority held in accordance with law on May ____, 2014.

By: ________________________________,
Authorized Signatory
California Statewide Communities
Development Authority
**EXHIBIT A**

(CURRENTLY DELINQUENT PARCEL IN DISTRICT 11-01)

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<thead>
<tr>
<th>ASSESSOR PARCEL NUMBER</th>
<th>TAX YEARS</th>
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<td>209-470-01-0000</td>
<td>2012/2013</td>
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<tr>
<td>209-470-01-0000</td>
<td>2013/2014</td>
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Item XII

Consideration of CSCDA Program Manager Request for Proposal. (Cathy Bando)
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL

PROGRAM ORIGINATION, PROGRAM DEVELOPMENT AND MANAGEMENT SERVICES

May 8, 2014

I. INTRODUCTION

The California Statewide Communities Development Authority ("CSCDA" or the "Authority") is soliciting proposals for a partner to provide key leadership and support in origination, new program development, administration and management (the "Program Administrator" or "Program Manager") of the Authority’s public benefit financing programs. While the Authority’s preference is to engage a single Program Administrator for all of its programs, the Authority reserves the right to select multiple partners to manage and administer its programs or to internally manage portions or all of the programs.

II. BACKGROUND

CSCDA’s mission is to provide local governments and qualified private entities with access to low-cost, tax-exempt, taxable or tax-credit based financing for projects that provide a tangible public benefit, contribute to social and economic growth and improve the overall quality of life in local communities throughout California.

CSCDA is a Joint Powers Authority ("JPA") created in 1988 under California’s Joint Exercise of Powers Act. CSCDA is sponsored by the League of California Cities (the "League" or the “LCC”) and the California State Association of Counties ("CSAC"). The statewide authority derives its issuing powers from state law and its city, county and special district members. Any California local government is eligible to become a member of the JPA. The current members of the JPA represent the following types of local agencies:

<table>
<thead>
<tr>
<th>Type of Local Agency</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cities</td>
<td>366</td>
</tr>
<tr>
<td>Counties</td>
<td>56</td>
</tr>
<tr>
<td>City &amp; County</td>
<td>1</td>
</tr>
<tr>
<td>Special Districts</td>
<td>69</td>
</tr>
<tr>
<td>Other Agencies</td>
<td>17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>509</strong></td>
</tr>
</tbody>
</table>

CSCDA provides California local governments with an effective tool for the timely financing of community-based public benefit projects. A copy of the amended and restated JPA Agreement can be downloaded at CSCDA’s website at:
http://www.cacomunities.org/fileadmin/hb/cscda/about_us/CSCDAjpaAgreement.pdf
In addition to managing CSCDA’s programs, the Program Administrator manages the activities of the California Statewide Communities Development Corporation (see below under New Markets Tax Credit Program) and the California Statewide Financing Authority (created for Tobacco Securitizations.) The Authority has completed over 1,300 financings totaling more than $48 billion since 1988 on behalf of California public agencies and qualified private entities.

1. Public Agency Programs

CSCDA creates innovative, low-cost, pooled finance programs to respond to the fiscal needs of city, county and special district participants. The programs are designed to address short-term borrowing needs, budget shortfalls, and provide access to capital for critical infrastructure improvements. CSCDA offers the following Public Agency Programs:

a) California Lease Finance Program (CaLease)

This program offers tax-exempt lease financing to public agencies for capital projects, and equipment without the traditional expense or complexity of other finance mechanisms.

b) Statewide Community Infrastructure Program (SCIP)

SCIP allows participating local agencies to receive impact fees prior to development, while property owners repay the tax-exempt obligation over a thirty year bond term. SCIP may eliminate the need for local agencies to negotiate deferral fee agreements. CSCDA has issued $170 million in bonds through the SCIP Program.

c) Delinquent Property Tax Funding Program

This program enables cities and districts that do not participate in a county Teeter plan to sell or assign their share of their county's delinquent 1% levy taxes to the CSCDA; and similarly enables Community Facilities and Special Assessment Districts to sell or assign their delinquencies to the CSCDA. This program could also be used by cities and districts that do participate in a Teeter plan, but have some non-Teetered special tax or fund delinquencies.

d) Additional CSCDA Public Agency Programs

Since its inception, CSCDA has served as the conduit issuer for public agency pooled financings and stand-alone financings in connection with the issuance of over $9 billion of tax and revenue anticipation notes, $414 million of pension obligation bonds, nearly $2.4 billion in asset securitizations, and over $400 million in water/wastewater revenue bonds and lease revenue bonds.

2. Energy Finance Programs

a) Sustainable Energy Bond Program
CSCDA and the Foundation for Renewable Energy and Environment are teaming together to provide public agencies and nonprofit organizations throughout California with access to tax exempt financing for critical sustainable energy investments.

**b) CaliforniaFIRST – Property Assessed Clean Energy Program**

CSCDA established CaliforniaFIRST, a multi-jurisdiction Property Assessed Clean Energy (“PACE”) program, in 2008. PACE is a financing tool that allows property owners to secure upfront funding for energy and water-saving improvements, which they repay through a voluntary contractual assessment lien on their property tax bill. CaliforniaFIRST is available to commercial and residential property owners. The CaliforniaFIRST residential Program was suspended in 2010 due to FHFA’s statement that it would not approve conforming loans for residential home mortgages with PACE assessments. CSCDA recently re-launched the CaliforniaFIRST residential Program in response to the establishment of a mortgage loss reserve program by the State of California.

3. **Private Activity Programs**

CSCDA has built a successful track record of financing high quality public benefit projects. CSCDA has issued more than $37 billion for the construction, equipping, rehabilitation, or modernization of 1,905 local, community approved projects since 1988.

CSCDA offers the following Private Activity Programs:

**a) 501(c)(3) Nonprofit**

Qualified nonprofit organizations can access low-cost, tax-exempt bonds to finance or refinance the acquisition, construction, installation, expansion or rehabilitation of land, buildings, and equipment. A 501(c)(3) nonprofit organization can finance projects at a lower interest rate than conventional financing because the interest paid to bondholders is exempt from federal (and, in some instances, state) income taxes. CSCDA has issued bonds for 311 nonprofit hospitals and medical facilities, 105 continuing care facilities, and 186 educational facilities.

**b) Housing Bonds**

For-profit and nonprofit developers can access tax-exempt bonds for the financing of low-income multifamily and senior housing projects. The bonds may be used to finance or refinance the acquisition and rehabilitation of an existing project or for the construction of a new project, provided the developer agrees to set aside all, or a portion, of the units in a project for individuals and families of very low, low or moderate income. CSCDA has issued bonds to finance 65,445 affordable housing units for 545 multi-family and 150 senior housing projects.
c) **Industrial Development Bonds**

Eligible manufacturers can access cost-effective, tax-exempt bond proceeds to acquire, construct or rehabilitate manufacturing facilities that promote job creation and retention. Bond proceeds may also be used for the acquisition of new equipment. CSCDA has issued IDBs for 126 manufacturing facilities.

d) **Solid Waste/Other Exempt Facilities**

This program offers companies seeking cost-effective, tax-exempt capital to finance the acquisition and rehabilitation, construction of, or the acquisition of new equipment for solid waste and exempt facilities. CSCDA has issued bonds to finance 19 solid waste disposal and alternative energy facilities.

e) **Other Private Activity Projects**

CSCDA has issued bonds for 173 other projects including research institutes, rehabilitation and various public benefit facilities.

4. **New Markets Tax Credit Program**

Created by the U.S. Government in 2000 as part of the Community Renewal Tax Relief Act, the New Markets Tax Credit Program (“NMTC”) encourages investment in low-income communities. Through the NMTC Program, real estate projects or businesses in a low-income community are able to generate capital by providing investors with a tax credit as an additional incentive for capital investment.

The authority to determine how tax credits are allocated is granted to entities called Community Development Entities (CDEs). CDEs have been certified by the Community Development Financial Institutions Fund (CDFI Fund) of the U.S. Department of the Treasury after completing a rigorous application process and demonstrating their commitment and history of investing capital into low-income communities.

Certified CDEs compete annually to receive awards under the NMTC Program and the CDFI Fund typically designates 70-100 CDEs to receive a NMTC allocation each year. Once awarded, a CDE may sub-allocate NMTC allocation authority to qualified projects or businesses that are aligned with the objectives of the NMTC program. In the last 10 years, the CDFI Fund has awarded $36.5 billion in tax credit authority to certified CDEs.

CSCDA established a NMTC program through the California Statewide Communities Development Corporation (“CSCDC”), an affiliate Community Development Entity, to facilitate investment in low-income communities through the use of New Markets Tax Credits. In 2013, CSCDC was awarded a $35 million NMTC allocation that was allocated to fund four projects in distressed California communities.
5. Housing Bond Post Issuance Compliance

CSCDA has taken proactive steps to ensure that borrowers of affordable housing bonds who issue tax-exempt bonds through CSCDA are aware of and comply with the post-issuance responsibilities required under the federal tax rules. Rental properties financed with tax-exempt bonds must meet low income set-asides and comply with other requirements for decades after closing, and even temporary non-compliance can put the tax-exempt status of the bonds in jeopardy.

CSCDA strives to position its borrowers to respond to increased scrutiny of affordable housing financings by providing state-of-the-art compliance monitoring procedures and software to allow continuous monitoring of rental properties and ensure that potential problems are identified and resolved quickly. The procedures include the following:

- Quarterly analysis of the income and rent calculations to ensure compliance with federal and state legal requirements
- Quarterly analysis and filing of Certificates of Continuing Program Compliance
- Review, acceptance and electronic filing of all compliance reports
- Electronic filing and access to recorded regulatory agreements for property
- Updates and maintenance to compliance software, compliance status, report history and files accessible through web-based software on a real time basis
- Site visits, file audits and physical property reviews at the time the property is placed in service and at least once every three years after the placed in service date, more frequently where problems arise
- Prompt notification to property owners of exception findings

In an effort to further assist borrowers with post-issuance compliance, CSCDA sends annual reminders and updates to relevant changes in post-issuance compliance requirements to all of its borrowers. The compliance monitoring program consults with members of the finance team, including bond counsel, at the time of bond issuance to determine exactly what responsibilities a borrower has for the term of a particular bond issue.

Upon the issuance of bonds, the issuer and borrower have a significant number of post-issuance responsibilities related to monitoring a bond issue for compliance with federal tax rules for the duration that bonds are outstanding. After issuance, bonds may be outstanding for a few years or several decades, during which time it is critical to ensure all material documents and records are maintained. Further, the Internal Revenue Service (“IRS”) recommends that material tax records be retained for the life of a bond issue, plus three years.

A few examples of the many post-issuance compliance responsibilities a borrower may have include:

- Tracking that proceeds of a bond issuance are spent on qualified tax-exempt bond purposes.
- Keeping detailed records of all expenditures and investments related to bond funds.
- Ensuring the project financed is used in a manner consistent with the legal requirements.
• Providing necessary disclosure information regarding financial and operating status annually.

CSCDA’s post-issuance compliance program tracks borrowers’ compliance with all applicable requirements to enable borrowers to be able to respond to any possible IRS inquiry on a successful and cost-effective basis. In addition, CSCDA’s post-compliance services position borrowers with an established program that will effectively judge the possible benefits of future refunding opportunities with this information close at hand.

6. New Programs

CSCDA is seeking an innovative Program Administrator partner that is focused on expanding CSCDA’s existing programs, and developing, implementing and growing new CSCDA programs that will provide important public benefits in the cities, counties and the citizens of California.

III. FEE SCHEDULE

A copy of the Authority’s current fee schedule is provided below:

<table>
<thead>
<tr>
<th>Bond Program</th>
<th>Issuance (Origination) Fee</th>
<th>Annual Administration Fee</th>
<th>Assessed Against</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing</td>
<td>0.20% (Min $15,000)</td>
<td>0.05%</td>
<td>Aggregate Principal O/S on interest payment date</td>
</tr>
<tr>
<td>501(c)(3) Nonprofit Housing</td>
<td>0.20% (Min $15,000)</td>
<td>0.05%</td>
<td>Aggregate Principal O/S on interest payment date</td>
</tr>
<tr>
<td>501(c)(3) Nonprofit</td>
<td>0.20% (Min $15,000)</td>
<td>0.05%</td>
<td>Aggregate Principal O/S on interest payment date</td>
</tr>
<tr>
<td>Long Term Municipal</td>
<td>0.15% (Min $7,500)</td>
<td>0.015%</td>
<td>Aggregate Principal O/S on interest payment date</td>
</tr>
<tr>
<td>Tax and Revenue Anticipation Notes</td>
<td>$3,000</td>
<td>none</td>
<td>Aggregate Principal O/S on interest payment date</td>
</tr>
<tr>
<td>Airports/Solid Waste/Exempt Facilities</td>
<td>0.25% (Min $25,000)</td>
<td>0.05%</td>
<td>Aggregate Principal O/S on interest payment date</td>
</tr>
<tr>
<td>Taxable</td>
<td>0.25% (Min $25,000)</td>
<td>0.05%</td>
<td>Aggregate Principal O/S on interest payment date</td>
</tr>
<tr>
<td>Mello Roos and Special Assessment Bonds^5</td>
<td>0.25% (Min $30,000)</td>
<td>0.10%</td>
<td>Aggregate Principal O/S on interest payment date</td>
</tr>
<tr>
<td>Industrial Development Bonds</td>
<td>$25,000</td>
<td>N/A</td>
<td>Aggregate Principal O/S on interest payment date</td>
</tr>
</tbody>
</table>

Note: Bond Programs require one $5,000 Fee Deposit, per borrower, per calendar year which is applied to the issuance fee at closing.

<table>
<thead>
<tr>
<th>Bond Program</th>
<th>Issuance Fee</th>
<th>Annual Administration Fee</th>
<th>Assessed Against</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICB LBP &amp; EP, Solid Waste EP, Nonprofit</td>
<td>3.00% (Min $60,000)</td>
<td>None</td>
<td>none</td>
</tr>
</tbody>
</table>

Note: Small Issue Public Benefit Bond Programs require one $2,500 Issuance Fee Deposit, per borrower, per calendar year which is applied to the issuance fee at closing.

---

^1 One-half of the Annual Administration Fee for Housing Bond issuances will be collected at the time of issuance.

^2 In addition, CSCDA reserves the right to collect all issuance fees upfront as a deposit for any bond issuance requiring volume cap allocation.

^3 Minimum Annual Administration Fee for Housing bond issuances is $5,000 per project (a $1,000 annual compliance monitoring fee will replace the existing Annual Administration Fee throughout the CDLAC Compliance Period after the Qualified Project Period has expired).

Projects requiring IRP monitoring will be charged: $10,000 (in addition to the Annual Administration Fee) for CSCDA issued projects or $15,000 for non-CSCDA issued projects.

^4 Health Facility financings: Issuance Fee will be capped at $100,000 and the Annual Administration Fee capped at $150,000.

^5 The fee for TRANs in excess of $80 Million is $7,500.

^6 Mello Roos issues require all fees + $20,000 upfront as a deposit.
All income received by the Authority is derived from issuance/origination fees and on-going administration fees. Fees are recognized by the Authority on a cash basis during the fiscal year received. Fiscal years end June 30 of each year. Receipts for the last five years are summarized below:

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RECEIPTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Issuance (Origination) Fees</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Healthcare</td>
<td>176,845</td>
<td>432,003</td>
<td>506,319</td>
<td>188,271</td>
<td>171,000</td>
</tr>
<tr>
<td>Higher Education</td>
<td>908</td>
<td>119,755</td>
<td>163,888</td>
<td>95,000</td>
<td></td>
</tr>
<tr>
<td>Other 501 (c) 3</td>
<td>412,580</td>
<td>185,000</td>
<td>388,991</td>
<td>408,015</td>
<td>311,000</td>
</tr>
<tr>
<td>Qualified Residential Rental Program</td>
<td>413,330</td>
<td>838,240</td>
<td>1,250,004</td>
<td>729,477</td>
<td>1,379,000</td>
</tr>
<tr>
<td>SCIP/Mello Roos</td>
<td>92,700</td>
<td>0</td>
<td>137,850</td>
<td>30,000</td>
<td>110,000</td>
</tr>
<tr>
<td>Other Municipal Bond Program</td>
<td>235,975</td>
<td>466,392</td>
<td>118,833</td>
<td>311,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Issuance (Origination) Fees</strong></td>
<td>1,332,338</td>
<td>1,921,634</td>
<td>2,521,751</td>
<td>1,658,019</td>
<td>2,131,000</td>
</tr>
<tr>
<td><strong>Bond Administration Fees</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Healthcare</td>
<td>2,309,839</td>
<td>2,147,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Higher Education</td>
<td>291,697</td>
<td>240,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other 501 (c) 3</td>
<td>3,707,656</td>
<td>3,604,988</td>
<td>4,160,990</td>
<td>743,369</td>
<td>612,000</td>
</tr>
<tr>
<td><strong>Total 501 (c) 3</strong></td>
<td>3,707,656</td>
<td>3,604,988</td>
<td>4,160,990</td>
<td>3,344,905</td>
<td>2,999,000</td>
</tr>
<tr>
<td>Qualified Residential Rental Program</td>
<td>7,365,327</td>
<td>6,938,523</td>
<td>7,556,923</td>
<td>7,223,734</td>
<td>7,109,000</td>
</tr>
<tr>
<td>SCIP/Mello Roos</td>
<td>131,965</td>
<td>123,525</td>
<td>128,690</td>
<td>134,060</td>
<td>169,000</td>
</tr>
<tr>
<td>Other Municipal Bond Program</td>
<td>442,112</td>
<td>470,867</td>
<td>557,781</td>
<td>503,129</td>
<td>443,000</td>
</tr>
<tr>
<td><strong>Total Bond Administration Fees</strong></td>
<td>11,647,060</td>
<td>11,137,903</td>
<td>12,404,384</td>
<td>11,205,828</td>
<td>10,720,000</td>
</tr>
<tr>
<td><strong>Deposits and Investment Income</strong></td>
<td>3,062,984</td>
<td>3,753,681</td>
<td>3,338,315</td>
<td>1,199,665</td>
<td>-87,400</td>
</tr>
<tr>
<td><strong>TOTAL RECEIPTS</strong></td>
<td>16,042,382</td>
<td>16,813,218</td>
<td>18,264,450</td>
<td>14,063,512</td>
<td>12,763,600</td>
</tr>
</tbody>
</table>

(1) Estimated

One hundred percent of the Authority’s receipts are allocated each year to cover commissioner expense reimbursements, staff services (executive director, general counsel and issuer counsel), insurance, additional professional services (special counsel, auditor, bank service fees, & miscellaneous services), program management fees, program sponsorship fees (currently paid to the League and CSAC Finance Corporation, on behalf of CSAC) and public benefit contributions. Disbursements for the last five years are summarized below:
### DISBURSEMENTS

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commission and Staff Services</td>
<td>87,274</td>
<td>181,700</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management &amp; Sponsorship Fees</td>
<td>12,683,355</td>
<td>12,835,343</td>
<td>14,903,479</td>
<td>12,636,465</td>
<td>11,229,000</td>
</tr>
<tr>
<td>Professional Services</td>
<td>420,647</td>
<td>317,521</td>
<td>631,282</td>
<td>430,405</td>
<td>517,500</td>
</tr>
<tr>
<td>Public Benefit Contributions</td>
<td>132,795</td>
<td>64,524</td>
<td>129,104</td>
<td>113,923</td>
<td>62,100</td>
</tr>
<tr>
<td>Returned Deposits</td>
<td>2,754,895</td>
<td>3,381,923</td>
<td>2,983,611</td>
<td>1,056,897</td>
<td>1,000,000</td>
</tr>
<tr>
<td><strong>TOTAL DISBURSEMENTS</strong></td>
<td><strong>15,991,692</strong></td>
<td><strong>16,599,311</strong></td>
<td><strong>18,647,475</strong></td>
<td><strong>14,324,964</strong></td>
<td><strong>12,990,300</strong></td>
</tr>
</tbody>
</table>

(1) Estimated

CSCDA makes no assurances that the receipts from issuance fees and bond administration fees will continue at any level in future years. Under CSCDA’s existing agreement with HB Capital Resources, Ltd. (“HB Capital”), CSCDA is obligated to pay to HB Capital the annual administration fee for each project financed during the term of this agreement (which expires on June 30, 2015) for the entire financing term of each such project. HB Capital is obligated to provide on-going administration and management services for these projects for the time it is receiving administration fees.

### IV. SERVICES TO BE PROVIDED

While CSCDA’s preference is to engage a single firm as its partner to provide all the services listed below, the Authority retains the right to appoint multiple firms to provide services or to manage certain services internally.
1. Public Agency Programs
   California Lease Finance Program (CaLease)
   Statewide Community Infrastructure Program (SCIP)
   Delinquent Property Tax Funding Program
   Tax and Revenue Anticipation Note Program
   Asset Securitizaton Programs

2. Energy Finance Programs
   Sustainable Energy Bond Program
   Commercial CaliforniaFIRST PACE Program
   Residential CaliforniaFIRST PACE Program

3. Private Activity Bond Programs
   501(c)(3) Nonprofit
   Multi-family Housing Bonds
   Industrial Development Bonds
   Exempt Facility/Solid Waste
   Other Private Activity Projects

4. New Market Tax Credits

5. Housing Bond Post Issuance Compliance

6. New Financing Programs
   Single Family Housing Bonds
   Public Private Partnerships
   Other Programs (as specified by proposer)

For each program, the Program Administrator is responsible for the following services:

**Origination Services:**
- Create all marketing materials and serve as primary marketing agent for all CSCDA and CSCDA finance programs to finance professionals and eligible borrowers throughout California.
- Communicate with and provide information to local agencies statewide, in coordination with the CSCDA Executive Director, the League, CSAC and CSAC Finance Corporation as necessary, and provide additional administrative support necessary to assist the Executive Director in the success of the CSCDA Program.
- With respect to the proposed program, create and maintain the CSCDA website to (1) facilitate receipt of online financing requests, (2) provide backend database capabilities to record public benefit information, transaction history, and project fees and deposit tracking, (3) comply with requirements of SB 99 (Chapter 557, Statutes of 2009), and (4) serve as a general marketing and educational tool for all CSCDA programs and policies (including CSCDC, if applicable to the proposal).
• Provide management / oversight of each CSCDA project financing request, including:
  – Review each borrower application for compliance with the Commission’s policies and procedures
  – Assist borrowers to apply and complete necessary issuer documents to receive an award of private activity bond volume cap (if applicable)
  – Coordinate all activities of the finance team members of a particular financing, including bond counsel, underwriter, trustee, issuer counsel, and credit enhancement provider
  – Coordinate local TEFRA hearings and approval documents (if applicable)
  – Represent the Commission at TEFRA hearings and state allocation meetings as necessary (if applicable)
  – Make recommendations to the Executive Director and the Commission on all project financing requests based on CSCDA established policies
  – Facilitate post-issuance finance restructuring, workouts, or other necessary Commission approvals in accordance with the bond documents
  – Collect and maintain all relevant project finance documents, including bond transcripts, trustee statements, volume cap applications, etc.

On-going Responsibilities:
• Provide management / oversight of all post-issuance compliance matters relative to each CSCDA and CSFA project financing, including:
  – Respond to requests from the IRS and any other local, state, or federal regulatory agency
  – Complete and file transaction activity report with SCO Division of Accounting and Reporting annually
  – Educate all borrowers on all post-issuance requirements and filing deadlines

General Administrative Responsibilities:
• Coordinate Commission meetings of the CSCDA, CSCDC, and CSFA, including:
  – Confirmation of Commission/Board meeting attendance and quorums
  – Prepare Commission/Board Agendas in accordance with Brown Act requirements
  – Confirmation of necessary Commission/Board meeting notice postings
  – Create and maintain online bond document repository for Commission/Board member review
  – Post all Commission/Board meeting agenda, minutes, and staff reports to the CSCDA website
  – Propose CSCDA/CSCDC policy and procedure changes for review and approval by the Executive Director and Commission based on changing market conditions
  – Analyze potential new finance programs, present opportunity and implement at the direction of the Executive Director and Commission as necessary
  – Respond to public records requests in coordination with General Counsel and the Executive Director
  – Engage outside legal counsel, financial advisors, or consultants at the direction of the Executive Director and Commission as necessary
  – Manage annual financial audit of the CSCDA for review by the Executive Director and approval by the Commission/Board. Responsible for distribution to
State Controller’s Office and all 500+ CSCDA Program Participants as required by the JPA.

− Manage collections of all CSCDA and CSCDC issuance and administrative fees, including working with all trustees and private borrowers to ensure timely collection of amounts due and follow up on amounts delinquent.
− Manage trustee’s (currently U.S. Bank) disbursement of fees and provide an accounting of all fees collected on behalf of the Commission
− Manage CSCDA’s insurance and bonding requirements
− Communicate and coordinate management responsibilities with the Executive Director
− Coordinate closely with the LCC, CSAC and CSAC Finance Corporation in the provision of their sponsorship and administrative responsibilities, including legislative advocacy on behalf of CSCDA.
− Administer the collection and dissemination of all reports required to be filed with the State of California Fair Political Practices Commission on behalf of CSCDA’s staff, CSCDA’s Commissioners and the Program Manager’s staff.
− Provide from its own revenues compensation, benefits, and travel expenses to all staff dedicated to the contract and pay for all overhead and contract administration costs.

**New Markets Tax Credits:**

- For New Markets Tax Credits, establish CSCDC protocols and processes for NMTC investment activity, including project intake, project evaluation and selection, project underwriting, investment committee review and approval, CSCDC Advisory Board review and approval, NMTC financial closing procedures, and project hand off from CSCDC investment staff to CSCDC asset management staff. The NMTC Manager will also be responsible for the following activities:
  - Sourcing all NMTC transactions and manage the financing process from project intake through closing
  - Serving as liaison with the U.S. Treasury Department in connection with CSCDC's status and tax credit allocations
  - Coordinate with CSCDC's Advisory Board and the CSCDA Executive Director.
  - Manage project underwriting consultants

- Provide management / oversight of all post-issuance compliance matters relative to the CSCDC New Markets Tax Credit Program, including:
  - Select, retain, manage, and evaluate on behalf of CSCDC all outside consultants, attorneys, accountants and other professionals providing services to CSCDC
  - Continue to liaise with the U.S. Treasury Department in connection with CSCDC’s status and future tax credit allocations
  - Coordinate all tax, audit, compliance, and asset management procedures with internal staff and outside consultants
  - Provide ongoing marketing activities including engagement with banks, tax credit investors, consultants and advisors
  - Cultivating and recommending projects that have the highest and best probability of supporting future allocations for CSCDC in light of the highly competitive process
Lead and manage a team of attorneys, consultants and lenders to pursue subsequent year NMTC applications
Manage asset management, loan servicing, reporting and compliance for all projects

**CSCDA Housing Compliance Services:**
- Create and maintain CSCDA compliance website to provide real-time analysis of restrictive covenants for more than 600 CSCDA affordable housing projects, including backend database capabilities to record site visit history and property management reporting.
- Ensure compliance with federal, state, and local income and rent limits relative to over 600 affordable housing CSCDA project financings, including tenant file reviews and project site visits
- Collect and submit the CDLAC Certificate of Compliance for each of the 600 housing projects annually, including confirmation of other promised public benefits (i.e. free high speed internet, educational classes, etc.)

**V. PROPOSAL CONTENT**

For each category of services described above, please provide responses to the information requested below. Proposers should specify the CSCDA Programs it is proposing to serve as either Program Originator or as ongoing Program Administrator.

1. **Proposing Firm and Personnel**

Identify the name of the proposing firm, the division(s) of the firm that will be providing the services and the mailing addresses of the offices. Provide a chart that identifies the names, titles, transaction roles, office locations (city names), telephone numbers and e-mail addresses for the representatives who will be assigned to the particular CSCDA management function. Indicate what role each person will perform including identification of the person who will serve as the primary contact to the CSCDA for the particular service. Provide brief resumes for personnel who will be available to work on CSCDA matters.

2. **Experience with Each Financing Program**

Include a list of your firm’s experience with each financing program proposed, identifying the role of the firm, personnel involved in each transaction and a breakdown of the origination and ongoing management fees associated with each transaction. Please provide case study descriptions of programs recently managed by your firm and describe unique management approaches for the transactions.

---

1 CSCDA’s current Housing Compliance Services are provided to CSCDA by HB Capital. The underlying technology for CSCDA’s Housing Compliance Services is proprietary and owned by HB Capital. To the extent a new Program Manager wishes to provide Housing Compliance Services, the new Program Manager will be required to create new technology.
3. Management Plan

If applicable, please develop an overall management plan for the transition of the Authority’s Program Manager that covers the categories detailed below.

a. Implementation

Identify a plan to transition the services your firm will provide to CSCDA identifying all team members required to transition the required services.

b. Timeline

Provide a detailed timeline to transition the services for the proposed program.

4. Marketing Plan

Provide the Authority with a summary of your firm’s plans to expand CSCDA’s current programs and identify new opportunities CSCDA should consider.

Provide your views on the current management and marketing of CSCDA’s programs.

5. Term of Agreement

Identify the minimum term necessary to meet the objectives of this RFP. Explain any proposed notice and grounds necessary to terminate the agreement either for cause or without cause by either party and the process and terms under which the duties under the agreement will be transferred to a successor party.

6. Fee Proposal

Please provide a detailed fee proposal for origination and annual administration services for each program included in the firm’s proposal. Fees should be represented as a percentage of fees generated based on the fee schedule included Section III of this RFP. The fee proposal shall include all costs incurred by the firm in performing the contract. These fees also will compensate the firm for all new program development responsibilities. Proposals also should address whether CSCDA should devote a portion of the net fee revenue to provide rebates to members of the League and CSAC and what portion of fee revenue should be reserved for this purpose. Proposals also should address how the sponsorship fees provided to the League and CSAC Finance Corporation, on behalf of CSAC, can be expanded during the term of the contract.
## California Statewide Communities Development Authority (CSCDA)
### Program Manager Fee Proposal

<table>
<thead>
<tr>
<th>1. Public Agency Programs</th>
<th>Origination</th>
<th>Annual Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>California Lease Finance Program (CaLease)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Statewide Community Infrastructure Program (SCIP)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delinquent Property Tax Funding Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax and Revenue Anticipation Note Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asset Securitization Programs</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2. Energy Finance Programs</th>
<th>Origination</th>
<th>Annual Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable Energy Bond Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial CaliforniaFIRST PACE Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential CaliforniaFIRST PACE Program</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. Private Activity Bond Programs</th>
<th>Origination</th>
<th>Annual Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>501(c)(3) Nonprofit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-family Housing Bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industrial Development Bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exempt Facility/Solid Waste</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Private Activity Projects</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. New Market Tax Credits</th>
<th>Origination</th>
<th>Annual Administration</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>5. Housing Bond Post Issuance Compliance</th>
<th>Origination</th>
<th>Annual Administration</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>6. New Financing Programs</th>
<th>Origination</th>
<th>Annual Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Housing Bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Private Partnerships</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Programs (as specified by proposer)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 6. References

Provide contact information for at least three public client references for each person on the proposer’s management team. References may be the same for individual team members.
VI. GENERAL RFP INSTRUCTIONS

1. RFP Time Schedule

The Authority’s RFP schedule, which may be subject to change, is detailed below:

- Draft RFP Posted to CSCDA Website May 2, 2014
- Comments on RFP due to Executive Director 5:00 PM May 7, 2014
- RFP Approved by CSCDA Commission and posted on CSCDA website May 8, 2014
- Seven (7) Copies of Proposals and a PDF copy (by e-mail) due June 24, 2014
- Proposals reviewed and ranked by Evaluation Panel by August 1, 2014
- Interviews August 2014
- Program Manager(s) Selected September 4, 2014
- Agreement(s) Negotiated September 2014
- Agreement(s) approved by CSCDA Board of Commissioners October 9, 2014

2. Contact with CSCDA Staff and Commissioners

Proposing firms and individuals shall not contact CSCDA Commissioners, CSAC staff, CSAC Finance Corporation staff or League staff directly regarding this RFP. Proposing firms must direct any questions to Catherine Bando, CSCDA Executive Director, at catherinebando@me.com or (213) 700-4137, at anytime during the RFP Process.

3. Submission Procedures

Seven hard copies of proposals must be delivered by 12:00 PM (Pacific Time) on Tuesday, June 24, 2014 to:

Catherine Bando, Executive Director,
California Statewide Communities Development Authority
c/o The League of California Cities
1400 K Street, 4th Floor
Sacramento, CA 95814
(Telephone number for delivery purposes is (916) 658-8200)

A PDF copy of the proposal must be sent to Catherine Bando at catherinebando@me.com by 12:00 PM (Pacific Time) on Tuesday, June 24, 2014.

The Authority is not responsible for any expense incurred by any responder in preparing or submitting a proposal, providing any additional information requested or attending a scheduled interview.

There is no guarantee that the submission of a proposal will result in an award of a contract to serve as Program Administrator for all or any portion of the services requested.

All material submitted in response to the RFP will become the property of CSCDA and, as such is subject to the Public Records Act.

CSCDA reserves the right to modify the selection procedures, follow an alternative procedure, or to reject all proposals and make no selection.

4. Evaluation Process

Proposals will be reviewed and ranked by an Evaluation Committee. The firms or individuals that are being considered for all or a portion of the Program Administrator services that are ranked the highest may be interviewed during the month of August, 2014 or such other time that may be selected by CSCDA. The evaluation criteria are listed below in order of importance:

- The experience and qualifications of the individuals proposed for the engagement
- The firm’s or individual’s understanding of CSCDA’s Programs
- The firm’s capacity and ability to partner with the two program sponsors, CSAC and the LCC, and the CSAC Finance Corporation, in advancing the effectiveness of CSCDA, developing innovative programs and services for its members, and achieving tangible public benefit for the people of California.
- The firm’s or individual’s proposed management and marketing plans for CSCDA Programs
- The fees proposed for the services requested. Although the costs of the requested services are an important criterion for selection, the Authority may select a firm whose proposed fees are higher than the fees proposed by other firms if it determines that the experience, qualifications and understanding of CSCDA’s programs warrant the additional expense.
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY  
REQUEST FOR PROPOSAL  
PROGRAM ORIGINATION, PROGRAM DEVELOPMENT AND MANAGEMENT  
SERVICES  
May 8, 2014

I. INTRODUCTION

The California Statewide Communities Development Authority (“CSCDA” or the “Authority”) is soliciting proposals for a partner to provide key leadership and support in origination, new program development, administration and management (the “Program Administrator” or “Program Manager”) of the Authority’s public benefit financing programs. While the Authority’s preference is to engage a single Program Administrator for all of its programs, the Authority reserves the right to select multiple partners to manage and administer its programs or to internally manage portions or all of the programs.

II. BACKGROUND

CSCDA’s mission is to provide local governments and qualified private entities with access to low-cost, tax-exempt, taxable or tax-credit based financing for projects that provide a tangible public benefit, contribute to social and economic growth and improve the overall quality of life in local communities throughout California.

CSCDA is a Joint Powers Authority (“JPA”) created in 1988 under California’s Joint Exercise of Powers Act. CSCDA is sponsored by the League of California Cities (the “League” or the “LCC”) and the California State Association of Counties (“CSAC”). The statewide authority derives its issuing powers from state law and its city, county and special district members. Any California local government is eligible to become a member of the JPA. The current members of the JPA represent the following types of local agencies:

<table>
<thead>
<tr>
<th>Type of Local Agency</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cities</td>
<td>366</td>
</tr>
<tr>
<td>Counties</td>
<td>56</td>
</tr>
<tr>
<td>City &amp; County</td>
<td>1</td>
</tr>
<tr>
<td>Special Districts</td>
<td>69</td>
</tr>
<tr>
<td>Other Agencies</td>
<td>17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>509</strong></td>
</tr>
</tbody>
</table>

CSCDA provides California local governments with an effective tool for the timely financing of community-based public benefit projects. A copy of the amended and restated JPA Agreement can be downloaded at CSCDA’s website at: http://www.cacomunities.org/fileadmin/hb/cscda/about_us/CSCDAJpaAgreement.pdf
In addition to managing CSCDA’s programs, the Program Administrator manages the activities of the California Statewide Communities Development Corporation (see below under New Markets Tax Credit Program) and the California Statewide Financing Authority (created for Tobacco Securitizations.) The Authority has completed over 1,300 financings totaling more than $48 billion since 1988 on behalf of California public agencies and qualified private entities.

1. Public Agency Programs

CSCDA creates innovative, low-cost, pooled finance programs to respond to the fiscal needs of city, county and special district participants. The programs are designed to address short-term borrowing needs, budget shortfalls, and provide access to capital for critical infrastructure improvements. CSCDA offers the following Public Agency Programs:

a) California Lease Finance Program (CaLease)

This program offers tax-exempt lease financing to public agencies for capital projects, and equipment without the traditional expense or complexity of other finance mechanisms.

b) Statewide Community Infrastructure Program (SCIP)

SCIP allows participating local agencies to receive impact fees prior to development, while property owners repay the tax-exempt obligation over a thirty year bond term. SCIP may eliminate the need for local agencies to negotiate deferral fee agreements. CSCDA has issued $170 million in bonds through the SCIP Program.

c) Delinquent Property Tax Funding Program

This program enables cities and districts that do not participate in a county Teeter plan to sell or assign their share of their county's delinquent 1% levy taxes to the CSCDA; and similarly enables Community Facilities and Special Assessment Districts to sell or assign their delinquencies to the CSCDA. This program could also be used by cities and districts that do participate in a Teeter plan, but have some non-Teetered special tax or fund delinquencies.

d) Additional CSCDA Public Agency Programs

Since its inception, CSCDA has served as the conduit issuer for public agency pooled financings and stand-alone financings in connection with the issuance of over $9 billion of tax and revenue anticipation notes, $414 million of pension obligation bonds, nearly $2.4 billion in asset securitizations, and over $400 million in water/wastewater revenue bonds and lease revenue bonds.

2. Energy Finance Programs

a) Sustainable Energy Bond Program
CSCDA and the Foundation for Renewable Energy and Environment are teaming together to provide public agencies and nonprofit organizations throughout California with access to tax exempt financing for critical sustainable energy investments.

b) CaliforniaFIRST – Property Assessed Clean Energy Program

CSCDA established CaliforniaFIRST, a multi-jurisdiction Property Assessed Clean Energy (“PACE”) program, in 2008. PACE is a financing tool that allows property owners to secure upfront funding for energy and water-saving improvements, which they repay through a voluntary contractual assessment lien on their property tax bill. CaliforniaFIRST is available to commercial and residential property owners. The CaliforniaFIRST residential Program was suspended in 2010 due to FHFA’s statement that it would not approve conforming loans for residential home mortgages with PACE assessments. CSCDA recently re-launched the CaliforniaFIRST residential Program in response to the establishment of a mortgage loss reserve program by the State of California.

3. Private Activity Programs

CSCDA has built a successful track record of financing high quality public benefit projects. CSCDA has issued more than $37 billion for the construction, equipping, rehabilitation, or modernization of 1,905 local, community approved projects since 1988.

CSCDA offers the following Private Activity Programs:

a) 501(c)(3) Nonprofit

Qualified nonprofit organizations can access low-cost, tax-exempt bonds to finance or refinance the acquisition, construction, installation, expansion or rehabilitation of land, buildings, and equipment. A 501(c)(3) nonprofit organization can finance projects at a lower interest rate than conventional financing because the interest paid to bondholders is exempt from federal (and, in some instances, state) income taxes. CSCDA has issued bonds for 311 nonprofit hospitals and medical facilities, 105 continuing care facilities, and 186 educational facilities.

b) Housing Bonds

For-profit and nonprofit developers can access tax-exempt bonds for the financing of low-income multifamily and senior housing projects. The bonds may be used to finance or refinance the acquisition and rehabilitation of an existing project or for the construction of a new project, provided the developer agrees to set aside all, or a portion, of the units in a project for individuals and families of very low, low or moderate income. CSCDA has issued bonds to finance 65,445 affordable housing units for 545 multi-family and 150 senior housing projects.
c) **Industrial Development Bonds**

Eligible manufacturers can access cost-effective, tax-exempt bond proceeds to acquire, construct or rehabilitate manufacturing facilities that promote job creation and retention. Bond proceeds may also be used for the acquisition of new equipment. CSCDA has issued IDBs for 126 manufacturing facilities.

d) **Solid Waste/Other Exempt Facilities/Solid Waste**

This program offers companies seeking cost-effective, tax-exempt capital to finance the acquisition and rehabilitation, construction of, or the acquisition of new equipment for solid waste and exempt facilities. CSCDA has issued bonds to finance 19 solid waste disposal and alternative energy facilities.

e) **Other Private Activity Projects**

CSCDA has issued bonds for 173 other projects including research institutes, rehabilitation and various public benefit facilities.

4. **New Markets Tax Credit Program**

Created by the U.S. Government in 2000 as part of the Community Renewal Tax Relief Act, the New Markets Tax Credit Program ("NMTC") encourages investment in low-income communities. Through the NMTC Program, real estate projects or businesses in a low-income community are able to generate capital by providing investors with a tax credit as an additional incentive for capital investment.

The authority to determine how tax credits are allocated is granted to entities called Community Development Entities (CDEs). CDEs have been certified by the Community Development Financial Institutions Fund (CDFI Fund) of the U.S. Department of the Treasury after completing a rigorous application process and demonstrating their commitment and history of investing capital into low-income communities.

Certified CDEs compete annually to receive awards under the NMTC Program and the CDFI Fund typically designates 70-100 CDEs to receive a NMTC allocation each year. Once awarded, a CDE may sub-allocate NMTC allocation authority to qualified projects or businesses that are aligned with the objectives of the NMTC program. In the last 10 years, the CDFI Fund has awarded $36.5 billion in tax credit authority to certified CDEs.

CSCDA established a NMTC program through the California Statewide Communities Development Corporation ("CSCDC"), an affiliate of Community Development Entity, to facilitate investment in low income communities through the use of New Markets Tax Credits. CSCDC is a certified CDE. In 2013, CSCDC was awarded a $35 million NMTC allocation that was allocated to fund four projects in distressed California communities.
5. **Housing Bond Post Issuance Compliance**

CSCDA has taken proactive steps to ensure that borrowers of affordable housing bonds who issue tax-exempt bonds through CSCDA are aware of and comply with the post-issuance responsibilities required under the federal tax rules. Rental properties financed with tax-exempt bonds must meet low income set-asides and comply with other requirements for decades after closing, and even temporary non-compliance can put the tax-exempt status of the bonds in jeopardy.

CSCDA strives to position its borrowers to respond to increased scrutiny of affordable housing financings by providing state-of-the-art compliance monitoring procedures and software to allow continuous monitoring of rental properties and ensure that potential problems are identified and resolved quickly. The procedures include the following:

- Quarterly analysis of the income and rent calculations to ensure compliance with federal and state legal requirements
- Quarterly analysis and filing of Certificates of Continuing Program Compliance
- Review, acceptance and electronic filing of all compliance reports
- Electronic filing and access to recorded regulatory agreements for property
- Updates and maintenance to compliance software, compliance status, report history and files accessible through web-based software on a real time basis
- Site visits, file audits and physical property reviews at the time the property is placed in service and at least once every three years after the placed in service date, more frequently where problems arise
- Prompt notification to property owners of exception findings

In an effort to further assist borrowers with post-issuance compliance, CSCDA sends annual reminders and updates to relevant changes in post-issuance compliance requirements to all of its borrowers. The compliance monitoring program consults with members of the finance team, including bond counsel, at the time of bond issuance to determine exactly what responsibilities a borrower has for the term of a particular bond issue.

Upon the issuance of bonds, the issuer and borrower have a significant number of post-issuance responsibilities related to monitoring a bond issue for compliance with federal tax rules for the duration that bonds are outstanding. After issuance, bonds may be outstanding for a few years or several decades, during which time it is critical to ensure all material documents and records are maintained. Further, the Internal Revenue Service (“IRS”) recommends that material tax records be retained for the life of a bond issue, plus three years.

A few examples of the many post-issuance compliance responsibilities a borrower may have include:

- Tracking that proceeds of a bond issuance are spent on qualified tax-exempt bond purposes.
- Keeping detailed records of all expenditures and investments related to bond funds.
- Ensuring the project financed is used in a manner consistent with the legal requirements.
• Providing necessary disclosure information regarding financial and operating status annually.

CSCDA’s post-issuance compliance program tracks borrowers’ compliance with all applicable requirements to enable borrowers to be able to respond to any possible IRS inquiry on a successful and cost-effective basis. In addition, CSCDA’s post-compliance services position borrowers with an established program that will effectively judge the possible benefits of future refunding opportunities with this information close at hand.

6. New Programs

CSCDA is seeking in an innovative Program Administrator a partner that will expand its focused on expanding CSCDA’s existing programs to include a Single Family Housing Financing Program, Public Private Partnership (P3) asset ownership program, and other developing, implementing and growing new CSCDA programs that will provide important public benefits in the cities, counties and the citizens of California.

III. FEE SCHEDULE

A copy of the Authority’s current fee schedule is provided below:

California Statewide Communities Development Authority (CSCDA)

<table>
<thead>
<tr>
<th>Bond Program</th>
<th>Issuance Fee</th>
<th>Annual Administration Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing</td>
<td>0.20% (Min $15,000)</td>
<td>0.05%</td>
</tr>
<tr>
<td>501(c)(3) Nonprofit Housing</td>
<td>0.20% (Min $15,000)</td>
<td>0.05%</td>
</tr>
<tr>
<td>501(c)(3) Nonprofit</td>
<td>0.20% (Min $15,000)</td>
<td>0.05%</td>
</tr>
<tr>
<td>Long Term Municipal</td>
<td>0.15% (Min $7,500)</td>
<td>0.05%</td>
</tr>
<tr>
<td>Tax and Revenue Anticipation Notes</td>
<td>$3,000</td>
<td>0.05%</td>
</tr>
<tr>
<td>Airports/Solid Waste/Exempt Facilities</td>
<td>$5,000</td>
<td>0.05%</td>
</tr>
<tr>
<td>Taxable</td>
<td>0.25% (Min $25,000)</td>
<td>0.05%</td>
</tr>
<tr>
<td>Mello Ross and Special Assessment Bonds</td>
<td>0.25% (Min $30,000)</td>
<td>0.25% + Actual Costs</td>
</tr>
<tr>
<td>Industrial Development Bonds</td>
<td>0.25% (Min $30,000)</td>
<td>0.25% + Actual Costs</td>
</tr>
</tbody>
</table>
| Note: Bond Programs require one $5,000 Fee Deposit, per borrower, per calendar year which is applied to the issuance fee at closing.

<table>
<thead>
<tr>
<th>Bond Program</th>
<th>Fee</th>
<th>Assessed Against</th>
</tr>
</thead>
<tbody>
<tr>
<td>IDB LBP &amp; EP, Solid Waste EP, Nonprofit</td>
<td>1.00% (Min $600,000)</td>
<td>None</td>
</tr>
</tbody>
</table>
| Note: Small Issue Public Benefit Program Fees require one $2,500 Issuance Fee Deposit, per borrower, per calendar year which is applied to the issuance fee at closing.

1 One-half of the Annual Administration Fee for Housing Bond issuances will be collected at the time of issuance. In addition, CSCDA reserves the right to collect all issuance fees upfront as a deposit for any bond issuance requiring volume cap allocation.

2 Minimum Annual Administration Fee for Housing bond issuances is $5,000 per project (a $1,000 annual compliance monitoring fee will replace the existing Annual Administration Fee throughout the CDLAC Compliance Period after the Qualified Project Period has expired). Projects requiring IRS monitoring will be charged $10,000 in addition to the Annual Administration Fee for CSCDA issued projects or $15,000 for non-CSCDA issued projects.

3 Health Facility Financings: Issuance Fee will be capped at $30,000 and the Annual Administration Fee capped at $15,000.

4 The fee for TRANs in excess of $30 Million is $7,500.

5 Mello Ross issues require all fees + $20,000 upfront as a deposit.
All income received by the Authority is derived from issuance/origination fees and on-going administration fees. Fees are recognized by the Authority on a cash basis during the fiscal year received. Fiscal years end June 30 of each year. Receipts for the last five years are summarized below:

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Issuance (Origination) Fees</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Healthcare</td>
<td>176,845</td>
<td>432,003</td>
<td>506,319</td>
<td>188,271</td>
<td>171,000</td>
</tr>
<tr>
<td>Higher Education</td>
<td>908</td>
<td>119,755</td>
<td>163,888</td>
<td>95,000</td>
<td></td>
</tr>
<tr>
<td>Other 501 (c) 3</td>
<td>412,580</td>
<td>185,000</td>
<td>388,991</td>
<td>408,015</td>
<td>311,000</td>
</tr>
<tr>
<td>Qualified Residential Rental Program</td>
<td>413,330</td>
<td>838,240</td>
<td>1,250,004</td>
<td>729,477</td>
<td>1,379,000</td>
</tr>
<tr>
<td>SCIP/Mello Roos</td>
<td>92,700</td>
<td>0</td>
<td>137,850</td>
<td>30,000</td>
<td>110,000</td>
</tr>
<tr>
<td>Other Municipal Bond Program</td>
<td>235,975</td>
<td>466,392</td>
<td>118,833</td>
<td>138,368</td>
<td>65,000</td>
</tr>
<tr>
<td><strong>Total Issuance (Origination) Fees</strong></td>
<td>1,332,338</td>
<td>1,921,634</td>
<td>2,521,751</td>
<td>1,658,019</td>
<td>2,131,000</td>
</tr>
</tbody>
</table>

| **Bond Administration Fees** |          |          |          |          |         |
| Healthcare                  | 2,309,839| 2,147,000|          |          |         |
| Higher Education            | 291,697  | 240,000  |          |          |         |
| Other 501 (c) 3             | 3,707,656| 3,604,988| 4,160,990| 743,369  | 612,000 |
| **Total 501 (c) 3**         | 3,707,656| 3,604,988| 4,160,990| 3,444,905| 2,999,000|
| Qualified Residential Rental Program | 7,365,327| 6,938,523| 7,556,923| 7,223,734| 7,109,000|
| SCIP/Mello Roos             | 131,965  | 123,525  | 128,690  | 134,060  | 169,000 |
| Other Municipal Bond Program | 442,112  | 470,867  | 557,781  | 503,129  | 443,000 |
| **Total Bond Administration Fees** | 11,647,060| 11,137,903| 12,404,384| 11,205,828| 10,720,000|

| **Deposits and Investment Income** | 3,062,984| 3,753,681| 3,338,315| 1,199,665| -87,400 |

**TOTAL RECEIPTS** | 16,042,382| 16,813,218| 18,264,450| 14,063,512| 12,763,600|

(1) Estimated

CSCDA makes no assurances that the receipts from Issuance Fees and Bond Administration Fees will continue at any level in future years.

One hundred percent of the Authority’s receipts are allocated each year to cover commissioner expense reimbursements, staff services (executive director, general counsel and issuer counsel), insurance, additional professional services (special counsel, auditor, bank service fees, & miscellaneous services), program management fees, program sponsorship fees (currently paid to the League and CSAC Finance Corporation, on behalf of CSAC) and public benefit contributions. Disbursements for the last five years are summarized below:
<table>
<thead>
<tr>
<th>DISBURSEMENTS</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commission and Staff Services</td>
<td>87,274</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management &amp; Sponsorship Fees</td>
<td>12,683,355</td>
<td>12,835,343</td>
<td>14,903,479</td>
<td>12,636,465</td>
<td>11,229,000</td>
</tr>
<tr>
<td>Professional Services</td>
<td>420,647</td>
<td>317,521</td>
<td>631,282</td>
<td>430,405</td>
<td>517,500</td>
</tr>
<tr>
<td>Public Benefit Contributions</td>
<td>132,795</td>
<td>64,524</td>
<td>129,104</td>
<td>113,923</td>
<td>62,100</td>
</tr>
<tr>
<td>Returned Deposits</td>
<td>2,754,895</td>
<td>3,381,923</td>
<td>2,983,611</td>
<td>1,056,897</td>
<td>1,000,000</td>
</tr>
<tr>
<td>TOTAL DISBURSEMENTS</td>
<td>15,991,692</td>
<td>16,599,311</td>
<td>18,647,475</td>
<td>14,324,964</td>
<td>12,990,300</td>
</tr>
</tbody>
</table>

(1) Estimated

CSCDA makes no assurances that the receipts from issuance fees and bond administration fees will continue at any level in future years. Under CSCDA’s existing agreement with HB Capital Resources, Ltd. (“HB Capital”), CSCDA is obligated to pay to HB Capital the annual administration fee for each project financed during the term of this agreement (which expires on June 30, 2015) for the entire financing term of each such project. HB Capital is obligated to provide on-going administration and management services for these projects for the time it is receiving administration fees.

IV. SERVICES TO BE PROVIDED

While CSCDA’s preference is to engage a single firm as its partner to provide all the services listed below, the Authority retains the right to appoint multiple firms to provide services or to manage certain services internally.
1. Public Agency Programs
   California Lease Finance Program (CaLease)
   Statewide Community Infrastructure Program (SCIP)
   Delinquent Property Tax Funding Program
   Tax and Revenue Anticipation Note Program
   Asset Securitization Programs

2. Energy Finance Programs
   Sustainable Energy Bond Program
   Commercial CaliforniaFIRST PACE Program
   Residential CaliforniaFIRST PACE Program

3. Private Activity Bond Programs
   501(c)(3) Nonprofit
   Multi-family Housing Bonds
   Industrial Development Bonds
   Exempt Facility/Solid Waste
   Other Private Activity Projects

4. New Market Tax Credits

5. Housing Bond Post Issuance Compliance

6. New Financing Programs
   Single Family Housing Bonds
   Public Private Partnerships
   Other Programs (as specified by proposer)

For each program, the Program Administrator is responsible for the following services:

Origination Services:
- Create all marketing materials and serve as primary marketing agent for all CSCDA and CSCDA finance programs to finance professionals and eligible borrowers throughout California.
- Communicate with and provide information to local agencies statewide, in coordination with the CSCDA Executive Director, the League, CSAC and CSAC Finance Corporation as necessary, and provide additional administrative support necessary to assist the Executive Director in the success of the CSCDA Program.
- With respect to the proposed program, create and maintain the CSCDA website to (1) facilitate receipt of online financing requests, (2) provide backend database capabilities to record public benefit information, transaction history, and project fees and deposit tracking, (3) comply with requirements of SB 99 (Chapter 557, Statutes of 2009), and (4) serve as a general marketing and educational tool for all CSCDA programs and policies (including CSCDC, if applicable to the proposal).
• Provide management / oversight of each CSCDA project financing request, including:
  − Review each borrower application for compliance with the Commission’s policies and procedures
  − Assist borrowers to apply and complete necessary issuer documents to receive an award of private activity bond volume cap (if applicable)
  − Coordinate all activities of the finance team members of a particular financing, including bond counsel, underwriter, trustee, issuer counsel, and credit enhancement provider
  − Coordinate local TEFRA hearings and approval documents (if applicable)
  − Represent the Commission at TEFRA hearings and state allocation meetings as necessary (if applicable)
  − Make recommendations to the Executive Director and the Commission on all project financing requests based on CSCDA established policies
  − Facilitate post-issuance finance restructuring, workouts, or other necessary Commission approvals in accordance with the bond documents
  − Collect and maintain all relevant project finance documents, including bond transcripts, trustee statements, volume cap applications, etc.

On-going Responsibilities:
• Provide management / oversight of all post-issuance compliance matters relative to each CSCDA and CSFA project financing, including:
  − Respond to requests from the IRS and any other local, state, or federal regulatory agency
  − Complete and file transaction activity report with SCO Division of Accounting and Reporting annually
  − Educate all borrowers on all post-issuance requirements and filing deadlines

General Administrative Responsibilities:
• Coordinate Commission meetings of the CSCDA, CSCDC, and CSFA, including:
  − Confirmation of Commission/Board meeting attendance and quorums
  − Prepare Commission/Board Agendas in accordance with Brown Act requirements
  − Confirmation of necessary Commission/Board meeting notice postings
  − Create and maintain online bond document repository for Commission/Board member review
  − Post all Commission/Board meeting agenda, minutes, and staff reports to the CSCDA website
  − Propose CSCDA/CSCDC policy and procedure changes for review and approval by the Executive Director and Commission based on changing market conditions
  − Analyze potential new finance programs, present opportunity and implement at the direction of the Executive Director and Commission as necessary
  − Respond to public records requests in coordination with General Counsel and the Executive Director
  − Engage outside legal counsel, financial advisors, or consultants at the direction of the Executive Director and Commission as necessary
  − Manage annual financial audit of the CSCDA for review by the Executive Director and approval by the Commission/Board. Responsible for distribution to
State Controller’s Office and all 500+ CSCDA Program Participants as required by the JPA.
- Manage collections of all CSCDA and CSCDC issuance and administrative fees, including working with all trustees and private borrowers to ensure timely collection of amounts due and follow up on amounts delinquent.
- Manage trustee’s (currently U.S. Bank) disbursement of fees and provide an accounting of all fees collected on behalf of the Commission
- Manage CSCDA’s insurance and bonding requirements
- Communicate and coordinate management responsibilities with the Executive Director
- Coordinate closely with the LCC, CSAC and CSAC Finance Corporation in the provision of their sponsorship, governance and administrative responsibilities, including legislative advocacy on behalf of CSCDA.
- Administer the collection and dissemination of all reports required to be filed with the State of California Fair Political Practices Commission on behalf of CSCDA’s staff, CSCDA’s Commissioners and the Program Manager’s staff.
- Provide from its own revenues compensation, benefits, and travel expenses to all staff dedicated to the contract and pay for all overhead and contract administration costs.

New Markets Tax Credits:
• For New Markets Tax Credits, establish CSCDC protocols and processes for NMTC investment activity, including project intake, project evaluation and selection, project underwriting, investment committee review and approval, CSCDC Advisory Board review and approval, NMTC financial closing procedures, and project hand off from CSCDC investment staff to CSCDC asset management staff. The NMTC Manager will also be responsible for the following activities:
  - Sourcing all NMTC transactions and manage the financing process from project intake through closing
  - Serving as liaison with the U.S. Treasury Department in connection with CSCDC’s status and tax credit allocations
  - Coordinate with CSCDC’s Advisory Board and the CSCDA Executive Director.
  - Manage project underwriting consultants
• Provide management / oversight of all post-issuance compliance matters relative to the CSCDC New Markets Tax Credit Program, including:
  - Select, retain, manage, and evaluate on behalf of CSCDC all outside consultants, attorneys, accountants and other professionals providing services to CSCDC
  - Continue to liaise with the U.S. Treasury Department in connection with CSCDC’s status and future tax credit allocations
  - Coordinate all tax, audit, compliance, and asset management procedures with internal staff and outside consultants
  - Provide ongoing marketing activities including engagement with banks, tax credit investors, consultants and advisors
  - Cultivating and recommending projects that have the highest and best probability of supporting future allocations for CSCDC in light of the highly competitive process
Lead and manage a team of third-party attorneys, consultants and lenders to pursue subsequent year NMTC applications.

Manage asset management, loan servicing, reporting and compliance for all projects.

CSCDA Housing Compliance Services:
- Create (or re-create) and maintain CSCDA compliance website to provide real-time analysis of restrictive covenants for more than 600 CSCDA affordable housing projects, including backend database capabilities to record site visit history and property management reporting.
- Ensure compliance with federal, state, and local income and rent limits relative to over 600 affordable housing CSCDA project financings, including tenant file reviews and project site visits.
- Collect and submit the CDLAC Certificate of Compliance for each of the 600 housing projects annually, including confirmation of other promised public benefits (i.e. free high speed internet, educational classes, etc.)

V. PROPOSAL CONTENT

For each category of services described above, please provide responses to the information requested below. Proposers should specify the CSCDA Programs it is proposing to serve as either Program Originator or as ongoing Program Administrator.

1. Proposing Firm and Personnel

Identify the name of the proposing firm, the division(s) of the firm that will be providing the services and the mailing addresses of the offices. Provide a chart that identifies the names, titles, transaction roles, office locations (city names), telephone numbers and e-mail addresses for the representatives who will be assigned to the particular CSCDA management function. Indicate what role each person will perform including identification of the person who will serve as the primary contact to the CSCDA for the particular service. Provide brief resumes for personnel who will be available to work on CSCDA matters.

2. Experience with Each Financing Program

Include a list of your firm’s experience with each financing program proposed, identifying the role of the firm, personnel involved in each transaction and a breakdown of the origination and ongoing management fees associated with each transaction. Please provide case study descriptions of programs recently managed by your firm and describe unique management approaches for the transactions.

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1 CSCDA’s current Housing Compliance Services are provided to CSCDA by HB Capital. The underlying technology for CSCDA’s Housing Compliance Services is proprietary and owned by HB Capital. To the extent a new Program Manager wishes to provide Housing Compliance Services, the new Program Manager will be required to create new technology.
3. **Management Plan**

   If applicable, please develop an overall management plan for the transition of the Authority’s Program Manager that covers the categories detailed below.

   **a. Implementation**

   Identify a plan to transition the services your firm will provide to CSCDA identifying all team members required to transition the required services.

   **b. Timeline**

   Provide a detailed timeline to transition the services for the proposed program.

4. **Marketing Plan**

   Provide the Authority with a summary of your firm’s plans to expand CSCDA’s current programs and identify new opportunities CSCDA should consider.

   Provide your views on the current management and marketing of CSCDA’s programs.

5. **Term of Agreement**

   Identify the minimum term necessary to meet the objectives of this RFP, not to exceed seven (7) years. Explain any proposed notice and grounds necessary to terminate the agreement either for cause or without cause by either party and the process and terms under which the duties under the agreement will be transferred to a successor party.

6. **Fee Proposal**

   Please provide a detailed fee proposal for origination and annual administration services for each program included in the firm’s proposal. Fees should be represented as a percentage of fees generated based on the fee schedule included Section III of this RFP. The fee proposal shall include all costs incurred by the firm in performing the contract. These fees also will compensate the firm for all new program development responsibilities. Proposals also should address whether CSCDA should devote a portion of the net fee revenue to provide rebates to members of the League and CSAC and what portion of fee revenue should be reserved for this purpose. Proposals also should address how the sponsorship fees provided to the League and CSAC Finance Corporation, on behalf of CSAC, can be expanded during the term of the contract.
### California Statewide Communities Development Authority (CSCDA)
#### Program Manager Fee Proposal

1. **Public Agency Programs**
   - California Lease Finance Program (CaLease)
   - Statewide Community Infrastructure Program (SCIP)
   - Delinquent Property Tax Funding Program
   - Tax and Revenue Anticipation Note Program
   - Asset Securitization Programs

2. **Energy Finance Programs**
   - Sustainable Energy Bond Program
   - Commercial CaliforniaFIRST PACE Program
   - Residential CaliforniaFIRST PACE Program

3. **Private Activity Bond Programs**
   - 501(c)(3) Nonprofit
   - Multi-family Housing Bonds
   - Industrial Development Bonds
   - Exempt Facility/Solid Waste
   - Other Private Activity Projects

4. **New Market Tax Credits**

5. **Housing Bond Post Issuance Compliance**

6. **New Financing Programs**
   - Single Family Housing Bonds
   - Public Private Partnerships
   - Other Programs (as specified by proposer)

6. **References**

   Provide contact information for at least three public client references for each person on the proposer’s management team. References may be the same for individual team members.
VI. GENERAL RFP INSTRUCTIONS

1. **RFP Time Schedule**
   
   The Authority’s RFP schedule, which may be subject to change, is detailed below:
   
   - Draft RFP Posted to CSCDA Website: May 2, 2014
   - Comments on RFP due to Executive Director: 5:00 PM, May 7, 2014
   - RFP Approved by CSCDA Commission and posted on CSCDA website: May 8, 2014
   - Seven (7) Copies of Proposals and a PDF copy (by e-mail) due: June 24, 2014
   - Proposals reviewed and ranked by Evaluation Panel: August 1, 2014
   - Interviews: August 2014
   - Program Manager(s) Selected: September 4, 2014
   - Agreement(s) Negotiated: September 2014
   - Agreement(s) approved by CSCDA Board of Commissioners: October 9, 2014

2. **Contact with CSCDA Staff and Commissioners**
   
   Proposing firms and individuals shall not contact CSCDA Commissioners, CSAC staff, CSAC Finance Corporation staff or League staff directly regarding this RFP. Proposing firms must direct any questions to Catherine Bando, CSCDA Executive Director, at catherinebando@me.com or (213) 700-4137, at anytime during the RFP Process.

3. **Submission Procedures**
   
   Seven hard copies of proposals must be delivered by **12:00 PM (Pacific Time) on Tuesday, June 24, 2014** to:
   
   Catherine Bando, Executive Director,
   California Statewide Communities Development Authority
   c/o The League of California Cities
   1400 K Street, 4th Floor
Sacramento, CA 95814
(Telephone number for delivery purposes is (916) 658-8240200)

A PDF copy of the proposal must be sent to Catherine Bando at catherinebando@me.com by 12:00 PM (Pacific Time) on Tuesday, June 24, 2014.

The Authority is not responsible for any expense incurred by any responder in preparing or submitting a proposal, providing any additional information requested or attending a scheduled interview.

There is no guarantee that the submission of a proposal will result in an award of a contract to serve as Program Administrator for all or any portion of the services requested.

All material submitted in response to the RFP will become the property of CSCDA and, as such is subject to the Public Records Act.

CSCDA reserves the right to modify the selection procedures, follow an alternative procedure, or to reject all proposals and make no selection.

4. Evaluation Process

Proposals will be reviewed and ranked by an Evaluation Committee. The firms or individuals that are being considered for all or a portion of the Program Administrator services that are ranked the highest may be interviewed during the month of August, 2014 or such other time that may be selected by CSCDA. The evaluation criteria are listed below in order of importance:

- The experience and qualifications of the individuals proposed for the engagement
- The firm’s or individual’s understanding of CSCDA’s Programs
- The firm’s capacity and ability to partner with the two program sponsors, CSAC and the LCC, and the CSAC Finance Corporation, in advancing the effectiveness of CSCDA, developing innovative programs and services for its members, and achieving tangible public benefit for the people of California.
- The firm’s or individual’s proposed management and marketing plans for CSCDA Programs
- The fees proposed for the services requested. Although the costs of the requested services are an important criterion for selection, the Authority may select a firm whose proposed fees are higher than the fees proposed by other firms if it determines that the experience, qualifications and understanding of CSCDA’s programs warrant the additional expense.