



# **ANNUAL ACTIVITY REPORT**

## **FISCAL YEAR 2005/2006**



California District 4

### **CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK**

***“FINANCING FACILITIES THAT BUILD COMMUNITIES”***



## ANNUAL ACTIVITY REPORT FISCAL YEAR 2005/2006

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### **INTRODUCTION**

This report is submitted in accordance with Government Code Section 63035, which requires the California Infrastructure and Economic Development Bank (I-Bank) to submit to the Governor and the Joint Legislative Budget Committee an accounting of its activities for the preceding fiscal year and reads specifically as follows:

- (a) A listing of applications accepted, including a description of the expected employment impact of each project.
- (b) A specification of loans approved and bonds sold, and interest rates thereon.
- (c) The amount of other public and private funds leveraged by the assistance provided.
- (d) A report of revenues and expenditures for the preceding fiscal year, including all of the I-Bank's costs.
- (e) A projection of the I-Bank's needs and requirements for the coming year.
- (f) Recommendations for changes in state and federal law necessary to meet the objectives of this division.<sup>1</sup>

### **SUMMARY**

The I-Bank's mission is to finance public infrastructure and private development that promote economic growth, revitalize communities and enhance the quality of life throughout California. The I-Bank's primary programs include Bond Financing Programs that provide tax-exempt revenue bond financing for qualified manufacturing companies, nonprofit organizations, public agencies and other entities eligible for tax-exempt financing, and the Infrastructure State Revolving Fund (ISRF) Program, which provides low-cost financing to public agencies for a variety of public infrastructure projects.

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<sup>1</sup> California Government Code Section 63035.



During the 2005/2006 fiscal year, the I-Bank issued \$265,640,000 of revenue bonds, including four 501(c)(3) revenue bonds totaling \$103,850,000, two industrial development revenue bonds totaling \$12,200,000, and four public agency revenue bonds totaling \$149,590,000. Typically, revenue bonds issued by the I-Bank are payable solely from the revenues of the underlying borrower, and are neither backed nor guaranteed by the State or the I-Bank. The repayment structure of the four public agency revenue bonds issued during the 2005/2006 fiscal year varies from other revenue bonds issued by the I-Bank resulting in these bonds representing a limited obligation of the I-Bank.<sup>2</sup>

During the 2005/2006 fiscal year, the I-Bank approved twelve ISRF Program loans totaling \$44,916,000 (one approval increased a previously approved loan) for local government entities throughout the State for critically needed infrastructure projects.

**ACTIVITIES DURING FISCAL YEAR 2005/2006**

The following is a summary of I-Bank activities for the 2005/2006 fiscal year:

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<sup>2</sup> In December 2005, the I-Bank issued the *California Infrastructure and Economic Development Bank, Infrastructure State Revolving Fund Revenue Bonds, Series 2005* (2005 ISRF Bonds) to provide \$52,800,000 of additional funding for ISRF Program loans. The 2005 ISRF Bonds represent a limited obligation of the I-Bank and are payable solely from the repayment of ISRF Program loans that have been directly pledged to repay the bonds.

In December 2005, the I-Bank issued the *California Infrastructure and Economic Development Bank, State School Fund Apportionment Lease Revenue Bonds, Series 2005 A, B and C* (Series 2005 Bonds) as three separate transactions totaling \$96,790,000 to reimburse the State's General Fund for long-term emergency loans made to three school districts experiencing severe economic distress. The Series 2005 Bonds represent a limited obligation of the I-Bank payable solely from lease revenues collected from the respective school districts.

The Revenue bonds described above are payable solely from the revenues of underlying borrower and do not constitute a debt or liability of the State or of any political subdivision of the State, except the I-Bank, nor are the bonds a pledge of the faith and credit of the State, or of any political subdivision of the State.



**(a) Listing of applications accepted, including a description of the expected employment impact of each project.**

For the ISRF Program, the I-Bank accepted nineteen new preliminary applications and twelve new financing applications during the fiscal year. For the Bond Financing Programs, the I-Bank accepted two new preliminary applications and five applications during the fiscal year. A listing of these applications is contained in Appendix 1-A and 1-B. Expected employment impacts for approved projects are contained in Appendix 2.

**(b) Specification of loans approved and bonds sold, and interest rates thereon.**

The I-Bank approved twelve loans through the ISRF Program totaling \$44,916,000 and completed the issuance of ten revenue bonds totaling \$265,640,000 during the fiscal year<sup>3</sup>. Appendix 2 contains a listing of the loans approved and bonds sold during this period, and includes other project and financing information such as project locations, interest rates, information on other public benefits and projected employment impact.

**(c) Amount of other public and private funds leveraged by the assistance provided.**

The \$44,916,000 of loans approved through the ISRF Program will leverage approximately \$58,160,000 of other public and private funds. Revenue bonds issued will leverage approximately \$7,073,565 of other public and private funding sources.

**(d) A report of revenues and expenditures for the preceding fiscal year, including all of the I-Bank's costs.**

During the 2005/2006 fiscal year, the I-Bank realized total revenues of \$12,321,254 which included interest on loan repayments, investment income, and administration fee revenue, and total operating expenses of \$5,945,964 which included program support expenses, interest on bond debt, and amortization of bond issuance costs. Total operating income for the year was \$6,375,290. See Appendix 3 for the

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<sup>3</sup> Applications for several bonds and loans approved in the 2005/2006 fiscal year were submitted in the prior fiscal year.



## CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

Statement of Revenues, Expenses, and Changes in Net Assets from the I-Bank's audited financial statements for the year ended June 30, 2006.

**(e) A projection of the I-Bank's needs and requirements for the coming year.**

The I-Bank anticipates that new positions will be necessary in the event that any new funding or programs are to be administered by the I-Bank during the coming fiscal year. Such new positions, and the related funding for the positions, will need to be included in legislation that creates the new program or augments funding for existing I-Bank programs.

**(f) Recommendations for changes in State and Federal law necessary to meet the objectives of this division.**

The I-Bank may pursue funding opportunities in the coming fiscal year that could result in changes to State law.

### **APPENDICES**

- 1-A Preliminary Applications Received by Program
- 1-B Applications Received by Program
- 2 Report of Loans Approved and Bonds Sold
- 3 Statement of Revenues, Expenditures and Changes in Net Assets of the California Infrastructure and Economic Development Bank

**APPENDIX 1-A  
PRELIMINARY APPLICATIONS RECEIVED  
BY PROGRAM  
FISCAL YEAR 2005/2006**

<b>ISRF PROGRAM</b>			
<b>Name of Applicant</b>	<b>Project Location</b>	<b>Proposed Project Description</b>	<b>Amount Requested</b>
Placer County Redevelopment Agency	Auburn	City street and state highway improvements.	\$1,500,000
City of Vallejo	Vallejo	City street improvements.	\$2,000,000
County of Kern	Unincorporated parts of Kern County, east of Bakersfield	Street improvements.	\$7,122,000
County of Contra Costa on behalf of Contra Costa County Sanitation District No. 5	Port Costa	Expansion of wastewater disposal system.	\$550,000
City of Anderson	Anderson	Educational and recreational facility to house the City of Anderson Teen Center.	\$1,000,000
Vacaville Redevelopment Agency	Vacaville	Wastewater collection and treatment improvements.	\$1,500,000
City of Redlands	Redlands	Park and recreational facilities at the Redlands Sports Park.	\$1,985,000
Placer County Redevelopment Agency	Kings Beach	Public parking facility.	\$1,081,694
City of Hughson	Hughson	Water system improvements.	\$2,640,000
Lake County Redevelopment Agency	Lucerne, Lake County	Park and recreation facilities and state highway improvements.	\$2,955,000
City of Monterey Park	Monterey Park	Water system distribution improvements.	\$2,000,000
Big Bear Municipal Water District	Big Bear	Dam upgrades to facilitate drainage, water supply and flood control.	\$781,400
City of Mount Shasta	Mount Shasta	Water distribution and sewer collection improvements.	\$2,000,000
City of Greenfield	Greenfield	Wastewater treatment plant expansion.	\$2,414,425
City of Greenfield	Greenfield	Water system expansion.	\$3,024,270

**APPENDIX 1-A  
PRELIMINARY APPLICATIONS RECEIVED  
BY PROGRAM  
FISCAL YEAR 2005/2006**

<b>ISRF PROGRAM</b>			
<b>Name of Applicant</b>	<b>Project Location</b>	<b>Proposed Project Description</b>	<b>Amount Requested</b>
Montara Water and Sanitary District	San Mateo County	Water system energy efficiency and system improvements	\$1,740,000
City of San Bernardino Municipal Water Department	San Bernardino	Water distribution improvements	\$10,000,000
Eureka Redevelopment Agency	Eureka	City street, public parking and recreational facility improvements	\$2,000,000
City of San Marino	San Marino	City library reconstruction	\$2,000,000
<b>Total ISRF Program Preliminary Applications</b>			<b>\$48,293,789</b>

**APPENDIX 1-A  
PRELIMINARY APPLICATIONS RECEIVED  
BY PROGRAM  
FISCAL YEAR 2005/2006**

<b>BOND FINANCING PROGRAMS</b>				
Name of Applicant	Project Location	Type of Financing <sup>4</sup>	Proposed Project Description	Amount Requested
Cook Cabinets, Inc.	Amador	IDB	Finance the acquisition of land and buildings for a cabinet manufacturing business, including the renovation and improvement of the building and the acquisition and installation of manufacturing equipment.	\$8,200,000
M.A. Silva Corks USA	Sonoma	IDB	Finance the acquisition of land and buildings for a cork manufacturing business, including renovation and improvement of the building and the acquisition and installation of manufacturing equipment.	\$5,000,000
<b>Total Revenue Bond Programs Preliminary Applications</b>				<b>\$13,200,000</b>

**Summary of Preliminary Applications Received**

ISRF Program	\$48,293,789
Bond Financing Programs	\$13,200,000
<b>Total Amount of Preliminary Applications Received</b>	<b>\$61,493,789</b>

<sup>4</sup> "IDB" means Industrial Development Revenue Bond.

**APPENDIX 1-B  
APPLICATIONS RECEIVED  
BY PROGRAM  
FISCAL YEAR 2005-2006**

<b>ISRF PROGRAM</b>			
<b>Name of Applicant</b>	<b>Project Location</b>	<b>Proposed Project Description</b>	<b>Amount Requested</b>
Redevelopment Agency of the City of Sacramento	Sacramento	City street and streetscape improvements to Del Paso Boulevard.	\$4,221,000
Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento	Sacramento	City street and streetscape improvements to Stockton Boulevard.	\$4,000,000
City of San Bernardino	San Bernardino	City Street rehabilitation and reconstruction in various locations throughout the city.	\$10,000,000
City of Madera	Madera	Wastewater treatment plant expansion and improvements.	\$10,000,000
Placer County Redevelopment Agency	Auburn	City street and state highway improvements.	\$1,500,000
City of Monterey Park	Monterey Park	Water system distribution improvements.	\$2,000,000
City of Anderson	Anderson	Educational and recreational facility to house the City of Anderson Teen Center.	\$1,000,000
Bear Valley Community Service District	Kern County	Additional sewerage collection and treatment improvements.	\$150,000 <sup>5</sup>
City of Greenfield	Greenfield	Wastewater treatment plant expansion.	\$2,360,000
City of Greenfield	Greenfield	Water system expansion.	\$3,700,000
City of Sacramento	Sacramento	Drainage and flood control improvements at the 65 <sup>th</sup> Street and Broadway detention basin.	\$4,000,000
City of Redlands	Redlands	Park and recreational facility at the Redlands Sports Park.	\$1,985,000
<b>TOTAL ISRF FINANCING APPLICATIONS</b>			<b>\$44,910,000</b>

<sup>5</sup> Increase to a previously approved loan.

**APPENDIX 1-B  
APPLICATIONS RECEIVED  
BY PROGRAM  
FISCAL YEAR 2005-2006**

<b>BOND FINANCING PROGRAMS</b>				
Name of Applicant	Project Location	Type of Financing <sup>6</sup>	Proposed Project Description	Amount Requested
California Science Center Foundation	Los Angeles	501(c)(3)	Finance a portion of construction of a new 170,000 square foot west wing of the existing Howard F. Ahmanson Building of the California Science Center, including the design, construction, acquisition and installation of new exhibits and support areas, expansion of existing galleries, and shelling of administrative office space.	\$82,000,000
San Francisco Ballet Association	San Francisco	501(c)(3)	Refund the Ballet's 2002 bonds; finance the renovation and equipping of an administration and rehearsal building; pay the costs of developing new ballet productions; fund the acquisition and improvement of a warehouse and a student living facility; finance the renovation and equipping of the War Memorial Opera House; and, finance related capital improvements.	\$44,000,000
Contemporary Jewish Museum	San Francisco	501(c)(3)	Finance the acquisition, rehabilitation, renovation, construction and equipping of a new museum and educational facilities including furniture, fixtures and equipment and design, architectural, engineering, construction management, consultants, and other similar expenses.	\$47,000,000
San Diego Society of Natural History	San Diego	501(c)(3)	Finance the acquisition and installation costs of leased property improvements; pay the acquisition and installation costs of various equipment including chillers, humidifiers, dehumidifiers, and controllers.	\$1,300,000

<sup>6</sup> 501(c)(3) means 501(c)(3) Revenue Bond.

**APPENDIX 1-B  
APPLICATIONS RECEIVED  
BY PROGRAM  
FISCAL YEAR 2005-2006**

<b>BOND FINANCING PROGRAMS</b>				
Name of Applicant	Project Location	Type of Financing	Proposed Project Description	Amount Requested
Westside Waldorf School	Los Angeles	501(c)(3)	Finance the cost of adaptively renovating and rehabilitating an existing facility into a new private elementary school that will educate up to 246 students. The project includes the construction of classrooms, kitchen facilities, outdoor recreation facilities, administrative offices and other school-related facilities, equipment and furnishings.	\$3,000,000
<b>Total Bond Financing Programs Applications<sup>7</sup></b>				<b>\$177,300,000</b>

**Summary of Financing Applications Received**

ISRF Program	\$44,910,000
Bond Financing Programs	\$177,300,000
<b>TOTAL APPLICATIONS RECEIVED</b>	<b>\$222,210,000</b>

<sup>7</sup> "Application" means financing application.

**APPENDIX 2  
REPORT OF LOANS APPROVED AND BONDS SOLD  
FISCAL YEAR 2005-2006**

<b>ISRF PROGRAM</b>							
Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) <sup>8</sup>	Financing Amount	Leverage
Redevelopment Agency of the City of Sacramento	Sacramento	ISRF	3.01%	Construction of a variety of street hardscape and landscape improvements to make Del Paso Boulevard and the adjacent commercial areas more attractive and pedestrian friendly.	Contribute to public safety, aesthetic appeal, and the revitalization of a traditional commercial business district, improve shopping and the delivery of needed community services to area residents, and promote the greater use of public transit systems. The project is estimated to create approximately \$601,802 in construction payroll and 14 construction jobs on a person year basis.	\$4,221,000	\$0

<sup>8</sup> Estimated construction payroll is calculated at 20% of total project construction costs (the average of receipts-to-payroll for the construction industry). Construction jobs are calculated on a person year basis rather than on a permanent basis by dividing the estimated construction payroll by the average annual wage for construction in the county in which the Project is located. County level construction wage data was obtained from the Employment Development Department's website at [www.calmis.ca.gov](http://www.calmis.ca.gov). County construction wage data for calendar year 2005 was used to calculate estimated construction jobs.

**APPENDIX 2  
REPORT OF LOANS APPROVED AND BONDS SOLD  
FISCAL YEAR 2005-2006**

<b>ISRF PROGRAM</b>							
Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) <sup>8</sup>	Financing Amount	Leverage
Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento	Sacramento	ISRF	2.87%	Construction of a variety of street hardscape and landscape improvements to make Stockton Boulevard and the adjacent commercial areas more attractive and pedestrian friendly.	Contribute to public safety, aesthetic appeal, and the revitalization of a traditional commercial business district, improve shopping and the delivery of needed community services to area residents, and promote the greater use of public transit systems. The project is the final phase of streetscape improvements for the Project Area. The previously installed improvements are directly related to the project financed through the ISRF Program. Including all project phases, the total project is estimated to create approximately \$1,828,300 in construction payroll and 42 construction jobs on a person year basis.	\$4,000,000	\$9,000,000

**APPENDIX 2  
REPORT OF LOANS APPROVED AND BONDS SOLD  
FISCAL YEAR 2005-2006**

<b>ISRF PROGRAM</b>							
Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) <sup>8</sup>	Financing Amount	Leverage
City of San Bernardino	San Bernardino	ISRF	2.37%	Approximately 3.4 miles of pavement reconstruction and 25.5 miles of pavement rehabilitation of public streets throughout the City of San Bernardino.	Contribute to public safety by ensuring drivable streets that can accommodate current traffic loads, and anticipated traffic resulting from the growth in truck traffic as the Inland Empire economy becomes more and more dependent on the regional goods movement industry. The project is estimated to create approximately \$2,818,120 in construction payroll and 69 construction jobs on a person year basis.	\$10,000,000	\$5,052,700
City of Madera	Madera	ISRF	3.01%	Wastewater treatment plant capital improvements to ensure compliance with Regional Water Quality Control Board requirements, the rehabilitation of aging components, and the expansion of the permitted treatment capacity from 7.0 to 10.1 million gallons per day.	Provide significant health and safety benefits since it will enable the City to meet current effluent standards. The Project will also enhance the City's economic competitiveness since the expanded treatment capacity will facilitate the construction of housing and approximately 3.2 million square feet of commercial development in the near term. The project is estimated to create approximately \$6,626,600 in construction payroll and 211 construction jobs on a person year basis.	\$10,000,000	\$28,564,055

**APPENDIX 2  
REPORT OF LOANS APPROVED AND BONDS SOLD  
FISCAL YEAR 2005-2006**

<b>ISRF PROGRAM</b>							
Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) <sup>8</sup>	Financing Amount	Leverage
Placer County Redevelopment Agency	Auburn	ISRF	2.94%	Construction and installation of a four-way traffic signal at Hulbert Way and State Highway 49, road widening and acceleration and deceleration lanes along the highway between Luther Road and New Airport Road, roadway surfacing, re-striping and sidewalk improvements.	Alleviate traffic congestion and aid in economic development efforts by providing improved access to Auburn Plaza, a proposed 74,300 square foot commercial and office development that is projected to create 140 full-time equivalent jobs at full build-out. The project is estimated to create approximately \$653,347 in construction payroll and 15 construction jobs on a person year basis.	\$1,500,000	\$2,283,855
City of Monterey Park	Monterey Park	ISRF	2.68%	The Project involves replacing old, undersized water mains at eight different locations throughout the city.	Provide significant health and safety benefits through adequate fire flow, reduce main breakage in older lines that cause damage to streets and private property, and major losses of water and debris flowing into the storm drainage system. The project is estimated to create approximately \$367,600 in construction payroll and 8 construction jobs on a person year basis.	\$2,000,000	\$0

**APPENDIX 2  
REPORT OF LOANS APPROVED AND BONDS SOLD  
FISCAL YEAR 2005-2006**

<b>ISRF PROGRAM</b>							
Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) <sup>8</sup>	Financing Amount	Leverage
City of Anderson	Anderson	ISRF	3.09%	Construction of an approximately 11,000 square foot building that will house the Anderson Teen Center and the Shasta County's public health offices. The Project also includes the construction of a landscaped plaza directly behind the new building that will include park benches, a small stage, and basketball courts, along with streetscape and parking improvements in front and on the side of the building.	Valuable and essential services to low and moderate-income youths in the community, including leadership and community service programs designed to help at-risk youths develop the skills needed to be productive and active members of the community. The County health clinic component will allow the County to expand the services it provides to residents of the City area, including well-baby programs, healthy eating initiative, vaccine clinics and many other similar efforts. The Project will assist with the elimination of blight, greatly strengthening the downtown redevelopment area's long-term economic vitality. The project is estimated to create approximately \$749,551 in construction payroll and 20 construction jobs on a person year basis.	\$1,000,000	\$3,052,753

**APPENDIX 2  
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FISCAL YEAR 2005-2006**

<b>ISRF PROGRAM</b>							
Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) <sup>8</sup>	Financing Amount	Leverage
Bear Valley Community Service District	Kern County	ISRF	2.93%	Revisions to an existing approved project to eliminate the construction of an effluent pond, and increase the financing for sludge drying beds and dried sludge storage bins.	Promote environmental protection, enhance community quality of life and enable infill development. The project is estimated to create approximately \$19,200 in construction payroll and .5 construction job on a person year basis.	\$150,000	\$0
City of Sacramento	Sacramento	ISRF	3.15%	Construction of a 5.44-acre drainage detention basin. The Project contains an overflow weir that will prevent runoff from small frequent storms from entering the detention basin.	Provide health and safety benefits by eliminating localized flooding, and allow the potential to provide a park/open space in the future. The project is estimated to create approximately \$285,943 in construction payroll and 6 construction jobs on a person year basis.	\$4,000,000	\$0
City of Redlands	Redlands	ISRF	3.15%	Construction of eight regulation soccer fields, field lighting, a snack bar and restroom building, and a 269 space parking lot with associated lighting.	Enhance quality of life, aesthetic appeal, community revitalization and economic development efforts in the northern area of the city. The project is estimated to create approximately \$1,843,280 in construction payroll and 45 construction jobs on a person year basis.	\$1,985,000	\$9,298,504

**APPENDIX 2  
REPORT OF LOANS APPROVED AND BONDS SOLD  
FISCAL YEAR 2005-2006**

<b>ISRF PROGRAM</b>							
Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) <sup>8</sup>	Financing Amount	Leverage
City of Greenfield	Greenfield	ISRF	3.15%	Construction of a clarifier, a digester, a spray irrigation pumping system, a floating irrigation system and installation of remote data acquisition equipment.	Facilitate the City's desire to grow in a planned and sustainable manner while continuing to provide adequate services to residents. The project is estimated to create approximately \$481,448 in construction payroll and 12 construction jobs on a person year basis.	\$2,360,000	\$439,500
City of Greenfield	Greenfield	ISRF	3.15%	Construction of a production well, a 12" water main extension, a pumping plant, a well pump, 1.5 million gallon storage tank and installation of remote data acquisition equipment.	Facilitate the City's desire to grow in a planned and sustainable manner while continuing to provide adequate services to residents. The project is estimated to create approximately \$710,190 in construction payroll and 17 construction jobs on a person year basis.	\$3,700,000	\$468,400
<b>Total Loans Approved</b>						<b>\$44,916,000</b>	<b>\$58,159,767.00</b>

**APPENDIX 2  
REPORT OF LOANS APPROVED AND BONDS SOLD  
FISCAL YEAR 2005-2006**

<b>BOND FINANCING PROGRAMS</b>							
Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) <sup>6</sup>	Financing Amount	Leverage
EB Property Management, LLC	Los Angeles	IDB	Variable	Finance the acquisition and equipping of an existing building situated on approximately 5.05 acres.	The project will create a total of 22 net new jobs in the city of Santa Fe Springs within two years of project completion, and retain approximately 58 existing jobs. The project is estimated to create approximately \$50,000 in construction payroll and 1 construction job on a person year basis.	\$6,700,000	\$2,485,000
American National Red Cross	Los Angeles	501(c)(3)	Variable	Reimburse the Red Cross for a portion of the costs used for the construction, equipping and furnishing of an approximately 210,000 square foot facility that will serve as the Southern California Headquarters for the Biomedical Services.	The Biomedical Services division is responsible for the quality and safety of approximately 50% of the total blood supply within the United States. The Southern California Region processes in excess of 25% of the national Red Cross blood volume. This facility is a key component to Red Cross' west coast/national strategy to provide a safe and secure blood supply for the American public. The project is estimated to create approximately \$7,854,521 in construction payroll and 172 construction jobs on a person year basis.	\$40,000,000	\$0

**APPENDIX 2  
REPORT OF LOANS APPROVED AND BONDS SOLD  
FISCAL YEAR 2005-2006**

<b>BOND FINANCING PROGRAMS</b>							
Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) <sup>6</sup>	Financing Amount	Leverage
Southern California Public Radio	Los Angeles	501(c)(3)	Variable	Finance the cost of the acquisition of real property and improvements, including an approximately 30,000 square foot building, the design, development, construction, rehabilitation and remodel of the building, and the acquisition of equipment and furnishings.	Radio service of community value reaching nearly all of Los Angeles and Orange Counties and portions of San Bernardino and Riverside Counties, including the production and broadcast of local, West Coast, and Pacific Rim news and information programming. The project is estimated to create approximately \$176,968 in construction payroll and 4 construction jobs on a person year basis.	\$7,000,000	\$0
Vallejo Unified School District	Vallejo	PARB <sup>9</sup> - State School Fund Apportionment Lease Revenue Bonds	4.61% All-In TIC	To repay prior emergency apportionments made to the school district from the State's General Fund.	Reimburse money to the state's General Fund much earlier than was scheduled under the original loan to the District.	\$21,205,000	\$0
West Contra Costa Unified School District	Contra Costa	PARB - State School Fund Apportionment Lease Revenue Bonds	4.36% All-In TIC	To repay prior emergency apportionments made to the school district from the State's General Fund.	Reimburse money to the state's General Fund much earlier than was scheduled under the original loan to the District.	\$15,735,000	\$0

<sup>9</sup> "PARB" means Public Agency Revenue Bond.

**APPENDIX 2  
REPORT OF LOANS APPROVED AND BONDS SOLD  
FISCAL YEAR 2005-2006**

<b>BOND FINANCING PROGRAMS</b>							
Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) <sup>6</sup>	Financing Amount	Leverage
Oakland Unified School District	Oakland	PARB - State School Fund Apportionment Lease Revenue Bonds	Variable	To repay prior emergency apportionments made to the school district from the State's General Fund.	Reimburse money to the state's General Fund much earlier than was scheduled under the original loan to the District.	\$59,850,000	\$0
California Infrastructure and Economic Development Bank	Statewide	PARB - Infrastructure State Revolving Fund Revenue Bonds	4.63% All-In TIC	Leverage outstanding ISRF Program loans and replenish program loan funds.	The project will enable the I-Bank to continue to provide a source of low-cost, long-term financing for a wide variety of local infrastructure projects throughout the State and greatly expand the lending capacity of the program without immediate need for additional State General Fund appropriations.	\$52,800,000	\$4,333,099
Goodwill Industries of Orange County, CA	Orange	501(c)(3)	Variable	Finance the renovation and expansion of Goodwill's retail and wholesale store facilities, to make certain improvements related to street beautification and parking lot lighting, and purchase equipment and fixtures.	The project will enable Goodwill to maintain leadership in creating and providing quality education, training and employment services to empower people with disabilities and other barriers based on their abilities and interests to be productive and independent individuals.	\$9,850,000	\$155,466

**APPENDIX 2  
REPORT OF LOANS APPROVED AND BONDS SOLD  
FISCAL YEAR 2005-2006**

<b>BOND FINANCING PROGRAMS</b>							
Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) <sup>6</sup>	Financing Amount	Leverage
2400 Company, LLC (Pocino Foods Company)	Los Angeles	IDB	Variable	Finance the expansion and rehabilitation of a manufacturing facility, and the acquisition and installation of manufacturing equipment.	The business will retain its current workforce, 84 direct full time employees, two direct part time employees and 87 full-time contracted and/or leased employees, and anticipates creating at least six new direct skilled/semi-skilled positions within two years of completion of the project. The project is estimated to create approximately \$784,000 in construction payroll and 17 construction jobs on a person year basis.	\$5,500,000	\$100,000

**APPENDIX 2  
REPORT OF LOANS APPROVED AND BONDS SOLD  
FISCAL YEAR 2005-2006**

<b>BOND FINANCING PROGRAMS</b>							
Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) <sup>6</sup>	Financing Amount	Leverage
The Contemporary Jewish Museum	San Francisco	501(c)(3)	Variable	Finance the acquisition, rehabilitation, renovation, construction and equipping of a new museum and educational facilities, including furniture, fixtures and equipment and design, architectural, engineering, construction management, consultants, and other similar expenses.	The project will facilitate the adaptive reuse of the historic Jessie Street Power Substation, which has been vacant for almost three decades, and will provide a new and sustainable home for the Museum. The Museum will expand its mission of presenting contemporary perspectives and Jewish views on culture, history, art and ideas through exhibitions and programs. The Project will also make a distinctive San Francisco landmark with public access to the building for the first time in its nearly 100-year history. The project is estimated to create approximately \$8,761,558 in construction payroll and 143 construction jobs on a person year basis.	\$47,000,000	\$0
<b>Total Bonds Sold</b>						<b>\$265,640,000</b>	<b>\$7,073,565</b>

**Summary**

	Financing Amount	Leverage
Loans Approved through the ISRF Program	\$44,916,000	\$58,159,767
Bonds Sold through the Bond Financing Programs	\$265,640,000	<b>\$7,073,565</b>
<b>TOTAL LOANS APPROVED AND BONDS SOLD</b>	<b>\$310,556,000</b>	<b>\$65,233,332</b>

**APPENDIX 3**  
**Statement of Revenues, Expenses, and Changes in Net Assets**  
**of the**  
**California Infrastructure and Economic Development Bank**  
**(A Component Unit of the State of California)**  
**For Fiscal Year 2005/2006**

	California Infrastructure and Economic Development Bank Fund	California Infrastructure Guarantee Trust Fund	Total
<b>OPERATING REVENUES</b>			
Interest on loan repayments	\$ 8,206,839		\$ 8,206,839
Investment income	2,172,842	\$ 805,332	2,978,174
Administration fee revenue	1,136,241		1,136,241
Total operating revenues	<u>11,515,922</u>	<u>805,332</u>	<u>12,321,254</u>
<b>OPERATING EXPENSES</b>			
Program support <sup>10</sup>	2,783,541		2,783,541
Interest on bond debt	3,088,414		3,088,414
Amortization of bond issuance costs	74,009		74,009
Total operating expenses	<u>5,945,964</u>		<u>5,945,964</u>
<b>OPERATING INCOME</b>	<u>5,569,958</u>	<u>805,332</u>	<u>6,375,290</u>
<b>NET ASSETS, Beginning of year</b>	<u>214,775,473</u>	<u>20,709,513</u>	<u>235,484,986</u>
<b>NET ASSETS, End of year</b>	<u>\$ 220,345,431</u>	<u>\$ 21,514,845</u>	<u>\$ 241,860,276</u>

Source: California Infrastructure and Economic Development Bank audited Financial Statements.

<sup>10</sup> The Statement of Revenues, Expenses and Changes in Net Asset is prepared on an accrual basis of accounting in accordance with generally accepted accounting principles. Program support expenses represent administrative expenses of the I-Bank.