

# 2013/2014

## Annual Report



California Infrastructure and  
Economic Development Bank (IBank)

This report also available online at [www.ibank.ca.gov](http://www.ibank.ca.gov)

2013/2014



## MESSAGE FROM THE EXECUTIVE DIRECTOR

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I am pleased to present the California Infrastructure and Economic Development Bank's (IBank) Annual Activity Report for fiscal year 2013-14. The report summarizes the progress and activities of IBank as well as its contribution to the State and local economies.

Fiscal year 2013-14 proved to be an exciting and historical time for IBank. As the State's infrastructure continues to require attention, IBank continues to advance its programs based on the needs of the economy, public agency requirements and the goals and objectives of the State.

Communities throughout California continue to face significant challenges in addressing needed repairs and retrofits to their existing infrastructure. IBank has revitalized and streamlined its programs to help communities in achieving their goals more readily. IBank has made numerous programmatic improvements within the past year. These changes have resulted in a greater number and broader variety of projects being financed, improved accessibility of funds to communities, and increased benefits to more residents across the State.

A snapshot of IBank's accomplishments during the past fiscal year include:

- ❖ Increased the California Infrastructure and Economic Development Bank Fund (CIEDB) and the California Infrastructure Guarantee Trust Fund, enterprise funds (Funds) of IBank by **\$3,177,137** over the previous fiscal year. This was achieved as a result of positive earnings from operating and non-operating activities. Embracing this momentum to further improve the Funds' financial position, IBank is in the process of enhancing its current programs and developing new programs to continue to address the needs of communities throughout the State.
- ❖ Successfully amended the Criteria, Priorities and Guidelines for the Infrastructure State Revolving Fund Loan Program (ISRF) resulting in a streamlined and transparent process to select infrastructure and economic expansion projects for IBank financial assistance.
- ❖ Achieved a successful issuance of **\$95,960,000** series 2014A Infrastructure State Revolving Fund (ISRF) bonds (ISRF 2014A Bonds) and simultaneously attained an increase in ratings from the 'Big Three' credit rating agencies – Standard and Poor's (S&P), Fitch and Moody's. Fitch Ratings and Standard & Poor's assigned their respective "AAA" long-term rating to the ISRF 2014A Bonds and noted that the outlook is stable. These strong ratings reflect the ISRF Program's extremely strong financial risk score and very strong enterprise risk score. This accomplishment allows the IBank to continue the growth and maturity of its flagship program and to provide low-cost capital to its public agency clientele.

- ❖ Approved **\$12,050,000** of Infrastructure State Revolving Fund Program loans for local and State governmental entities and local government sponsored not-for-profit organizations for necessary infrastructure and economic expansion projects.
- ❖ Assisted the California Department of Public Health (CDPH) by making a short term loan to CDPH for **\$35,075,000**. This loan provided the required state match funds and was the catalyst for CDPH's continued receipt of federal capitalization grants for the Safe Drinking Water State Revolving Fund (SDWSRF). The SDWSRF is used to finance necessary infrastructure improvements to water systems throughout California to bring drinking water in various California communities into compliance with applicable federal and state standards.
- ❖ Issued **\$735,423,063** of conduit revenue bonds for qualified California manufacturing companies, 501(c)(3) nonprofit entities and for other governmental entities to create and retain jobs in the State, to facilitate research and cultural endeavors and for other public purposes.

Since inception, IBank has loaned, financed or participated in the financing of over **\$34 billion** of infrastructure, economic expansion and other efforts that drive economic development in order to serve the needs of the public throughout the State. We look forward to committing IBank resources as an integral economic stimulus tool in the areas of financing public infrastructure and private investments that promote economic development, create jobs and revitalize California communities.

It has been a privilege to serve as the Executive Director of IBank and to lead the outstanding IBank team who serve California. We've worked hard together throughout this past year and are very excited about the coming years and the contribution IBank will make to the State.

Respectfully submitted,



Teveia R. Barnes  
Executive Director

## ABOUT IBANK

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IBank was created in 1994 to finance public infrastructure and private development that promote a healthy climate for jobs, contribute to a strong economy and improve the quality of life in California communities. IBank operates pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act contained in the California Government Code Sections 63000 et seq. IBank is located within the Governor's Office of Business and Economic Development and is governed by a five-member Board of Directors.

IBank has broad authority to issue tax-exempt and taxable revenue bonds, provide financing to public agencies, provide credit enhancements, acquire or lease facilities, and leverage State and Federal funds. IBank's current programs include:

- ❖ **Infrastructure State Revolving Fund (ISRF) Program**, which provides low-cost financing to public agencies and certain not-for-profit organizations, sponsored by public agencies for a wide variety of public infrastructure and economic development projects;
- ❖ **Bond Financing (Bond) Programs** which provide tax-exempt conduit bond financing under four product lines:
  - Revenue bonds,
  - Exempt facility bonds,
  - Industrial development bonds,
  - Bonds for not-for-profit 501(c)(3) organizations; and
- ❖ **Small Business Loan Guarantee Program (SBLGP)** which provides guarantees to lenders of loans to small businesses.<sup>1</sup>

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<sup>1</sup> On October 4, 2013, Governor approved AB 1247 (Medina) which transferred the SBLG to IBank. Per Government Code 63089.98 annually, not later than January 1 of each year commencing January 1, 2014, the program manager shall prepare and submit to the Governor and the Legislature, pursuant to Section 9795, a report for the preceding fiscal year ending June 30, containing the expansion fund and trust fund financial product activity of each Financial Development Corporation that administer guarantees under the SBLGP. Program activity for the SBLGP is not included in this report.

This Annual Activity Report (Annual Report) is submitted in accordance with Government Code Section 63035, which requires IBank to submit to the Governor and the Joint Legislative Budget Committee a report of its activities for the preceding fiscal year.

This Annual Report includes:

- ❖ A listing of applications accepted, including a description of the expected employment impact of each project. **(Appendices 1-3)**
- ❖ A separate summary of applications for the Infrastructure State Revolving Fund Program, including a summary of the number of preliminary applications that did not receive funding and the reason the applicant did not qualify. **(Appendix 1)**
- ❖ A listing of bonds sold and interest rates thereon. **(Appendix 4)**
- ❖ The amount of other public and private funds leveraged by the assistance provided. **(Appendices 2 & 4)**
- ❖ A report of revenues and expenditures for the preceding fiscal year, including all of the IBank's costs. **(Appendices 5-6)**  
The information provided pursuant to this subdivision shall include, but need not be limited to, both of the following:
  - The amount and source of total bank revenues. Revenues shall be shown by main categories of revenues, including interest earnings, fees collected, and bond proceeds, for each bank program.
  - The amount and type of total bank expenditures. Expenditures shall be shown by major categories of expenditures, including loans provided, debt service payments, and program support costs, for each bank program.
- ❖ A projection of IBank's needs and requirements for the coming year. Recommendations for changes in state and federal law necessary to meet the objectives of this division. **(Page 6)**

## SUMMARY OF IBANK ACTIVITIES DURING FISCAL YEAR 2013/2014

A summary of the financing applications received is contained in the table below. This table includes both preliminary<sup>2</sup> and financing applications.

Program	Applications Accepted	Amount Requested
ISRF Program	7	\$48,243,460
Short-Term Financing <sup>3</sup>	1	\$35,075,000
<b>Subtotal:</b>	<b>8</b>	<b>\$83,318,460</b>
Bond Programs	11	\$487,200,000
<b>Total Applications Accepted:</b>	<b>19</b>	<b>\$570,518,460</b>

The table below summarizes the conduit bonds sold, ISRF Program loans approved and Short-Term Financings (although approved loans are not required to be reported per Government Code Section 63035) with the leverage information and projected employment impact.

Program	Loans Approved/ Conduit Bonds Sold	Expected Employment Impacts— Estimated Jobs <sup>4</sup>	Financing Amount	Leverage
ISRF Program Approved Loans	3	417	\$12,050,000	\$14,887,042
Short-Term Financing	1	N/A	\$35,075,000	\$140,300,000
<b>Subtotal:</b>	<b>4</b>	<b>417</b>	<b>\$47,125,000</b>	<b>\$155,187,042</b>
Conduit Bonds Sold	11	393	\$735,423,063	\$16,699,036
ISRF Program Revenue Bonds <sup>5</sup>	1	N/A	\$95,960,000	\$0
<b>Subtotal:</b>	<b>12</b>	<b>394</b>	<b>\$831,383,063</b>	<b>\$16,699,036</b>
<b>Total Financings:</b>	<b>16</b>	<b>811</b>	<b>\$878,508,063</b>	<b>\$171,886,078</b>

<sup>2</sup> As of October 2013, IBank no longer requires preliminary applications for the ISRF program. Applicants for Industrial Development Bonds (IDBs) and Exempt Facility Bonds are the only applicants of the Bond Financing Programs that are required to submit a Preliminary Application. IBank accepted one IDB Preliminary Application in FY 2013/2014.

<sup>3</sup> On October 29, 2013 IBank entered into a Master Loan Agreement (Agreement) with the California State Department of Public Health (CDPH) for the purpose of providing State Match Funds for federal capitalization grants. The Agreement allows CDPH to request additional short term financings from IBank for State Match Funds for federal grants. The term of the Agreement is five (5) years.

<sup>4</sup> Combined total of construction, full-time and part-time permanent jobs.

<sup>5</sup> The ISRF Program is a "leveraged loan program," which involves the issuance of revenue bonds secured by the repayments from approved loans. IBank has issued several series of tax-exempt revenue bonds to provide additional ISRF program financing beyond its initial General Fund appropriation. Beginning in 2004, then again in 2005, 2008 and 2014, IBank issued a total of \$250 million (ISRF Program Bonds) of tax-exempt revenue bonds, all committed to ISRF Program borrowers. ISRF Program Bonds are paid solely from loan repayments received from ISRF Program borrowers, and are neither backed nor guaranteed by either the State or other IBank funds.

## **IBANK’S NEEDS AND REQUIREMENTS FOR THE COMING YEAR WITH RECOMMENDATIONS FOR CHANGES IN STATE AND FEDERAL LAW**

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During the upcoming fiscal year, IBank intends to continue to work closely with GO-Biz to develop strategic initiatives and programs that will contribute to the Governor’s economic goals. Currently, IBank does not recommend any changes to State law. IBank does support proposed modifications to Federal tax law that would increase the availability of tax-exempt industrial development bonds in California. The Modernizing American Manufacturing Bonds Act, H.R. 5319, would assist small and mid-size manufacturers to access capital for expansion, modernization and acquisition of manufacturing facilities throughout the State of California and throughout the nation. The enactment of H.R. 5319 would likely result in a significant increase in manufacturing activity within the State with larger and more technologically advanced facilities, as well as the creation of additional employment opportunities.

### **LIST OF APPENDICES**

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**Appendix 1**—ISRF Program Applications Accepted

**Appendix 2**—ISRF Program Loans Approved Including Expected Employment Impacts

**Appendix 3**—Bond Programs Applications Accepted

**Appendix 4**—Bond Programs Bonds Sold and Interest Rates Thereon

**Appendix 5**—Audited Statement of Revenues, Expenses and Changes in Net Position of the California Infrastructure and Economic Development Bank (CIEDB) Fund and the California Infrastructure Guarantee Trust (Guarantee Trust) Fund

**Appendix 6**—Statement of Cash Flows by Program for the CIEDB Fund and the Guarantee Trust Fund

**APPENDIX 1—ISRF PROGRAM APPLICATIONS ACCEPTED<sup>6</sup>**

<b>Name of Applicant</b>	<b>Project Location</b>	<b>Proposed Project Description</b>	<b>Amount Requested</b>	<b>Reason Did Not Receive Funding (If Applicable)</b>
City of Pittsburg	City of Pittsburg	Water System Modifications	\$18,606,481	N/A
City of Placentia	City of Placentia	Construction of Indoor Skate park	\$1,300,000	Disproportionate private activity and unstable repayment source
City of San Gabriel	City of San Gabriel	Portion of the Accelerated Great Street Project	\$6,400,000	N/A
Discovery Science Center	City of Los Angeles	Museum	\$4,000,000	Unstable repayment source.
Phelan Piñon Hills Community Services District	City of San Bernardino	Solar Net Metering Project	\$3,986,979	Withdrawn by Applicant.
City of Redlands	City of Redlands	A portion of the City's Pavement Accelerated Repair Implementation Strategy Project	\$5,650,000	N/A
Theatre for Children Inc. dba B Street Theatre	City of Sacramento	B Street Children's Theatre Expansion Project	\$8,300,000	N/A
<b>Short-Term Financing</b>				
CDPH Safe Drinking Water State Revolving Fund (SDWSRF)	Statewide	Short-term financing with the CDPH for the purpose of providing State Match Funds for federal capitalization grants for the SDWSRF, which is used to finance infrastructure improvements to water systems throughout California. This program facilitates the delivery of drinking water to various California communities in compliance with applicable federal and State standards.	\$35,075,000	N/A
<b>Total Applications Accepted: 8</b>			<b>\$83,318,460</b>	

<sup>6</sup> Including Those that Did Not Receive Funding with the Reason the Applicant Did Not Qualify



**APPENDIX 2—ISRF PROGRAM LOANS APPROVED**

<b>Name of Borrower</b>	<b>Project Location</b>	<b>Interest Rate</b>	<b>Category and Project Description</b>	<b>Public Benefits (Including Expecting Employment Impact)</b>	<b>Financing Amount</b>	<b>Leverage</b>
Capital Area Development Authority	City of Sacramento	2.77%	City Streets: Improve 16 <sup>th</sup> and P Streets and corridor between 16 <sup>th</sup> and 17 <sup>th</sup> Streets and P and Q Streets.	Street improvements which contributed to the economic vitality of area by promoting additional investment in privately owned parcels.  Estimated Permanent Jobs: 31 Full-Time Equivalent (FTE), 15 Part-Time (PT) Estimated Construction Jobs: 227	\$600,000	\$94,042
City of Redlands	Various streets throughout the City of Redlands	3.01%	City Streets: Upgrade, reconstruct and rehabilitate approximately 40 lane miles of public streets.	Improve the quality of the business district in the City by improving access roads to the central commercial corridor with the overall objective of stimulating the local economy.  Estimated Permanent Jobs: 0, Estimated Construction Jobs: 72	\$3,050,000	\$0
Theatre for Children Inc. dba B Street Theatre	City of Sacramento	2.06% First 4.15% Second	Educational, Cultural and Social Category: Construct a 45,000 foot theatre complex on land donated by Sutter Medical Center.	The Project Supports the City of Sacramento Goals: <ol style="list-style-type: none"> <li>1. Contributes to Mid-Town District Redevelopment Plan and</li> <li>2. Enhance and compliment the Character of the community</li> <li>3. Support tourism industry.</li> </ol> Estimated Permanent Jobs: 0, Estimated Construction Jobs: 72	\$8,300,000	\$14,793,000
<b>Short-Term Financing</b>						
CDPH Safe Drinking Water State Revolving Fund (SDWSRF)	Statewide	0.246%	State Match Funds for federal capitalization grants.	Enable CDPH to use interest earned on federal funds already on deposit with CDPH, but currently ineligible for use as State Match Funds under Federal regulations, as a US EPA approved source for State Match Funds. The Financing enabled California to secure valuable federal capitalization grants.  Estimated Permanent Jobs: N/A, Estimated Construction Jobs: N/A	\$35,075,000	\$140,300,000
<b>Total Loans Approved: 4</b>				<b>Estimated Permanent Jobs: FTE<sup>7</sup>: 31, PT: 15</b>   <b>Estimated Construction Jobs: 371</b>	<b>\$47,125,000</b>	<b>\$155,187,042</b>
				<b>Total Estimated Jobs: 417</b>		

<sup>7</sup> “FTE” means full-time equivalent. Each ISRF Program borrower’s governing body must determine as reflected by resolution that the project develops and enhances public infrastructure in a manner that will attract, create, and sustain long-term employment opportunities.

**APPENDIX 3—BOND PROGRAMS APPLICATIONS ACCEPTED**

<b>Name of Applicant</b>	<b>Project Location</b>	<b>Type of Financing<sup>8</sup></b>	<b>Proposed Project Description</b>	<b>Amount Requested</b>
California Independent System Operator Corporation	Cities of Folsom, Rocklin and Alhambra	501(c)(3)	Acquire, construct or develop land, buildings, computer software systems, computer hardware, office equipment and other related costs in order to provide operational control services and other related services in connection with electric transmission facilities.	\$210,000,000
The Bay School of San Francisco	City of San Francisco	501(c)(3)	Construct, renovate, improve and equip the school's campus.	\$6,500,000
New Door Ventures	City of San Francisco	501(c)(3)	Reimburse a portion of the costs of acquiring a three-story building at the project address.	\$2,050,000
Marin Academy	City of San Rafael	501(c)(3)	Refinance the existing ABAG Revenue Bonds, pay and/or reimburse the Academy for the costs of acquisition, construction, renovation, retrofitting, improvement and equipping of capital facilities at Marin Academy's campus, including the construction of a new science facility.	\$22,000,000
Catalina Island Museum	City of Avalon	501(c)(3)	Construct a new museum building which will provide additional exhibition space, expanded vault area and museum store, digital theater, library and staff offices.	\$5,000,000
Marlborough School	City of Los Angeles	501(c)(3)	Construct a state-of-the-art aquatic center, demolition of single family residences, expansion of a parking lot, construction of a security kiosk, expansion of an existing outdoor athletic field and the modernization of miscellaneous related construction projects.	\$29,500,000
Otis College of Arts and Design	City of Los Angeles	501(c)(3)	Refund outstanding bonds (CEFA Bonds), and finance the cost of acquisition, construction, equipping and furnishing of the real property and improvements located on the college campus.	\$35,000,000
Los Angeles Jewish Home for the Aging	City of Playa Vista	501(c)(3)	Develop 2.5 acre site within Playa Vista, of a 460,000 square foot, 6-story building including 175 supportive living apartments and 24 assisted living/memory care apartments.	\$160,000,000
Westmark School	City of Encino	501(c)(3)	Construct and/or improve security/campus safety, campus/master plan development, technology upgrades, and various building improvements. Acquire an additional property was also added to the project.	\$8,500,000
The Switzer Center	City of Torrance	501(c)(3)	Refinance project including approximately 28,000 square feet of building space for school.	\$2,700,000
<b>Preliminary Applications</b>				
Noushig/Yakopos	City of Oxnard	IDB	Finance the acquisition of new manufacturing equipment and pay a portion of the cost of issuance.	\$5,950,000
<b>Total Applications Accepted: 11</b>				<b>\$487,200,000</b>

<sup>8</sup> "501(c)(3)" means qualified 501(c)(3) conduit revenue bond or loan.

**APPENDIX 4—BOND PROGRAMS BONDS SOLD**

<b>Name of Borrower</b>	<b>Project Location</b>	<b>Type of Financing</b>	<b>Interest Rate</b>	<b>Project Description</b>	<b>Public Benefits (Including Expected Employment Impact)</b>	<b>Financing Amount</b>	<b>Leverage</b>
California Independent System Operator Corporation (ISO)	Cities of Folsom, Rocklin and Alhambra	501(c)(3)	Fixed Rate (FR) 4.48% TIC <sup>9</sup>	Refund 2009 Series A Bonds, which were used to acquire, construct or develop land, buildings, computer software systems, computer hardware, office equipment and other related costs.	ISO estimates it will achieve approximately \$1.5 million in annual cash flow savings directly reducing the annual expense of operating the transmission grid in California, which will further the goal of providing for a low-cost and stable electric power supply.  Estimated Permanent Jobs: 0 , Estimated Construction Jobs: 0	\$191,820,000	\$85,000
The Bay School of San Francisco	City of San Francisco	501(c)(3)	FR 4.0% TIC	Refinance the outstanding taxable loan provided by Bank of America, the proceeds of which were used to finance or refinance capital projects of The Bay School.	The School estimates it will achieve approximately \$100,000 in debt service savings per year, which will be used to provide additional funding for financial aid as well as educational support and resource programs.  Estimated Permanent Jobs: 0, Estimated Construction Jobs: 0	\$6,500,000	\$0
New Door Ventures	City of San Francisco	501(c)(3)	FR 2.97% TIC	Reimburse a portion of the costs of acquiring a three-story building at the project address.	By using the proceeds of the Tax-Exempt Obligations to finance the reimbursement of a portion of the cost of acquiring the project site, New Door will be able to replenish its financial reserves and have increased flexibility to manage efficiently its corporate finances, including the option to retire existing debt and to pay for renovations on the project site that will allow considerable expansion of existing program services and increased capacity to serve at-risk youth in the San Francisco community.  Estimated Permanent Jobs: 0, Estimated Construction Jobs: 0	\$2,050,000	\$79,000

<sup>9</sup> "TIC" means True Interest Cost.

**APPENDIX 4—BOND PROGRAMS BONDS SOLD**

<b>Name of Borrower</b>	<b>Project Location</b>	<b>Type of Financing</b>	<b>Interest Rate</b>	<b>Project Description</b>	<b>Public Benefits (Including Expected Employment Impact)</b>	<b>Financing Amount</b>	<b>Leverage</b>
Marin Academy	City of San Rafael	501(c)(3)	FR 3.15% TIC	Refinance the existing ABAG Revenue Bonds, pay and/or reimburse the Academy for the costs of acquisition, construction, renovation, retrofitting, improvement and equipping of capital facilities at Marin Academy's campus, including the construction of a new science facility.	Marin Academy will gain economic flexibility for future capital improvements and will greatly enhance its science curriculum offerings through the construction of a state-of-the-art science center. The new Science building will provide additional opportunities for state-of-the-art instruction and independent student research. The building is expected to meet at least LEED Gold standards thus reducing energy consumption, minimizing operating costs and demonstrating a wise use of natural resources.  Estimated Permanent Jobs: 0, Estimated Construction Jobs: 0	\$20,000,000	\$6,600,000
Catalina Island Museum	City of Avalon	501(c)(3)	Variable Rate (VR)	Construct a new museum building, which will provide additional exhibition space, expanded vault area and museum store, digital theater, library and staff offices.	The new museum building will serve the island's 4,000 permanent residents and the nearly 1,000,000 visitors. It will host special events, which will create year round jobs for residents. The museum will continue to provide an internship program, providing full-time summer work opportunities for college students, and enhance the community culturally by displaying local art, artifacts, history and traveling art exhibits.  Estimated Permanent Jobs: 0, Estimated Construction Jobs: 22	\$3,940,000	\$3,750,036
Marlborough School	City of Los Angeles	501(c)(3)	FR 3.696% TIC	Private placement used to refund obligations of prior Master Loan Agreement; provide long-term financing for the project; provide bridge financing for the project; and fund costs of issuance.	The financing will provide low-cost funds for the construction and improvements to the campus which include a new aquatic center, expansion of parking lot, security, expansion of outdoor athletic field, new walls and landscaping. The Project will help to serve the 544 currently enrolled students, and the state of the art facilities will serve its 32 athletic teams.  Estimated Permanent Jobs: TBD based on enrollment, Estimated Construction Jobs: 61	\$29,483,063	\$0

**APPENDIX 4—BOND PROGRAMS BONDS SOLD**

<b>Name of Borrower</b>	<b>Project Location</b>	<b>Type of Financing</b>	<b>Interest Rate</b>	<b>Project Description</b>	<b>Public Benefits (Including Expected Employment Impact)</b>	<b>Financing Amount</b>	<b>Leverage</b>
Otis College of Arts and Design	City of Los Angeles	501(c)(3)	FR 3.55% TIC	Refund outstanding bonds (CEFA Bonds), and finance the cost of the acquisition, construction, equipping and furnishing of the real property and improvements located on the college campus.	<p>Otis College estimates a present value savings of \$110,195. The financing will also provide low-cost funds for the construction of new academic space, auditorium, residential building, learning commons and other student services. Along with short term construction jobs, the college estimates that additional jobs will be created in food services, through third party vendors, student store and print shop jobs as well as additional maintenance, security and custodial positions for the expanded spaces and ancillary areas.</p> <p>Estimated Permanent Jobs: TBD depending on enrollment, Estimated Construction Jobs: 109</p>	\$35,000,000	\$0
Westmark School	City of Encino	501(c)(3)	FR 3.15% TIC, VR (First 15 years FR, then VR for years 16-30)	Refund IBank 2006 Bonds, fund various capital improvement projects, pay transaction costs, and acquire an additional property.	<p>Westmark provides students that have moderate to severe learning disabilities with a high quality education. New security and safety systems will insure that the campus environment is safe and supportive of the individual educational experiences key to student achievement. Westmark estimates that staffing will increase by 3 to 5 positions over the next 2 to 3 years. Acquisition of the adjacent property includes the following: Residence for head of school; offices for administrative staff; and expansion of existing athletic/play fields.</p> <p>Estimated Permanent Jobs: 5, Estimated Construction Jobs: 4</p>	\$8,500,000	\$0
Museum Associates (Los Angeles County Museum of Art)	City of Los Angeles	501(c)(3)	VR	Refund 2008 Bonds issued by California Statewide Communities Development Authority.	<p>LACMA estimates it will achieve debt service savings to be in excess of \$1 million per year for each of the first five years allowing the Museum to continue to improve the quality and presentation of its art collections and to serve as a premier cultural resource to the Los Angeles community, the State and to visitors from other states and countries.</p> <p>Estimated Permanent Jobs: 0 , Estimated Construction Jobs: 0</p>	\$343,000,000	\$1,400,000

**APPENDIX 4—BOND PROGRAMS BONDS SOLD**

<b>Name of Borrower</b>	<b>Project Location</b>	<b>Type of Financing</b>	<b>Interest Rate</b>	<b>Project Description</b>	<b>Public Benefits (Including Expected Employment Impact)</b>	<b>Financing Amount</b>	<b>Leverage</b>
Pueblo Serra Worship Holdings (J. Serra High School)	City of San Juan Capistrano	501(c)(3)	VR	Refund the 2009 IBank Bonds.	The Borrower estimates it will achieve approximately \$533,800 in annual debt service savings, which will be used to provide additional funding for School financial aid and community outreach programs.  Estimated Permanent Jobs: 0 , Estimated Construction Jobs: 0	\$55,130,000	\$250,000
Wilshire Blvd. Temple (WBT)	City of Los Angeles	501(c)(3)	FR 3.5% TIC	Finance and refinance the development and renovation of two school buildings, construction of a five-story parking structure that includes a rooftop sports complex, a social services center, and ancillary and supporting facilities.	Bond proceeds will be used to develop an urban campus adding to the resurgence of the Wilshire Center/Koreatown community. WBT provides services to low-income families and individuals in the local area. The new social service center will feature an expanded food pantry program, as well as offering basic dental, medical, mental health, legal and immigration counseling services in conjunction with local nonprofits.  Estimated Permanent Jobs: 71, Estimated Construction Jobs: 122	\$40,000,000	\$4,535,000
<b>IBank ISRF Program Revenue Bonds<sup>5</sup></b>							
California Infrastructure and Economic Development Bank (ISRF Program Revenue Bonds Series 2014A)	Statewide	PARB <sup>10</sup> - ISRF Revenue Bonds	FR 3.47% TIC	Leverage outstanding ISRF Program loans and provide additional program loan funds.	Expand the capacity of the ISRF Program to make loans for municipal infrastructure without additional State General Fund appropriations.  Estimated Permanent Jobs: N/A , Estimated Construction Jobs: N/A	\$95,960,000	\$0
<b>Total Bonds Sold: 12</b>					<b>Estimated Permanent FTE Jobs: 76</b>	<b>\$831,383,063</b>	<b>\$16,699,036</b>
					<b>Total Estimated Jobs: 394</b>		

<sup>10</sup> "PARB" means Public Agency Revenue Bond.

**APPENDIX 5—AUDITED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION<sup>11</sup>**

	<b>CIEDB Fund</b>	<b>Infrastructure Guarantee Trust Fund</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
Interest on loans receivable	\$ 10,421,447	--	\$ 10,421,447
Administration fees	\$ 1,726,297	--	\$ 1,726,297
Total operating revenues	\$ 12,147,744	--	\$ 12,147,744
<b>OPERATING EXPENSES</b>			
Interest on revenue bond debt	\$ 5,031,074	--	\$ 5,031,074
Program support <sup>12</sup>	\$ 4,158,113	--	\$ 4,158,113
Total operating expenses	\$ 9,189,187	--	\$ 9,189,187
<b>OPERATING INCOME</b>	\$ 2,958,557	--	\$ 2,958,557
<b>NONOPERATING REVENUE</b>			
Investment income	\$ 160,246	\$ 58,334	\$ 218,850
Total nonoperating revenue	\$ 160,246	\$ 58,334	\$ 218,850
Change in net position	\$ 3,118,803	\$ 58,334	\$ 3,177,137
<b>NET POSITION, Beginning of year</b>	\$ 253,922,291	\$ 24,596,333	\$ 278,518,624
<b>NET POSITION, End of year</b>	\$ 257,041,094	\$ 24,654,667	\$ 281,695,761

<sup>11</sup> The Statement of Revenues, Expenses, and Changes in Net Position is prepared on an accrual basis of accounting in accordance with generally accepted accounting principles. Data is from the Comprehensive Annual Financial Report of IBank for the year ending June 30, 2014.

<sup>12</sup> Program support expenses represent administrative expenses of IBank.

APPENDIX 6—STATEMENT OF CASH FLOWS <sup>13</sup>				
	CIEDB Fund		Guarantee Trust Fund	Total
	ISRF Program	Bond Financing Programs <sup>14</sup>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipt of interest on loans receivable	\$ 10,778,501	--	--	\$ 10,778,501
Receipt of administration fees	\$ 1,160,008	\$ 640,607	--	\$ 1,800,615
Receipt of principal on loans receivable	\$ 28,167,705	--	--	\$ 28,167,705
Payment of outstanding loan commitments <sup>15</sup>	\$ (6,540,050)	--	--	\$ (6,540,050)
Payment of program support	\$ (1,891,010)	\$ (597,551)	--	\$ (2,488,561)
<b>Net cash provided by operating activities</b>				<b>\$ 31,718,210</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES <sup>16</sup></b>				
Receipt of revenue bond proceeds	\$ 33,813,823	--	--	33,813,823
Payment to advance refund escrow agent	\$ (7,067,943)		--	(7,067,943)
Payment of principal on revenue bond debt	\$ (5,745,000)	--	--	\$ (5,745,000)
Payment of interest on revenue bond debt	\$ (3,642,603)	--	--	\$ (3,642,603)
<b>Net cash used for noncapital financing activities</b>				<b>\$ 17,358,277</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Receipt of interest on investments	\$ 434,730	\$ 36,754	\$ 59,400	\$ 530,884
<b>Net cash used for investing activities</b>				<b>\$ 530,884</b>
<b>CHANGE IN CASH AND EQUIVALENTS</b>				<b>\$ 49,607,371</b>
<b>CASH AND EQUIVALENTS, Beginning of year</b>				<b>\$ 83,887,311</b>
<b>CASH AND EQUIVALENTS, End of year</b>				<b>\$ 133,494,682</b>

<sup>13</sup> This information is being provided pursuant to Government Code Section 63035(d). Cash flow data is from the Comprehensive Annual Financial Report of IBank for the year ended June 30, 2014, except administration fees, program support and interest on investments data is from internal IBank records.

<sup>14</sup> Conduit bonds issued through IBank's Bond Financing Programs do not constitute a debt or liability of the State or of any political subdivision of the State, other than a limited obligation of IBank payable solely from the pledged revenues of the conduit borrower, nor are a pledge of the faith and credit of the State or any political subdivision thereof. As such, the conduit bonds issued by IBank's Bond Financing Programs are not reflected on IBank's financial statements.

<sup>15</sup> "Payment of outstanding loan commitments" means loan disbursements and also means local assistance.

<sup>16</sup> "Cash flows from noncapital financing activities" represents the payment of principal and interest on bonds issued by IBank to leverage the ISRF Program.