

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (I-Bank)

BOND AMENDMENT STAFF REPORT

REQUEST

The North County Center for Self-Sufficiency Corporation (Borrower) has submitted a Request for Amendment (see Attachment 1) in connection with the California Infrastructure and Economic Development Bank Revenue Bonds, Series 2004 (North County Center for Self-Sufficiency Corporation Project) (the Bonds). The Borrower requests an amendment in the form of I-Bank's consent, as Issuer of the Bonds, to the sale of the premises by the Borrower to Alameda County Joint Powers Authority (Purchaser) and the assignment by the Borrower and the assumption by the Purchaser of the Borrower's rights and obligations under certain documents relating to the Bonds.

BACKGROUND

In March 2004, the I-Bank issued bonds to finance the acquisition of several parcels of real property located at the corner of Thomas L. Berkley Way (formerly known as 20th Street) and San Pablo Avenue in the City of Oakland and to finance the construction of a four-story office building with approximately 110,010 square feet and accompanying approximately 150-space parking facility (Project). The Project replaced the Borrower's prior office (70,000 square feet) and the prior administrative headquarters for Alameda County's Social Services Agency (30,000 square feet), that were no longer adequate to meet the County's or the Borrower's needs.

NEED FOR AMENDMENT

Under the Lease Agreement between the Borrower and Alameda County (County), the County has the option to purchase and take title to the Project. The County recently determined that it is in its best interests to exercise the end-of-lease option to purchase the Project now instead of 2035 through its existing joint powers authority. The Alameda County Joint Powers Authority was formed in April 2004 by and between the County and the Redevelopment Agency of Alameda County to assist the County with financing public capital improvements. It functions as an independent entity and its policies are determined by a five-member board composed of the five members of the Alameda County Board of Supervisors.

The Borrower seeks an amendment in the form of a consent (see Attachment 2) under the loan agreement, dated as of February 1, 2004, (Loan Agreement) in order to (a) sell the Project to Alameda County Joint Powers Authority and (b) for assignment by the Borrower and the assumption by the Purchaser of the Borrower's rights and obligations under the Bond documents, including the Loan Agreement, the Lease Agreement, dated as of December 17, 2002, as amended by the First Amendment to Lease, dated December 30, 2003, and the Second Amendment to Lease, dated May 13, 2008, the Construction Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing,

dated February 1, 2004, the Tax Regulatory Agreement, dated March 11, 2004, the Continuing Disclosure Certificate of the Borrower, dated March 11, 2004 and Arbitrage Rebate Consulting Services Letter Agreement, dated March 11, 2004.

BOARD DELEGATION AUTHORIZATION

I-Bank Board Resolution 11-24 delegates to the Executive Director, in connection with any proposed amendment of bond related documents (Amendment), the authority to execute and deliver all agreements, contracts, certificates, orders, appointments, notices, waivers, approvals, acknowledgements, consents, written directions, instruments and other documents (I-Bank Documents) necessary or convenient to effect such Amendment provided that the I-Bank receives an opinion of counsel to the effect (1) that the Amendment is in accordance with the associated transaction documents; and (2) where bonds were issued as tax-exempt bonds, that the Amendment will not adversely affect the tax-exempt status of interest on the bonds. See Attachment 3 for the Opinion of Bond Counsel.

BOND DOCUMENT REQUIREMENTS

Section 5.01 of the Loan Agreement requires the following conditions to be met in connection with a sale or transfer of the Project:

- 1) The Purchaser:
 - assumes, in writing, all of the obligations of the Borrower under the Loan Documents;
 - is not, after such transaction, in default under any provisions of the Loan Documents;
 - is an organization described in Section 501(c)(3) of the Code or a political subdivision under the Code and is qualified to transact business in the State;
- 2) Receipt of a favorable opinion of bond counsel that the sale will not cause interest on the Bonds to be included in gross income for purposes of federal income taxation under Section 103 of the Code (see Attachment 3);
- 3) Receipt from the Borrower of an opinion of counsel acceptable to the Issuer that the sale will not cause the Borrower to lose its exemption pursuant to the determination letter received by the Borrower from the Internal Revenue Service and Section 501(a) of the Code (see Attachment 4).
- 4) The Purchaser shall deliver to the Trustee a statement that it intends to continue to operate the Premises in a manner which will allow it to continue to meet all of the Borrower's obligations hereunder (included with closing documents);
- 5) A rating agency letter confirming that the sale will not, in and of itself, result in a reduction or withdrawal of the rating with respect to the Bonds (see Attachment 4);
- 6) Receipt of a certificate or letter from the Issuer confirming the Issuer's consent to the sale; and
- 7) Approval of the sale by Ambac Assurance, the Insurer of the Bonds (see Attachment 5).

STAFF RECOMMENDATION

Staff has determined that the request for amendment for the purpose of transferring the bond-financed project to the Purchaser under the Assignment and Assumption Agreement is reasonable, meets the I-Bank Board Resolution 11-24 delegation requirements and should be approved by the Executive Director.

ATTACHMENTS

Attachment 1	Amendment Request
Attachment 2	Consent of I-Bank
Attachment 3	Opinion of Bond Counsel
Attachment 4	Opinion of Borrower's Counsel
Attachment 5	Rating Agency Letters
Attachment 6	AMBAC Assurance Approval Letter

Prepared by: Tara Dunn 1/4/12
Tara Dunn, Public Finance Specialist Date

Reviewed by: Joel Tokimitsu 1/5/12
Joel Tokimitsu, Bond Unit Manager Date
Comments:

Reviewed by: Thomas Tengan 1/6/12
Thomas Tengan, Senior Staff Counsel Date
Comments:

Reviewed for Delegation: Marilyn Munoz 1/17/12
Marilyn Munoz, General Counsel Date
Comments:
 The amendment request falls within the authority delegated to the Executive Director. I-Bank Board consideration and approval is not required.
 The amendment request does not fall within the delegated authority of the I-Bank Executive Director, and Board consideration and approval of the request is required.

Reviewed by: Roma Cristia-Plant 1/13/12
Roma Cristia-Plant, Assistant Executive Director Date
Comments:

Approved by: Stanton Hazelroth 1-13-12
Stanton Hazelroth, Executive Director Date
Comments:

ATTACHMENT 1 – Amendment Request



REQUEST FOR AMENDMENT OR OTHER POST-BOND ISSUANCE ACTIONS

In order to consider post-issuance modifications, substitutions, redemptions or other actions related to I-Bank bond financings (a “Request”), I-Bank staff must have complete information regarding the nature of the request. Upon receipt of the information listed below, I-Bank Bond Unit staff will provide a single point of contact and prepare a list of issues, further questions or additional information needed so that the applicant can address them in an organized fashion.

The I-Bank Bond Unit staffer assigned to the Request will also contact the I-Bank Legal Unit for a determination as to whether the Request falls within the scope of authority delegated from the I-Bank Board to the Executive Director and his assignees (the “Delegation”). Please note that I-Bank staff reserves the right to elect to present any Request to the I-Bank Board for its approval regardless of the Delegation authority. Upon receipt of a Delegation determination from the I-Bank Legal Unit, the Bond Unit staffer will advise the applicant of the determination and the next steps in the process.

The Request for Amendment may be submitted via email.

1. Name/Title, Date, of Bond Issue

California Infrastructure and Economic Development Bank Revenue Bonds, Series 2004 (North County Center for Self-Sufficiency Corporation Project). Closed March 11, 2004.

2. Description of why amendment(s), substitution(s) or other action(s) is/are needed/requested:
(e.g., Issues relating to addition of credit support; substituting LOC provider, lender requirement to update financial covenants)

The Issuer’s consent is requested with respect to the transfer of the bond-financed project from North County Center for Self-Sufficiency Corporation to the Alameda County Joint Powers Authority.

3. Proposed Timeline

Close December 15, 2011

4. Identify the section numbers and the names of the original transaction documents that govern or relate to the Request. Please provide copies (preferably in an electronic format) of such documents.

Section 5.01 of the Loan Agreement

5. Identify any bond documents to be amended (please provide draft documents to implement the Request as soon as possible)

Indenture
 Loan Agreement
 Remarketing
 Agreement
 Other: Issuer consent

6. Will this result in a reissuance for federal tax law purposes? If so, please provide a draft TEFRA notice, and, if required, a draft amendment to the Tax Agreement or No-Arbitrage Certificate (or similar tax document).

No.

7. Is Bond Counsel willing to provide an opinion to the effect that the Request is in accordance with the related transaction documents? If no, please explain.

Yes.

8. If the bonds associated with the Request were issued as tax-exempt bonds, is Bond Counsel willing to provide an opinion to the effect that the Request will not adversely affect the tax-exempt status of the bonds? If no, please explain.

Yes.

9. If the Request involves the substitution of a credit facility or a liquidity facility, will the applicant be able to provide written evidence, from the rating agencies specified in the transaction documents, to the effect that the Request will not result in a rating lower than the rating required by the transaction documents? If no, please explain.

Although this Request does not involve a substitution of credit facility, rating confirmations and the Bond Insurer's consent are required by the Loan Agreement and will be obtained.

10. Distribution list with contact information:

Bond Counsel:

Kutak Rock LLP
601 S. Figueroa Street, Suite 4200
Los Angeles, CA 90017
Attn: Sam Balisy, Esq.
T (213) 312-4009
F (213) 312-4001

Borrower:

North County Center for Self-Sufficiency Corporation
1210 Excelsior Ave
Oakland, CA 94610
Attn: Jim Collier
T (415) 302-3029

Borrower's Counsel:

Allen Matkins Leck Gamble Mallory & Natsis LLP
Three Embarcadero Center, 12th Floor
San Francisco, CA 94111
Attn: Andrea L. Clay, Esq.
T (415) 273-7450
F (415) 837-1516

Financial Advisor: N/A

Other:

Transferee:

Alameda County Joint Powers Authority
c/o County of Alameda
1221 Oak Street
Oakland, CA 94610
Attn: Donna Linton
P (510) 272-3862
F (510) 208-3999

Counsel to the Transferee:

Cox, Castle & Nicholson LLP
555 California Street, 10th Floor
San Francisco, CA 94104
Attn: Gregory B. Caligari
P (415) 262-5111
F (415) 392-4250

Bond Insurer:

Ms. Joan Allman
First Vice President
Ambac Assurance Corporation
One State Street Plaza
New York, NY 10004
P: (212) 208-3396
F: (212) 797-5725
jallman@ambac.com

Questions? Please contact Tara Dunn by email (Tara.Dunn@ibank.ca.gov) or call (916) 322-2571.

ATTACHMENT 2 – Consent of I-Bank

\$51,700,000
California Infrastructure and Economic Development Bank
Revenue Bonds, Series 2004
(North County Center for Self-Sufficiency Corporation Project)

CONSENT OF ISSUER

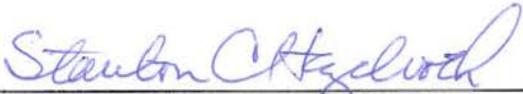
Pursuant to Section 5.01(a)(vi) of the Loan Agreement, dated as of February 1, 2004 (the "Loan Agreement"), by and between the California Infrastructure and Economic Development Bank (the "Issuer") and North County Center for Self-Sufficiency Corporation (the "Borrower"), the Issuer hereby consents to (a) the sale of the Premises (capitalized terms used herein and not otherwise defined shall have the meanings assigned thereto in the Indenture of Trust, dated as of February 1, 2004 (the "Indenture"), by and between the Issuer and Union Bank of California, N.A. (now known as Union Bank, N.A.), as trustee (the "Trustee")) by Borrower to Alameda County Joint Powers Authority (the "Purchaser") and (b) the assignment by the Borrower and the assumption by the Purchaser of the Borrower's rights and obligations under the (i) Loan Agreement, (ii) Tax Regulatory Agreement, dated March 11, 2004, by and among the Issuer, the Borrower, the County of Alameda and the Trustee, (iii) Construction Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, dated February 1, 2004, by Borrower in favor of Issuer and assigned by the Issuer to the Trustee for the benefit of the owners of the above-referenced Bonds, (iv) the Lease Agreement, dated as of December 17, 2002, as amended by the First Amendment to Lease, dated December 30, 2003, and the Second Amendment to Lease, dated May 13, 2008, by and between the Borrower and the County, (v) Continuing Disclosure Certificate of the Borrower, dated March 11, 2004, executed by the Borrower and (vi) Arbitrage Rebate Consulting Services Letter Agreement, dated March 11, 2004, between the Borrower and Kutak Rock Consulting Co.

The Issuer hereby further waives compliance by the Borrower with the restrictions set forth in Section 5.06 of the Loan Agreement.

This consent is dated January 27, 2012.

IN WITNESS WHEREOF, the Executive Director of the Issuer has executed this consent for and on behalf of the Issuer as of the date set forth above.

CALIFORNIA INFRASTRUCTURE AND
ECONOMIC DEVELOPMENT BANK

By: 
Stanton C. Hazelroth, Executive Director

[Signature Page to Consent of Issuer]

ATTACHMENT 3 – Opinion of Bond Counsel

KUTAK ROCK LLP

SUITE 4200
601 SOUTH FIGUEROA STREET
LOS ANGELES, CALIFORNIA 90017-5747

213-312-4000
FACSIMILE 213-312-4001

www.kutakrock.com

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January 27, 2012

California Infrastructure and Economic Development Bank
980 9th Street, Suite 900
Sacramento, California 95814

Union Bank, N.A.
350 California Street, 11th Floor
San Francisco, California 94104
Attention: Corporate Trust Department

Re: \$51,700,000 California Infrastructure and Economic Development Bank
Revenue Bonds, Series 2004 (North County Center for Self-Sufficiency
Corporation Project)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the transfer (the "Transfer") by North County Center for Self-Sufficiency Corporation, a California nonprofit public benefit corporation (the "Borrower") of certain assets financed with the proceeds of the California Infrastructure and Economic Development Bank Revenue Bonds, Series 2004 (North County Center for Self-Sufficiency Corporation Project) (the "Bonds") to Alameda County Joint Powers Authority, a joint powers authority organized and existing under the laws of the State of California (the "Purchaser"). The Borrower and Purchaser have entered into a Purchase and Sale and Settlement and Release Agreement, dated December 13, 2011 (the "Purchase and Sale Agreement"), to, among other matters, effect the Transfer.

In connection with the Transfer and pursuant to the Assignment and Assumption of Lease Agreement and Bond Obligations, entered into and effective as of January 27, 2012 (the "Assignment Agreement"), by and between the Borrower and the Purchaser, the Borrower has assigned and the Purchaser has assumed all of the Borrower's rights and obligations under the following documents (referred to hereinafter collectively as, the "Assigned Documents"): (i) the Loan Agreement, dated as of February 1, 2004 (the "Loan Agreement"), by and between the Borrower and the California Infrastructure and Economic Development Bank (the "Issuer"); (ii) the Tax Regulatory Agreement, dated March 11, 2004, by and among the Issuer, the Borrower, the County of Alameda (the "County") and Union Bank of California, N.A., (now known as Union Bank, N.A.), as trustee (the "Trustee"), (iii) the Construction Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated February 1, 2004, by the Borrower in favor of the Issuer and assigned to the Trustee, (iv) the Lease Agreement, dated as of

KUTAK ROCK LLP

January 27, 2012

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December 17, 2002, between the Borrower and the County, as amended by that certain First Amendment to Lease, dated as of December 30, 2003, and that certain Second Amendment to Lease, dated as of May 13, 2008, (v) the Continuing Disclosure Certificate, dated March 11, 2004, executed by the Borrower, and (vi) the Arbitrage Rebate Consulting Services Letter Agreement, dated March 11, 2004, between the Borrower and Kutak Rock Consulting Co.

Pursuant to the Loan Agreement, the Issuer made a loan to the Borrower in the principal amount of \$51,700,000 derived from the proceeds of the Bonds. The Bonds were issued pursuant to an Indenture of Trust, dated as of February 1, 2004 (the "Indenture"), by and between the Issuer and the Trustee. Capitalized terms used herein and not otherwise defined shall have the same meanings given to such terms in the Indenture.

We have reviewed the Assigned Documents, the Purchase and Sale Agreement, the Assignment Agreement and certificates of the Issuer, the Borrower, the Purchaser and the County delivered to us in connection with our rendering the opinion set forth herein, and such other documents, matters and opinions to the extent we deemed necessary to render the opinion set forth herein. We have not undertaken to verify independently, and have assumed the accuracy of the factual matters represented, warranted or certified in such documents, and we have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, the parties thereto.

The opinion expressed herein is based on an analysis of existing laws, regulations, rulings and court decisions, and covers certain matters not directly addressed by such authorities. Such opinion may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. We have assumed compliance with all covenants and agreements contained in the Assigned Documents and other relevant documents executed by the Borrower, the County and the Issuer in connection with the original issuance of the Bonds, including (without limitation) covenants and agreements compliance with which is necessary to assure that interest on the Bonds will not be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Assigned Documents, the Purchase and Sale Agreement and the Assignment Agreement may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and similar laws affecting creditors' rights, to the application of equitable principles, and to the exercise of judicial discretion in appropriate cases.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the opinion that the Transfer will not, in and of itself, cause the interest on the Bonds to be included in gross income for purposes of federal income taxation under Section 103 of the Internal Revenue Code of 1986, as amended.

KUTAK ROCK LLP

January 27, 2012

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We express no other opinion with respect to the Bonds, the Assigned Documents, the Purchase and Sale Agreement, the Assignment Agreement, the current exclusion of interest on the Bonds from gross income for federal income tax purposes or the exemption of such interest from current State of California personal income taxation. We have not been engaged by, nor have we undertaken to advise, any party or to opine as to matters not specifically covered herein. This opinion letter is solely for the benefit of the addressees hereof and may not be circulated, quoted or relied upon by any party other than the addressees without our prior written consent.

Very truly yours,

Kutak Rock LLP

ATTACHMENT 4 – Opinion of Borrower’s Counsel

Allen Matkins

Allen Matkins Leck Gamble Mallory & Natsis LLP
Attorneys at Law
515 South Figueroa, 9th Floor | Los Angeles, CA 90071-3309
Telephone: 213.622.5555 | Facsimile: 213.620.8816
www.allenmatkins.com

E-mail: dhall@allenmatkins.com
Direct Dial: 213.955.5536 File Number: 299700-00008/LA916364.03

January 27, 2012

California Infrastructure and Economic
Development Bank
Sacramento, California

Union Bank, N.A.
San Francisco, California

Re: North County Center For Self-Sufficiency Corporation

Ladies and Gentlemen:

This firm has acted as special counsel to North County Center for Self-Sufficiency Corporation, a California nonprofit public benefit corporation (“NCCSC”) in connection with the sale (the “Sale”) by NCCSC to the Alameda County Joint Powers Authority (the “Purchaser”) of property defined as the “Premises” in that certain Indenture of Trust dated as of February 1, 2004 (the “Indenture”) by and between California Infrastructure and Economic Development Bank (the “Issuer”) and Union Bank of California, N.A. (now known as Union Bank, N.A.), as trustee (the “Trustee”). The acquisition and construction of the Premises were financed by a loan of the proceeds of California Infrastructure and Economic Development Bank Revenue Bonds, Series 2004 (North County Center for Self-Sufficiency Corporation Project) (the “Bonds”) pursuant to that certain Loan Agreement dated as of February 1, 2004 (the “Loan Agreement”) by and between the Issuer and NCCSC. All capitalized terms used but not defined herein shall have the meanings set forth in the Indenture.

Section 5.01(a) of the Loan Agreement prohibits NCCSC from selling or otherwise disposing of all or substantially all of its assets, including the Premises, without compliance with Section 5.01(a)(i) through (vii) of the Loan Agreement. This opinion letter is rendered to you at the request of NCCSC and in satisfaction of the provisions of Section 5.01(a)(iii) of the Loan Agreement.

A. Documents Reviewed and Factual Matters.

In reaching the conclusions expressed in this opinion, we have examined originals or copies satisfactory to us of the following documents (hereinafter, the “Documents”):

1. Purchase and Sale and Settlement and Release Agreement Between NCCSC and The Alameda County Joint Powers Authority dated December 13, 2011 (the “Purchase Agreement”);
2. Articles of Incorporation of NCCSC, as amended to the date hereof;

California Infrastructure and Economic Development Bank
Union Bank, N.A.
January 27, 2012
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3. Bylaws of NCCSC, as amended to the date hereof;
4. NCCSC's Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code – Form 1023;
5. Exemption letter issued by the Internal Revenue Service with respect to the status of NCCSC as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Determination Letter");
6. Certificate of Status Domestic Corporation concerning NCCSC issued by the Secretary of State of the State of California and dated December 21, 2011;
7. Exempt Letter of Good Standing concerning NCCSC issued by the Franchise Tax Board of the State of California and dated September 26, 2011; and
8. Certificate of James Collier, Treasurer of NCCSC, dated January 23, 2012, in favor of Allen Matkins Leck Gamble Mallory & Natsis LLP (the "Legal Opinion Certificate").

For the purpose of rendering this opinion, we have examined the above documents and such other records, books, documents and matters as we have deemed necessary or appropriate for purposes of this opinion. We have not undertaken examination of any public records, including civil litigation action indices in any county or state wherein NCCSC transacts business, nor have we examined the financial books and records of NCCSC with respect to the above-captioned transaction. As to questions of fact material to such opinion, we have relied, with your consent, solely upon representations of NCCSC made in the Legal Opinion Certificate. Except as stated above, we have not undertaken any independent investigation to determine the existence or absence of facts, and no inference as to our knowledge of the existence or absence of such facts should be drawn from the fact of our representation of NCCSC.

B. Assumptions.

For the purpose of rendering this opinion, we have made and relied, without independent inquiry, upon the following assumptions:

1. The genuineness of all signatures and the authenticity of all documents referenced in this opinion submitted to us as originals, and the conformity with the original documents of all documents submitted to us as copies. We have no reason to believe that such signatures and documents are not genuine, authentic and in conformity with the originals of such documents.
2. That there are no documents or other information which we have not been furnished which would materially alter, modify or amend the documents we have been provided.

California Infrastructure and Economic Development Bank
Union Bank, N.A.
January 27, 2012
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3. That the terms and conditions of the Sale were negotiated on an arm's length basis and that the price for the Premises, after taking into consideration the assumption by the Purchaser of NCCSC's obligations under the Loan Agreement, represents the fair market value of the Premises and the other benefits accorded NCCSC by the Sale.

4. That the proceeds of the Sale will be used by NCCSC in a manner which does not constitute private inurement or result in an excess benefit transaction.

C. Opinion of Counsel.

Based upon our examination of the Documents and subject to the assumptions and qualifications set forth above, we are of the opinion that the Sale will not cause NCCSC to lose its exemption pursuant to the Determination Letter and Section 501(a) of the Code.

D. Limitations.

Our opinion is limited to the matters expressly set forth herein, and no opinion or other statement may be inferred or implied beyond the matters expressly stated. We express no opinion with respect to the Bonds. Our opinions herein are based upon the existing laws of the United States of America and the State of California, and we express no opinion as to the laws or regulations of other states or jurisdictions, or with respect to the effect of noncompliance under any such laws or regulations. This opinion is furnished to you solely for your benefit and may not be relied upon, nor copies delivered to any other person or entity without our prior written consent. The opinion expressed herein is based upon the laws of the United States of America and the State of California existing as of this date, and we expressly decline any undertaking to advise you of any legal developments or factual matters arising subsequent to the date hereof which would cause us to amend any portion of the foregoing in part or in whole.

Very truly yours,

*Allen Matkins Leck Gamble
Mallory & Natsis LLP*

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

DDH:sah

ATTACHMENT 5 – Rating Agency Letters

December 29, 2011

Alameda County
1221 Oak Street, Suite 555
Oakland, CA 94612
Attention: Ms. Donna Linton, Assistant County Administrator

Re: *California Infrastructure & Economic Development Bank, (Alameda County), California, Revenue Bonds, (North County Center for Self Sufficiency Corporation Project), Series 2004*

Dear Ms. Linton:

Standard & Poor's has reviewed the Standard & Poor's underlying rating (SPUR) on the above-referenced obligations. After such review, we have affirmed the "AA" rating and stable outlook. A copy of the rationale supporting the rating and outlook is enclosed.

The rating is not investment, financial, or other advice and you should not and cannot rely upon the rating as such. The rating is based on information supplied to us by you or by your agents but does not represent an audit. We undertake no duty of due diligence or independent verification of any information. The assignment of a rating does not create a fiduciary relationship between us and you or between us and other recipients of the rating. We have not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the Securities Act of 1933. The rating is not a "market rating" nor is it a recommendation to buy, hold, or sell the obligations.

This letter constitutes Standard & Poor's permission to you to disseminate the above-assigned rating to interested parties. Standard & Poor's reserves the right to inform its own clients, subscribers, and the public of the rating.

Standard & Poor's relies on the issuer/obligor and its counsel, accountants, and other experts for the accuracy and completeness of the information submitted in connection with the rating. To maintain the rating, Standard & Poor's must receive all relevant financial information as soon as such information is available. Placing us on a distribution list for this information would facilitate the process. You must promptly notify us of all material changes in the financial information and the documents. Standard & Poor's may change, suspend, withdraw, or place on CreditWatch the rating as a result of changes in, or unavailability of, such information. Standard & Poor's reserves the right to request additional information if necessary to maintain the rating.

Please send all information to:

Standard & Poor's Ratings Services
Public Finance Department
55 Water Street
New York, NY 10041-0003

If you have any questions, or if we can be of help in any other way, please feel free to call or contact us at nypublicfinance@standardandpoors.com. For more information on Standard & Poor's, please visit our website at www.standardandpoors.com. We appreciate the opportunity to work with you and we look forward to working with you again.

Sincerely yours,



Standard & Poor's Ratings Services
a Standard & Poor's Financial Services LLC business.

pp
enclosure

December 29, 2011

Alameda County
1221 Oak Street, Suite 555
Oakland, CA 94612
Attention: Ms. Donna Linton, Assistant County Administrator

Re: ***California Infrastructure & Economic Development Bank, (Alameda County), California,
Revenue Bonds, (North County Center for Self Sufficiency Corporation Project), Series 2004***

Dear Ms. Linton:

Standard & Poor's has reviewed the rating on the above-referenced obligations. After such review, we have affirmed the "AA" rating and stable outlook. A copy of the rationale supporting the rating and outlook is enclosed.

The rating is not investment, financial, or other advice and you should not and cannot rely upon the rating as such. The rating is based on information supplied to us by you or by your agents but does not represent an audit. We undertake no duty of due diligence or independent verification of any information. The assignment of a rating does not create a fiduciary relationship between us and you or between us and other recipients of the rating. We have not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the Securities Act of 1933. The rating is not a "market rating" nor is it a recommendation to buy, hold, or sell the obligations.

This letter constitutes Standard & Poor's permission to you to disseminate the above-assigned rating to interested parties. Standard & Poor's reserves the right to inform its own clients, subscribers, and the public of the rating.

Standard & Poor's relies on the issuer/obligor and its counsel, accountants, and other experts for the accuracy and completeness of the information submitted in connection with the rating. To maintain the rating, Standard & Poor's must receive all relevant financial information as soon as such information is available. Placing us on a distribution list for this information would facilitate the process. You must promptly notify us of all material changes in the financial information and the documents. Standard & Poor's may change, suspend, withdraw, or place on CreditWatch the rating as a result of changes in, or unavailability of, such information. Standard & Poor's reserves the right to request additional information if necessary to maintain the rating.

Please send all information to:

Standard & Poor's Ratings Services
Public Finance Department
55 Water Street
New York, NY 10041-0003

If you have any questions, or if we can be of help in any other way, please feel free to call or contact us at nypublicfinance@standardandpoors.com. For more information on Standard & Poor's, please visit our website at www.standardandpoors.com. We appreciate the opportunity to work with you and we look forward to working with you again

Sincerely yours,

A handwritten signature in black ink that reads "Standard & Poor's". The signature is written in a cursive, flowing style.

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Standard & Poor's Ratings Services Terms and Conditions Applicable To Public Finance Ratings

You understand and agree that:

General. The ratings and other views of Standard & Poor's Ratings Services ("Ratings Services") are statements of opinion and not statements of fact. A rating is not a recommendation to purchase, hold, or sell any securities nor does it comment on market price, marketability, investor preference or suitability of any security. While Ratings Services bases its ratings and other views on information provided by issuers and their agents and advisors, and other information from sources it believes to be reliable, Ratings Services does not perform an audit, and undertakes no duty of due diligence or independent verification, of any information it receives. Such information and Ratings Services' opinions should not be relied upon in making any investment decision. Ratings Services does not act as a "fiduciary" or an investment advisor. Ratings Services neither recommends nor will recommend how an issuer can or should achieve a particular rating outcome nor provides or will provide consulting, advisory, financial or structuring advice.

All Rating Actions in Ratings Services' Sole Discretion. Ratings Services may assign, raise, lower, suspend, place on CreditWatch, or withdraw a rating, and assign or revise an Outlook, at any time, in Ratings Services' sole discretion. Ratings Services may take any of the foregoing actions notwithstanding any request for a confidential or private rating or a withdrawal of a rating, or termination of this Agreement. Ratings Services will not convert a public rating to a confidential or private rating, or a private rating to a confidential rating.

Publication. Ratings Services reserves the right to use, publish, disseminate, or license others to use, publish or disseminate the rating provided hereunder and any analytical reports, including the rationale for the rating, unless you specifically request in connection with the initial rating that the rating be assigned and maintained on a confidential or private basis. If, however, a confidential or private rating or the existence of a confidential or private rating subsequently becomes public through disclosure other than by an act of Ratings Services or its affiliates, Ratings Services reserves the right to treat the rating as a public rating, including, without limitation, publishing the rating and any related analytical reports. Any analytical reports published by Ratings Services are not issued by or on behalf of you or at your request. Notwithstanding anything to the contrary herein, Ratings Services reserves the right to use, publish, disseminate or license others to use, publish or disseminate analytical reports with respect to public ratings that have been withdrawn, regardless of the reason for such withdrawal. Ratings Services may publish explanations of Ratings Services' ratings criteria from time to time and nothing in this Agreement shall be construed as limiting Ratings Services' ability to modify or refine its ratings criteria at any time as Ratings Services deems appropriate.

Information to be Provided by You. For so long as this Agreement is in effect, in connection with the rating provided hereunder, you warrant that you will provide, or cause to be provided, as promptly as practicable, to Ratings Services all information requested by Ratings Services in accordance with its applicable published ratings criteria. The rating, and the maintenance of the rating, may be affected by Ratings Services' opinion of the information received from you or your agents or advisors. You further warrant that all information provided to Ratings Services by you or your agents or advisors regarding the rating or, if applicable, surveillance of the rating, as of the date such information is provided, (i) is true, accurate and complete in all material respects and, in light of the circumstances in which it was provided, not misleading and (ii) does not infringe or violate the intellectual property rights of a third party. A material breach of the warranties in this paragraph shall constitute a material breach of this Agreement.

Confidential Information. For purposes of this Agreement, "Confidential Information" shall mean verbal or written information that you or your agents or advisors have provided to Ratings Services and, in a specific and particularized manner, have marked or otherwise indicated in writing (either prior to or promptly following such disclosure) that such information is "Confidential". Notwithstanding the foregoing, information disclosed by you or your agents or advisors to Ratings Services shall not be deemed to be Confidential Information, and Ratings Services shall have no obligation to treat such information as Confidential Information, if such information (i) was known by Ratings Services or its affiliates at the

time of such disclosure and was not known by Ratings Services to be subject to a prohibition on disclosure, (ii) was known to the public at the time of such disclosure, (iii) becomes known to the public (other than by an act of Ratings Services or its affiliates) subsequent to such disclosure, (iv) is disclosed to Ratings Services or its affiliates by a third party subsequent to such disclosure and Ratings Services reasonably believes that such third party's disclosure to Ratings Services or its affiliates was not prohibited, (v) is developed independently by Ratings Services or its affiliates without reference to the Confidential Information, (vi) is approved in writing by you for public disclosure, or (vii) is required by law or regulation to be disclosed by Ratings Services or its affiliates. Ratings Services is aware that U.S. and state securities laws may impose restrictions on trading in securities when in possession of material, non-public information and has adopted securities trading and communication policies to that effect.

Ratings Services' Use of Information. Except as otherwise provided herein, Ratings Services shall not disclose Confidential Information to third parties. Ratings Services may (i) use Confidential Information to assign, raise, lower, suspend, place on CreditWatch, or withdraw a rating, and assign or revise an Outlook, and (ii) share Confidential Information with its affiliates engaged in the ratings business who are bound by appropriate confidentiality obligations; in each case, subject to the restrictions contained herein, Ratings Services and such affiliates may publish information derived from Confidential Information. Ratings Services may also use, and share Confidential Information with any of its affiliates or agents engaged in the ratings or other financial services businesses who are bound by appropriate confidentiality obligations ("Relevant Affiliates and Agents"), for modelling, benchmarking and research purposes; in each case, subject to the restrictions contained herein, Ratings Services and such affiliates may publish information derived from Confidential Information. With respect to structured finance ratings not maintained on a confidential or private basis, Ratings Services may publish data aggregated from Confidential Information, excluding data that is specific to and identifies individual debtors ("Relevant Data"), and share such Confidential Information with any of its Relevant Affiliates and Agents for general market dissemination of Relevant Data; you confirm that, to the best of your knowledge, such publication would not breach any confidentiality obligations you may have toward third parties. Ratings Services will comply with all applicable U.S. and state laws, rules and regulations protecting personally-identifiable information and the privacy rights of individuals. Ratings Services acknowledges that you may be entitled to seek specific performance and injunctive or other equitable relief as a remedy for Ratings Services' disclosure of Confidential Information in violation of this Agreement. Ratings Services and its affiliates reserve the right to use, publish, disseminate, or license others to use, publish or disseminate any non-Confidential Information provided by you, your agents or advisors.

Ratings Services Not an Expert, Underwriter or Seller under Securities Laws. Ratings Services has not consented to and will not consent to being named an "expert" or any similar designation under any applicable securities laws or other regulatory guidance, rules or recommendations, including without limitation, Section 7 of the U.S. Securities Act of 1933. Ratings Services is not an "underwriter" or "seller" as those terms are defined under applicable securities laws or other regulatory guidance, rules or recommendations, including without limitation Sections 11 and 12(a)(2) of the U.S. Securities Act of 1933. Rating Services has not performed the role or tasks associated with an "underwriter" or "seller" under the United States federal securities laws or other regulatory guidance, rules or recommendations in connection with this engagement.

Office of Foreign Assets Control. As of the date of this Agreement, (a) neither you nor the issuer (if you are not the issuer) or any of your or the issuer's subsidiaries, or any director or corporate officer of any of the foregoing entities, is the subject of any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC Sanctions"), (b) neither you nor the issuer (if you are not the issuer) is 50% or more owned or controlled, directly or indirectly, by any person or entity ("parent") that is the subject of OFAC Sanctions, and (c) to the best of your knowledge, no entity 50% or more owned or controlled by a direct or indirect parent of you or the issuer (if you are not the issuer) is the subject of OFAC sanctions. For so long as this Agreement is in effect, you will promptly notify Ratings Services if any of these circumstances change.

Ratings Services' Use of Confidential and Private Ratings. Ratings Services may use confidential and private ratings in its analysis of the debt issued by collateralized debt obligation (CDO) and other investment vehicles. Ratings Services may disclose a confidential or private rating as a confidential credit estimate or assessment to the managers of CDO and similar investment vehicles. Ratings Services may permit CDO managers to use and disseminate credit estimates or assessments on a limited basis and subject to various restrictions; however, Ratings Services cannot control any such use or dissemination.

Entire Agreement. Nothing in this Agreement shall prevent you, the issuer (if you are not the issuer) or Ratings Services from acting in accordance with applicable laws and regulations. Subject to the prior sentence, this Agreement, including any amendment made in accordance with the provisions hereof, constitutes the complete and entire agreement between the parties

on all matters regarding the rating provided hereunder. The terms of this Agreement supersede any other terms and conditions relating to information provided to Ratings Services by you or your agents and advisors hereunder, including without limitation, terms and conditions found on, or applicable to, websites or other means through which you or your agents and advisors make such information available to Ratings Services, regardless if such terms and conditions are entered into before or after the date of this Agreement. Such terms and conditions shall be null and void as to Ratings Services.

Limitation on Damages. Ratings Services does not and cannot guarantee the accuracy, completeness, or timeliness of the information relied on in connection with a rating or the results obtained from the use of such information. RATINGS SERVICES GIVES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. Ratings Services, its affiliates or third party providers, or any of their officers, directors, shareholders, employees or agents shall not be liable to you, your affiliates or any person asserting claims on your behalf, directly or indirectly, for any inaccuracies, errors, or omissions, in each case regardless of cause, actions, damages (consequential, special, indirect, incidental, punitive, compensatory, exemplary or otherwise), claims, liabilities, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in any way arising out of or relating to the rating provided hereunder or the related analytic services even if advised of the possibility of such damages or other amounts except to the extent such damages or other amounts are finally determined by a court of competent jurisdiction in a proceeding in which you and Ratings Services are parties to result from gross negligence, intentional wrongdoing, or willful misconduct of Ratings Services. In furtherance and not in limitation of the foregoing, Ratings Services will not be liable to you, your affiliates or any person asserting claims on your behalf in respect of any decisions alleged to be made by any person based on anything that may be perceived as advice or recommendations. In the event that Ratings Services is nevertheless held liable to you, your affiliates, or any person asserting claims on your behalf for monetary damages under this Agreement, in no event shall Ratings Services be liable in an aggregate amount in excess of US\$5,000,000 except to the extent such monetary damages directly result from Ratings Services' intentional wrongdoing or willful misconduct. The provisions of this paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort (including, without limitation, negligence), or otherwise. Neither party waives any protections, privileges, or defenses it may have under law, including but not limited to, the First Amendment of the Constitution of the United States of America.

Termination of Agreement. This Agreement may be terminated by either party at any time upon written notice to the other party. Except where expressly limited to the term of this Agreement, these Terms and Conditions shall survive the termination of this Agreement.

No Third-Party Beneficiaries. Nothing in this Agreement, or the rating when issued, is intended or should be construed as creating any rights on behalf of any third parties, including, without limitation, any recipient of the rating. No person is intended as a third party beneficiary of this Agreement or of the rating when issued.

Binding Effect. This Agreement shall be binding on, and inure to the benefit of, the parties hereto and their successors and assigns.

Severability. In the event that any term or provision of this Agreement shall be held to be invalid, void, or unenforceable, then the remainder of this Agreement shall not be affected, impaired, or invalidated, and each such term and provision shall be valid and enforceable to the fullest extent permitted by law.

Amendments. This Agreement may not be amended or superseded except by a writing that specifically refers to this Agreement and is executed manually or electronically by authorized representatives of both parties.

Reservation of Rights. The parties to this Agreement do not waive, and reserve the right to contest, any issues regarding sovereign immunity, the applicable governing law and the appropriate forum for resolving any disputes arising out of or relating to this Agreement.



650 California Street, 4th Floor
San Francisco, CA 94108

T 415 732 5770 / 800 95 FITCH
F 415 732 5610
www.fitchratings.com

Union Bank, N.A., as Trustee
350 California Street, 11th Floor
MC: H-1103
San Francisco, CA 94104
Attention: Mr. Hank Helley

06 January 2012

Dear Mr. Helley:

Re: California Infrastructure and Economic Development Bank Revenue Bonds, Series 2004 (North County Center for Self-Sufficiency Corporation Project)

This letter is provided in response to a request for confirmation of the rating for the above Bonds with respect to Alameda County's proposed acquisition, through the Alameda County Joint Powers Authority, of the premises currently owned by the North County Center for Self-Sufficiency Corporation, a California non-profit public benefit organization, and leased to the county for use as its Social Services Administration Building. Upon acquisition, the county would effectively become both the lessor and the lessee of the premises. The base rental payments required to be paid under the lease agreement which provide debt service payments on the bonds would continue unchanged. Furthermore, the current deed of trust on the premises in favour of the trustee would remain in place. As part of the acquisition, the authority would assume all of the obligations under the loan agreement and the bonds.

Fitch (see definition below) hereby confirms that, based on the information provided to Fitch, the authority's acquisition of the premises will not, in and of itself, result in a withdrawal or downgrade on the rating assigned by Fitch to the Bonds. The current rating is 'AA-', Rating Outlook Stable.

This rating confirmation only addresses the effect of the proposed premises acquisition on the current rating assigned by Fitch to the Bonds. This rating confirmation does not address whether the premises acquisition is permitted by the terms of the documents. This rating confirmation does not address whether the premises acquisition is in the best interests of, or prejudicial to, some or all of the holders of the Bonds.

The rating assigned by Fitch is based on the documents and information provided to us by the issuer and other parties and are subject to receipt of final closing documents. In issuing and maintaining its ratings, Fitch relies on factual information it receives from issuers and

Fitch Ratings

underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of Fitch's ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

Ratings are not a recommendation or suggestion, directly or indirectly to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan, security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. Fitch is not your advisor, nor is Fitch providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A ratings confirmation should not be viewed as a replacement for such advice or services.

Ratings are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and rating confirmations are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or rating confirmation. All Fitch reports have shared authorship. Individuals identified in a Fitch report

Fitch Ratings

were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

A rating confirmation by Fitch does not constitute consent by Fitch to the use of its name as an expert in connection with any registration statement or other filings under US, UK or any other relevant securities laws. Fitch does not consent to the inclusion of its ratings nor this letter communicating our rating action in any offering document.

Fitch relies on the issuer and other parties to promptly provide Fitch with all information that may be material to the rating so that our rating continues to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason Fitch deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between Fitch and you or between Fitch and any user of the rating.

In this letter, “**Fitch**” means Fitch, Inc. and Fitch Ratings Ltd and any subsidiary of either of them together with any successor in interest to any such person.

If we can be of further assistance, please contact Alan Gibson at (415) 732 7577.

Sincerely,

Fitch

By:



Karen Ribble
Senior Director

cc: Ms. Donna Linton
Assistant County Administrator
Alameda County
1221 Oak Street, Room 555
Oakland, CA 94612

Fitch Ratings

Mr. Brian Washington, Esq.
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Oakland, CA 94612

Mr. Sam S. Balisy, Esq.
Kutak Rock LLP
601 South Figueroa Street, Suite 4200
Los Angeles, CA 90017

ATTACHMENT 6 – AMBAC Assurance Approval Letter

\$51,700,000
CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK
REVENUE BONDS, SERIES 2004
(NORTH COUNTY CENTER FOR SELF-SUFFICIENCY
CORPORATION PROJECT)

CONSENT TO SALE AND TRANSFER OF PROPERTY
AND ASSIGNMENT AND ASSUMPTION OF OBLIGATIONS

Ambac Assurance Corporation ("Ambac") has provided a financial guaranty insurance policy with respect to the California Infrastructure and Economic Development Bank Revenue Bonds, Series 2004 (North County Center for Self-Sufficiency Corporation Project) (the "Bonds"), issued in the original aggregate principal amount of \$51,700,000 pursuant to an Indenture of Trust, dated as of February 1, 2004 (the "Indenture"), between California Infrastructure and Economic Development Bank (the "Issuer") and Union Bank of California, N.A. (now known as Union Bank, N.A.), as trustee. Terms used but not otherwise defined herein shall have the meaning set forth in the Indenture.

Proceeds of the Bonds were loaned by the Issuer to North County Center for Self-Sufficiency Corporation (the "Borrower") and applied by the Borrower to construct an office building and 150 parking spaces to be leased to the County of Alameda and serve as the North County Self-Sufficiency Center (the "Property").

The Borrower and Alameda County Joint Powers Authority, a joint powers authority duly organized and existing under the laws of the State of California (the "Purchaser"), have entered into a Purchase and Sale and Settlement and Release Agreement with respect to the acquisition by the Purchaser of the Property. Pursuant to Section 5.01 of the Loan Agreement, the Borrower may sell and transfer the Property subject to certain conditions, including, but not limited to, obtaining Ambac's approval of such sale and transfer.

Ambac hereby consents to the sale and transfer of the Property to the Purchaser and to the assumption by the Purchaser of Borrower's rights and obligations under the Loan Agreement, the Deed of Trust, the Tax Agreement and the Lease Agreement in accordance with the terms of the Assignment and Assumption of Lease Agreement and Bond Obligations in substantially the form attached hereto as Exhibit A.

[Signature page follows]

Dated: December 15, 2011

AMBAC ASSURANCE CORPORATION

By: Joan Allman
Name: Joan Allman
Title: First Vice President

[Signature Page to Consent to Sale and Transfer of Property
and Assignment and Assumption of Obligations]