

File No. 100646

Committee Item No. 1

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Sub - Committee: Budget and Finance

Date: May 26, 2010

Board of Supervisors Meeting

Date: _____

Cmte Board

- | | | |
|-------------------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement* |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER

(Use back side if additional space is needed)

- | | | |
|-------------------------------------|--------------------------|----------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Form 126 |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |

Completed by: Andrea S. Ausberry

Date Friday, May 21, 2010

Completed by: _____

Date _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

1 [Issuance and Sale of Tax-Exempt Bonds – Children's Day School, Inc. – Not to
2 Exceed \$10,000,000]

3
4 **Resolution approving the issuance and sale of tax-exempt bonds by the California**
5 **Municipal Finance Authority in an aggregate principal amount not to exceed**
6 **\$10,000,000 to finance various capital facilities owned or leased by Children's Day**
7 **School.**

8
9 WHEREAS, Children's Day School, Inc., a California nonprofit corporation (the
10 "Corporation") has requested that the California Municipal Finance Authority, a joint exercise of
11 powers agency established pursuant to the laws of the State of California (the "Authority") issue
12 and sell from time to time its revenue bonds (the "Bonds"), in one or more series over the next
13 three years, in an aggregate principal amount not expected to exceed \$10,000,000, for the
14 purpose of making one or more loans (collectively, the "Loan") to the Corporation pursuant to a
15 plan of financing for various capital facilities as more fully described below; and

16 WHEREAS, The City and County of San Francisco (the "City") is a member of the
17 Authority; and

18 WHEREAS, The Corporation expects to use the proceeds of the Loan over the next three
19 years to finance the following: (1) construction, acquisition, improvement, capital maintenance,
20 equipment acquisition and other related capital expenditures at the Corporation's facilities located
21 at 333 Dolores Street, San Francisco, California 94110 and 3275-3279 16th Street, San
22 Francisco, California 94103 (the "Facilities"); (2) acquisition and/or improvement of one or more
23 properties located immediately adjacent to the Facilities in the area bounded by Dolores Street,
24 16th Street, Guerrero Street and 17th Street in San Francisco, California; (3) refinance
25 approximately \$7.2 million of loans with banks and certain individuals that financed construction,

1 acquisition, improvement, capital maintenance, equipment acquisition and other related capital
2 expenditures at the Facilities; and (4) costs of issuance, funding a debt service reserve,
3 capitalized interest and credit enhancement fees (collectively, the "Projects"), all to be owned or
4 leased and operated by the Corporation and used for the educational purposes thereof; and

5 WHEREAS, The issuance and delivery of the Bonds shall be subject to the approval of and
6 execution by the Authority of all financing documents relating thereto to which the Authority is a
7 party and shall also be subject to the sale of the Bonds by the Authority; and

8 WHEREAS, The Project is located wholly within the City; and

9 WHEREAS, The interest on the Bonds may qualify for tax exemption under Section 103 of
10 the Internal Revenue Code of 1986, as amended (the "Code") only if the Bonds are approved in
11 accordance with Section 147(f) of the Code; and

12 WHEREAS, The Board of Supervisors of the City (the "Board") is the elected legislative
13 body of the City and is the applicable elected representative required to approve the issue within
14 the meaning of Section 147(f) of the Code; and

15 WHEREAS, The Authority has requested the Board to approve the issuance and sale of
16 the Bonds in order to satisfy the public approval requirements of Section 147(f) of the Code; and

17 WHEREAS, On May 3, 2010, the City caused a notice to appear in the *San Francisco*
18 *Chronicle*, which is a newspaper of general circulation in the City, stating that a public hearing with
19 respect to the issuance of the Bonds would be held by the City's Office of Public Finance on May
20 18th, 2010; and

21 WHEREAS, The Office of Public Finance held the public hearing described above on May
22 18th, 2010, and an opportunity was provided for persons to comment on the issuance and sale of
23 the Bonds and plan of financing the Project; and

1 WHEREAS, the Director of Public Finance recommends approval of the issuance and sale
2 of the Bonds pursuant to Chapter 43, Article 9, Section 5 of the Administrative Code; now,
3 therefore be it

4 RESOLVED, That this Board hereby finds and declares the above recitals are true and
5 correct; and, be it

6 FURTHER RESOLVED, That this Board hereby approves the issuance and sale of the
7 Bonds by the Authority; and be it

8 FURTHER RESOLVED, That it s the purpose and intent of this Board that this Resolution
9 constitutes approval of the issuance of the Bonds by the applicable elected representative of the
10 governmental unit having jurisdiction over the area in which the Project is located for the purposes
11 of and in accordance with Section 147(f) of the Code; and, be it

12 FURTHER RESOLVED, That the approval of the issuance and sale of the Bonds by the
13 City is neither an approval of the underlying credit issues of the proposed Project nor an approval
14 of the financial structure of the Bonds; and the City, nor any department thereof, shall have no
15 responsibility or liability whatsoever with respect to the Bonds or the Project; and be it

16 FURTHER RESOLVED, That the Bonds shall not constitute a debt or obligation of the City
17 and the payment of the principal, prepayment premium, if any, and purchase price of and interest
18 on the Bonds shall be solely the responsibility of the Corporation; and be it

19 FURTHER RESOLVED, That adoption of this Resolution shall not obligate (i) the City to
20 provide financing to the Corporation for the acquisition, rehabilitation and development of the
21 Project or to issue the Bonds for purposes of such financing; (ii) make any contribution or advance
22 any funds to the Authority; or (iii) the City, or any department of the City, to approve any
23 application or request for, or take any other action in connection with, any environmental,
24
25

1 General Plan, zoning or any other permit or other regulatory action sought in connection with
2 the Project; and be it

3 FURTHER RESOLVED, That this Resolution shall take effect immediately upon its
4 adoption.

5
6 APPROVED AS TO FORM:

7 DENNIS J. HERRERA
8 City Attorney

9 By: Kenneth David Roux
10 KENNETH DAVID ROUX
11 Deputy City Attorney



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

Nadia Sesay
Director
Office of Public Finance

May 18, 2010

Supervisor Bevan Dufty
City Hall, Room 244
City and County of San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place
San Francisco CA 94102

Dear Supervisor Dufty:

Thank you for agreeing to introduce the Board of Supervisors resolution approving, for the purposes of the Internal Revenue Code, the issuance of revenue bonds (the "Bonds") by the California Municipal Finance Authority (the "Authority") on behalf of Children's Day School, Inc. (the "Borrower"), a California nonprofit public benefit corporation described in section 501(c)(3) of the Internal Revenue Code, to finance and/or refinance capital expenditures and the acquisition and/or improvement of adjacent properties as described below. I respectfully request introduction of the resolution at the meeting of the Board of Supervisors on Tuesday, May 18, 2010.

Pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA), to facilitate the tax exemption of interest on the Bonds the City is required to conduct a public hearing and to approve the financing by the Authority. The Office of Public Finance held the hearing on Tuesday May 18, 2010, notice of which was published in the *San Francisco Chronicle* on May 3, 2010. No comments were heard or received from the TEFRA public hearing. The action by the Board acknowledges that the hearing was duly held and that the financing and/or refinancing is proceeding.

The Bonds will be issued in an aggregate principal amount not to exceed \$10,000,000. I have performed a limited due diligence review of information pertaining to the project and proposed financing that I have summarized below.

The Borrower

Children's Day School is a private, independent co-educational day school for children in preschool through eighth grade located at 333 Dolores Street, San Francisco, California 94110 and 3275-3279 16th Street, San Francisco, California 94013. According to its application to the Authority, the school has a total enrollment of approximately 315 and staff of 46 faculty members and 18 administrators and support staff. Children's Day School also partners with a variety of community institutions, from local nonprofits to neighborhood public schools.

TEFRA SCRIPT
CALIFORNIA MUNICIPAL FINANCE AUTHORITY PRIVATE OFFERING FOR
CHILDREN'S DAY SCHOOL'S FINANCING AND/OR REFINANCING VARIOUS
CAPITAL FACILITIES IN SAN FRANCISCO, CALIFORNIA

To be read by the Office of Public Finance:

"This is a public hearing to consider the execution and delivery of revenue bonds (the "Bonds") for the purpose of making a loan to Children's Day School (the "Corporation") to finance the following over the next three years: (1) construction, acquisition, improvement, capital maintenance, equipment acquisition and other related capital expenditures at the Corporation's facilities located at 333 Dolores Street, San Francisco, California 94110 and 3275-3279 16th Street, San Francisco, California 94103 (the "Facilities"); (2) acquisition and/or improvement of one or more properties located immediately adjacent to the Facilities in the area bounded by Dolores Street, 16th Street, Guerrero Street and 17th Street in San Francisco, California; (3) refinance approximately \$7.2 million of loans with banks and certain individuals that financed construction, acquisition, improvement, capital maintenance, equipment acquisition and other related capital expenditures at the Facilities; and (4) costs of issuance, funding a debt service reserve, capitalized interest and credit enhancement fees (collectively, the "Projects"), all to be owned or leased and operated by the Corporation and used for the educational purposes thereof. The public hearing regarding the financing is required by federal tax law. Today's hearing is part of a larger process and no decision or approval will be made here today. Your comments will be heard and provided to the Board of Supervisors. The Board of Supervisors will then have the discretion to consider legislation approving the issuance of the Bonds to finance and/or refinance the Project.

"The public hearing is now open. We will now hear from any person who wishes to speak about the proposed financing. Does anyone wish to speak about the financing?"

[WAIT TO SEE IF ANY MEMBER OF THE AUDIENCE WISHES TO SPEAK AND, IF SO, GIVE EACH OF THEM THE OPPORTUNITY TO DO SO, WITHIN THE USUAL TIME LIMITS ALLOWED.]

"Were any written comments on the proposed tax-exempt obligations or the project received by the Clerk or the Board of Supervisors or the Office of Public Finance prior to this hearing?"

[IDENTIFY ANY SUCH WRITTEN COMMENTS OR STATE THAT NONE WERE RECEIVED.]

"The public hearing is now closed"

Date: Tuesday, May 18, 2010 10:30 am

Donna Roberts *AK*
Wendie Lee
MA King



Application Number: _____

APPLICATION FOR ASSISTANCE / FINANCING

I. APPLICANT PROFILE

| | | | |
|--------------------------|-------------------------|--------|------------------------------------|
| Borrower's Name: | Children's Day School | | |
| Street Address: | 333 Dolores Street | | |
| City / State / Zip Code: | San Francisco, CA 94110 | | |
| Contact Name: | Donna Shibata | Title: | Director of Finance and Operations |
| Contact Phone: | (415) 861-5432 x 314 | Fax: | (415) 861-5419 |
| Contact E-Mail: | DonnaS@cds-sf.org | | |

| | | | |
|------------------------|---|-------------------------|------------|
| Corporate Structure: | <input type="checkbox"/> S Corporation <input type="checkbox"/> C Corporation <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> Other | | |
| Date of Incorporation: | 1983 | State of Incorporation: | California |

| | | | |
|--------------------------|-----|--------|--|
| Guarantor's Name: | N/A | | |
| Street Address: | | | |
| City / State / Zip Code: | | | |
| Contact Name: | | Title: | |
| Contact Phone: | | Fax: | |
| Contact E-Mail: | | | |

II. TYPE OF ACTIVITY (Check appropriate box or boxes)

- Nonprofit or Public Benefit
 Housing
 Manufacturing or Pollution Control
 Government
 Other

III. FINANCING INFORMATION

| | | | |
|------------------------------|--|--|--------|
| Maximum Amount of Bonds: | \$10 million | Approximate Date of Sale of Bonds: | 6/2010 |
| Scheduled Maturity of Bonds: | 1/1/2010 | | |
| Type of Financing: | <input checked="" type="checkbox"/> New Money <input checked="" type="checkbox"/> Refunding | If Refunding, State Volume Cap Required: | \$ |
| Type of Offering: | <input type="checkbox"/> Public <input checked="" type="checkbox"/> Private | | |
| Credit Enhancement: | <input type="checkbox"/> Letter of Credit <input checked="" type="checkbox"/> None <input type="checkbox"/> Bond Insurance <input type="checkbox"/> Other: __ | | |
| Expected Rating on Bonds: | N/A | | |

* To view full document
Request file # 100646

IV. PROJECT DESCRIPTION

| | |
|--|--|
| Is this Application related to another previously submitted project? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| Provide Detailed Description of Project: | The Corporation plans to use the Bond proceeds over the next three years to finance the following: (1) construction, acquisition, improvement, capital maintenance, equipment acquisition and other related capital expenditures at the Corporation's facilities located at 333 Dolores Street, San Francisco, California 94110 and 3275-3279 16th Street, San Francisco, CA 94103; (2) costs of issuance, (collectively, the "Projects"), all to be owned and operated by the Corporation and used for the educational purposes thereof. Please see project description in Attachment B. |
| Activity/Products Manufactured: | |
| Provide Detailed Summary of Public Benefits Associated with Project: | <p>At Children's Day School, we believe we are all interdependent and that the success and health of our school is directly tied to the success and health of the larger community. For this reason, the CDS community is an active and involved member of the Mission neighborhood and of the larger San Francisco community.</p> <p>We currently partner with a variety of community institutions, from local nonprofits to neighborhood public schools. Many of these connections also provide opportunities for community based learning (service learning) for our students. Over the past two years, CDS has collaborated with over 40 community organizations on both ongoing and one-time projects. Some of our major community partners have been:</p> <ul style="list-style-type: none"> • 826 Valencia: The Writing Center • At The Crossroads • Children of Lesbians and Gays Everywhere • Columbia Park Boys & Girls Club • Homeless Prenatal Program • I Have a Dream Foundation • Heifer Foundation • June Jordan School for Equity • Kid Power Park • Mission High School • Notre Dame Senior Plaza • San Francisco Food Bank • San Francisco LGBT Pride Parade • Schools Mentoring and Resource Team (SMART) <p>The connections created by our community partnerships are manifested in many ways.</p> <ul style="list-style-type: none"> • High school students from Mission High School visit CDS weekly as classroom interns. • Middle school students from both CDS and the Columbia Park Boys & Girls Club working together to clean litter off neighborhood streets. • Partnering with the San Francisco-based Schools Mentoring and Resource Team (SMART) and the I Have a Dream Foundation (IHAD) to recruit high-achieving middle school students from economically disadvantaged families. <p>In all our community partnerships, our goal is to support and collaborate with other organizations and institutions for the benefit of the larger community.</p> |

V. PROJECT SITE LOCATION (Please attach separate sheet labeled "Project Site Locations" for multiple site projects.)

| | | | |
|--------------------------------------|---|----------------------------------|---------------|
| Street Address: | 333 Dolores Street | | |
| City: | San Francisco | County: | San Francisco |
| State: | CA | Zip Code: | 94110 |
| Current # of Employees at this site: | 46 faculty members; 18 administrators and support staff | Full-Time Jobs Created/Retained: | |

VI. SUMMARY OF PROJECT COSTS

| Sources of Funds: | Amount |
|-------------------------------|--------|
| Tax-Exempt Bond Proceeds: | \$ |
| Taxable Bond Proceeds: | |
| Other*: _____ | |
| Other*: _____ | |
| Other*: _____ | |
| Other*: _____ | |
| Equity: | |
| Total Source of Funds: | \$ |

| Summary of Project Costs: | Amount |
|------------------------------|--|
| Land Acquisition: | \$ |
| Building Acquisition: | |
| Rehabilitation: | |
| New Construction: | |
| New Machinery & Equipment: | |
| Used Machinery & Equipment: | |
| Architectural & Engineering: | |
| Legal and Professional: | |
| Other: _____ | |
| Other: _____ | |
| Other: _____ | |
| Other: _____ | |
| Costs of Issuance: | |
| Total Project Costs: | \$ Please see a draft of the Preliminary bond sizing in Attachment C |

* Identify other sources: Equity, Bank Financing, use of Federal, State or Local Financing Programs, etc.

VII. FINANCING TEAM

| | | | | | |
|----------------------------|--|---|--|---------|--|
| BORROWER'S COUNSEL: | | TBD (see distribution list in Attachment A) | | | |
| Street Address: | | | | | |
| City / State / Zip Code: | | | | | |
| Contact Name: | | Title: | | | |
| Contact Phone: | | Fax: | | E-Mail: | |

| | | | | | |
|---------------------------|--|---|--|---------|--|
| FINANCIAL ADVISOR: | | N/A (see distribution list in Attachment A) | | | |
| Street Address: | | | | | |
| City / State / Zip Code: | | | | | |
| Contact Name: | | Title: | | | |
| Contact Phone: | | Fax: | | E-Mail: | |

| | | | | | |
|--------------------------|--|---|--|---------|--|
| UNDERWRITER: | | N/A (see distribution list in Attachment A) | | | |
| Street Address: | | | | | |
| City / State / Zip Code: | | | | | |
| Contact Name: | | Title: | | | |
| Contact Phone: | | Fax: | | E-Mail: | |

| | | | | | |
|-------------------------------|--|---|--|---------|--|
| UNDERWRITER'S COUNSEL: | | N/A (see distribution list in Attachment A) | | | |
| Street Address: | | | | | |
| City / State / Zip Code: | | | | | |
| Contact Name: | | Title: | | | |
| Contact Phone: | | Fax: | | E-Mail: | |

| | | | | | |
|--------------------------|---------------|------------------------------------|--------------|---------|----------------------|
| BOND COUNSEL: | | Hawkins Delafield & Wood LLP | | | |
| Street Address: | | One Embarcadero Center, Suite 3820 | | | |
| City / State / Zip Code: | | San Francisco, CA 94111 | | | |
| Contact Name: | | Sean Tierney | | Title: | Partner |
| Contact E-Mail: | | stierney@hawkins.com | | | |
| Contact Phone: | 415-486- 4201 | Fax: | 415-397-1513 | E-Mail: | stierney@hawkins.com |

| | | | | | |
|-------------------------------------|--|--------|--|---------|--|
| CREDIT ENHANCEMENT PROVIDER: | | N/A | | | |
| Street Address: | | | | | |
| City / State / Zip Code: | | | | | |
| Contact Name: | | Title: | | | |
| Contact Phone: | | Fax: | | E-Mail: | |

ADDITIONAL REQUIREMENTS

1. \$2,500.00 Non-Refundable Application Fee made payable to the **California Municipal Finance Authority**.
2. Provide Description of Borrower and/or its Affiliates.
3. Provide Description of Developer's Experience (including a summary of other multi-family housing development projects completed within past five years).
4. Financial Statements (or Annual Report) for most recent three years and most recent quarterly statement.

5. Provide Financial Forecast of the Project (including income statement, balance sheet, summary of cash flows, and forecasted sources and uses of financing).
6. For Housing Applications only – please complete Section VIII.

CERTIFICATION

I hereby represent that all the information contained in this documentation and attachments are true and correct to the best of my knowledge.

Signature: _____

Date: _____

Print Name: _____

Print Title: _____

**FOR MORE INFORMATION OR TO SUBMIT AN APPLICATION
PLEASE CONTACT:**

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
 Attention: John P. Stoecker
 2111 Palomar Airport Road, Suite 320
 Carlsbad, CA 92011
 Tel: (760) 930-1221 • Fax: (760) 683-3390
 E-Mail: jstoecker@cmfa-ca.com

VIII. HOUSING ADDENDUM (For Housing Applications Only)

| | | | | | |
|---------------------------------------|-----|---|------------------------------|-----------------------------|--|
| PROJECT NAME: | N/A | | | | |
| Street Address: | | | | | |
| City: | | County: | | | |
| State: | | Zip Code: | | | |
| Land Owned / Date Acquired or Option: | | Land Leased or Lease Option Date: | | | |
| Current Zoning of Project Site: | | Will Project Require a Zoning Change: | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |
| If Yes, Describe Changes Required: | | | | | |
| Other Entitlements: | | | | | |
| Number of Units: | | Restricted: | | Market: | |
| % of Restricted Units: | | % of Area Median Income for Low Income Housing: | | | |
| Describe Amenities: | | | | | |
| Describe Services: | | | | | |

Please provide a breakdown of the following information:

| Unit Size | No. of Units | Market | Restricted Rents | % of AMI |
|-----------|--------------|--------|------------------|----------|
| | | \$ | \$ | |
| | | | | |
| | | | | |
| | | | | |

Attachment A
Distribution List



California Municipal Finance Authority
(CHILDREN'S DAY SCHOOL)

Distribution List

(Last Updated: April 6, 2010)

BORROWER

Children's Day School
Donna Shibata
Director of Finance and Operations
General Counsel
333 Dolores Street
San Francisco, CA 94110
(415) 861-5432 x 314
(415) 861-5419 fax
e-mail: DonnaS@cds-sf.org

BORROWER'S COUNSEL

TBD

BOND COUNSEL

Hawkins Delafield & Wood
Sean Tierney, Esq.
Ron Wolf, Esq.
Cynthia Cameron, Paralegal
One Embarcadero Center, Suite 3820
San Francisco, CA 94111
(415) 486-4201 (Tierney)
(415) 486-4208 (Wolf)
(415) 486-4206 (Cameron)
(415) 397-1513 FAX
e-mail: stierney@hawkins.com
e-mail: rwolf@hawkins.com
e-mail: ccameron@hawkins.com

ISSUER

California Municipal Finance Authority
John P. Stoecker
Ben Barker
2111 Palomar Airport Rd, Suite 320
Carlsbad, CA 92011
(760) 930-1221 (Stoecker)
(760) 930-1266 (Barker)
(760) 683-3390
e-mail: jstoecker@cmfa-ca.com
e-mail: bbarker@cmfa-ca.com

ISSUER'S COUNSEL

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Harriet M. Welch, Esq.
Stephanie Shepherd, Esq.
555 South Flower Street, 31st Floor
Los Angeles, CA 90071-2300
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(213) 689-5156 (Shepherd)
(213) 623-4581 FAX
e-mail: hwelch@ssd.com
e-mail: sshepherd@ssd.com

PLACEMENT AGENT

Stone & Youngberg LLC
Dirk ten Grotenhuis, Managing Director
Matt Tracey, Analyst
One Ferry Building, Suite 275
San Francisco, CA 94111
(415) 445-2331 (ten Grotenhuis)
(415) 268-2973 (Tracey)
(415) 445-2395 FAX
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e-mail: mtracey@syllc.com

DIRECT PURCHASE

US Bank

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(415) 263-3195 (Smith)
(415) 273-4550 (Stanley)
(415) 273-4549 FAX
e-mail: scott.smith4@usbank.com

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Vice President, Portfolio Manager
Bay Area Commercial Banking
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(925) 945-6919 FAX
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Partner, Bryan Cave LLP

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BANK ADVISOR

Whitman Group

Tom Whitman
(614) 212-3003
e-mail: tom@whitmangroupllc.com

TITLE COMPANY

Fidelity National Title Insurance

Rita Lin
VP/Senior Escrow Officer/Branch Manager
50 California Street, Suite 3550
San Francisco, CA 94111
(415) 837-2312 FAX
(415) 837-2311

BOND TRUSTEE

TBD

TRUSTEE'S COUNSEL

TBD

E-MAIL :

DonnaS@cds-sf.org
stierney@hawkins.com
rwolf@hawkins.com
ccameron@hawkins.com
istoecker@cmfa-ca.com
bbarker@cmfa-ca.com
hwelch@ssd.com
sshepherd@ssd.com
dteng@syllc.com
mtracey@syllc.com
scott.smith4@usbank.com
christi.shaw@usbank.com
jjlautt@bryancave.com
tom@whitmangroupllc.com

Attachment B
Detailed Project Description

Children's Day School

Restoration of St. Joseph's Hall, 333 Dolores Street

The restoration of St. Joseph's Hall will rejuvenate the school's main classroom building into a fully accessible, environmentally responsible educational facility with enhanced safety and building systems as well as additional teaching space for a growing student body. Successful construction of new classrooms and facilities over the past two summers has allowed the school to make important improvements to its elementary and middle school programs. The third phase, the upgrade of the electrical service in 2009-2010 will provide the power needed for the installation of the elevator and future development of new classrooms. Consistent with school values, the restoration project is a registered, LEED certifiable project (see attached Phase One and Phase Two Green Building Reports).

Phase One (Summer and Fall 2007)

CDS embarked on construction in St. Joseph's Hall in June 2007 and celebrated the on-time, under budget completion of the first phase in October 2007. Construction of a new staircase and modern, accessible bathrooms allowed the school to build two temporary middle school classrooms on the unfinished third floor. This project featured environmentally responsible materials throughout, also added an environmental education classroom/kitchen with direct access to the farm and garden. The additional classrooms provided space for CDS to enroll two sections of kindergarten for the first time in the fall 2007. The total project cost was \$1,716,500.

Scope of work completed:

- Construction of a code conforming eastern exit stair (previously the stair went from the 2nd to 3rd floor but did not connect to the first floor).
- Two temporary classrooms on the third floor.
- New fire rated exit corridor on the first floor in the eastern portion of the building.
- Construction of all of the required student toilet facilities on the first and third floors, and a new adult bathroom on the first floor.
- A laundry/storage room on the third floor.
- An environmental education classroom/kitchen in the eastern portion of the building.

Phase Two (Summer 2008)

Phase Two of the renovation, which was completed on time and under budget in September 2008, brought even more dramatic improvements to the building as well as to the school's educational programs. At the opening of school in the fall 2008, students and their families returned to find a new third-floor middle school "campus" with five classrooms with glass showing historic beams, as well as a fire-rated hallway with student lockers, an office for the Middle School Head and new, high-efficiency radiant panel heaters throughout the building. The total project cost was \$1,580,900 estimate.

The school was able to make immediate use of the new classrooms because of an unexpected opportunity – in February 2008, CDS acquired a 6,000 square foot building on 16th Street, adjacent to the school's main property. Most administrative offices as well as the school's library were relocated to the 16th Street building in spring 2008, freeing up space in St. Joseph's Hall for classrooms. In addition to enhancing and consolidating the middle school, the additional classrooms and new property also provided space for CDS to enroll two sections of first and second grade for the first time in the fall 2008.

Scope of work completed:

- Five classrooms (completely enclosed rooms with the upper portion of the demising walls glazed to make the existing roof trusses visible).
- A new adult bathroom and new office (Western Wing).
- Third floor fire-rated exit corridor with relocated student lockers and new fire doors installed at the western staircase.
- New boiler room installed in the first floor classroom adjacent to the existing library, and a new flue chase installed vertically to the underside of the roof.
- Seismic upgrades consisting of improved structural connections and shear sheathing.
- Installation of a new hydronic heating system serving the entire building with hot water radiators and thermostatic controls for each classroom and hallways.
- Classroom sinks in third floor science classrooms.
- Repair of two operable wood windows per classroom required by the mechanical conditioning system.
- Relocation of the existing sprinkler system to integrate it into the new third floor interior architecture.
- Painted wood floors in the five classrooms. Green area carpets in classrooms.
- Painting of all new work installed on the third floor.

Phase Three (2009-2010)

Currently, the school's electrical service for St. Joseph's Hall and the bungalow classrooms is running at full capacity. Phase Three, to be completed in 2009-2010, will focus on the installation of a new 1200 amp electrical service at 120/280V 3-phase located in an underground vault in the parking lot driveway in front of the school building. The project budget is \$273,410.

This upgrade will provide the school with the flexibility necessary to meet the intermediate and long term needs of the site. The additional electrical service will be needed to operate the elevator that must be installed in St. Joseph's Hall to meet code requirements. The new electrical service also will provide the power needed for future development of new classrooms on or nearby this site. The design locates the transformer underground and preserves the school's valuable open space and its options for reconfiguring this site in the future as needed.

In addition, the school will replace the 38 windows that have been identified as in need of immediate repair. The single pane windows will be replaced with double pane windows for greater efficiency. The budget for this initial phase is \$64,833. The total estimated cost of the master plan for the replacement and restoration of the windows is \$415,000 which will be completed in phases with this summer's work as the initial phase.

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CHILDREN'S DAY SCHOOL PHASE ONE GREEN BUILDING REPORT

CONSTRUCTION PRACTICES

Because the school would be occupied during construction, special attention was given to jobsite practices. A construction interior air quality (IAQ) management plan was implemented to maintain a healthy building environment during and after construction. All building materials, including paints, sealants and coatings, were specified as non-toxic and safe for the builders, students and faculty on site during and after construction. Demolition and construction waste was salvaged or recycled whenever possible. The target was 75%; final numbers are still being tallied. Usable components were either saved for future use at CDS or donated to building salvage facilities.

MATERIALS (by building area)

All materials on the job have low or no volatile organic compounds (VOCs), and are free of formaldehyde and other pollutants that can adversely affect the health of building occupants. Where possible, building materials came from recycled, recyclable, reclaimed, renewable, or otherwise sustainable sources. Many fall into several of these categories. Locally produced materials were also utilized when available.

All areas

- Wall framing: high-recycled content steel
- Sound insulation: formaldehyde-free fiberglass batts
- Drywall: mold and moisture resistant gypsum board
- Baseboard: medium density fiberboard (MDF); 100% recycled wood, VOC and formaldehyde-free
- Paint: water based, low/no VOCs
- Clear wood sealer: water based, VOC and formaldehyde-free
- Sealants, Adhesives, caulk: Low VOC, no toxic

Kitchen

- Cabinets: rapidly renewable bamboo plywood
- Cabinet boxes: medium density fiberboard (MDF), 100% recycled wood, VOC and formaldehyde-free
- Countertops: 100% local, recycled, post-consumer bottle glass
- New exterior windows: Forest Stewardship Council (FSC) certified wood framing
- Flooring: 100% recycled marble and granite terrazzo tiles
- Whiteboard: Cradle to Cradle certified, 100% recyclable and renewable materials
- Proposed work tables: FSC certified wood tabletop
- Waste containers: built-in under-counter recycling bins

Restrooms

- Partitions: 100% recycled post-consumer plastic detergent bottles
- Flooring and wainscoting: 100% recycled marble and granite terrazzo tiles

Halls and Stairway

- Flooring: resilient tiles are 100% recycled, post-consumer tire rubber, individually replaceable to minimize waste
- New stair: high recycled-content steel
- Low wall top cap: reclaimed solid oak

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-Baseboard: medium density fiberboard (MDF), 100% recycled wood, VOC and formaldehyde-free

MECHANICAL, ELECTRICAL AND PLUMBING SYSTEMS (by building area)

All of the new systems in the building are high efficiency, meeting or exceeding stringent California energy and water-use regulations. The electrical system at the East end of the building has been upgraded to handle the loads imposed by modern educational facilities.

All areas

-High efficiency, color corrected fluorescent lighting, controlled by occupancy sensors with manual overrides

Kitchen

-Range, oven, dishwasher and exhaust hood are Energy Star rated.
-Refrigerator has no freezer to conserve energy and maximize space utilization.
-Induction cooktop: heats only the cookware- top stays cool and safe. Uses less energy than a comparable electric range
-Low-flow faucets

Restrooms

-Toilets: 1.6 gallons per flush (gpf)
-Urinals: 1.1 gpf
-Sinks: low-flow faucets

Laundry Room

-Clothes washer and dryer: high efficiency, front loading, Energy Star rated

DEFINITIONS

Cradle to Cradle certified: Certification system for products that use environmentally safe and healthy materials, are designed for material reutilization, such as recycling or composting, and are made by companies that use renewable energy and practice energy efficiency and social responsibility in their production.

Energy Star Rated: Federal government standards for low energy consumption appliances.

FSC: Forest Stewardship Council certified wood ensures that the product has been harvested from a sustainably managed forest that does not contribute to deforestation, erosion or other exploitation of natural resources and native communities.

Formaldehyde: Formaldehyde resin has traditionally been used in many construction materials as an adhesive. It is toxic, allergenic, and carcinogenic, and is a known indoor air pollutant that contributes to headaches, asthma and other ailments.

Post-consumer: A material that has reached the end of its useful life and would otherwise be discarded.

Reclaimed: A material that has been salvaged and repurposed without undergoing reprocessing or remanufacturing.

Recycled: A discarded material that has been reused in the manufacture of a new material or product.

VOC: Volatile organic compounds that have high enough vapor pressures under normal conditions to vaporize and enter the atmosphere. Common artificial sources of VOCs include paint thinners, carpet backing and plastics. VOCs are indoor and outdoor air pollutants, contributing to global warming and a variety of negative health effects.

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CHILDREN'S DAY SCHOOL PHASE TWO GREEN BUILDING REPORT

CONSTRUCTION PRACTICES

As with Phase One, a construction interior air quality (IAQ) management plan was implemented to maintain a healthy building environment during and after construction. All building materials, including paints, sealants and coatings, were specified as non-toxic and safe for the builders, students and faculty on site during and after construction.

Demolition and construction waste was salvaged or recycled whenever possible. Final numbers for this year's project are still being tallied, but we do know that during Phase One, 90.5% of all construction waste was recycled. Existing components, such as interior doors, were reused whenever possible, while others were donated to building salvage facilities.

MECHANICAL, ELECTRICAL AND PLUMBING SYSTEMS (by building area)

All of the new systems in the building are high efficiency, meeting or exceeding stringent California energy and water-use regulations.

All areas

New Heating System: A new high efficiency boiler feeds new radiant panel heaters throughout the building. New piping is visible in the classrooms and will be labeled to function as a visual teaching tool. Using hot water (rather than steam, as the previous 100 year-old system did), radiant panels efficiently warm the space around them through convection and radiation. Warm to the touch, these panels are safe for the children, and temperature can now be individually controlled in each room of the school, improving comfort, efficiency, and operating costs.

Classrooms

-New Lighting: every new and existing classroom on the 3rd floor has new high efficiency, color corrected, fluorescent pendant lighting, controlled by occupancy sensors. Additionally, fixture rows adjacent to windows are equipped with dimming ballasts and daylight sensors to automatically raise and lower light levels in response to ambient lighting conditions, saving energy when sufficient daylight is present.

3rd floor hallways and support areas

-New Lighting: New high efficiency, color corrected, indirect fluorescent lighting, controlled by occupancy sensors.

Faculty Restroom

-Toilet: 1.6 gallons per flush (gpf)
-Sinks: low-flow faucets

MATERIALS (by building area)

All materials on the job have low or no volatile organic compounds (VOCs), and are free of formaldehyde and other pollutants that can adversely affect the health of building occupants. Where possible, building materials came from recycled, recyclable, reclaimed, renewable, or otherwise sustainable sources. Many fall into several of these categories. Locally produced materials were also utilized when available.

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All areas

- Wall framing and structural steel: high-recycled content steel
- Shearwall paneling: FSC certified, formaldehyde-free plywood
- Sound insulation: formaldehyde-free fiberglass batts
- Drywall: mold and moisture resistant gypsum board
- Baseboard: medium density fiberboard (MDF); 100% recycled wood, VOC and formaldehyde-free
- Paint: water based, low/no VOCs
- Clear wood sealer: water based, VOC and formaldehyde-free
- Sealants, Adhesives, caulk: Low VOC, no toxic

Classrooms

- Shelving: medium density fiberboard (MDF), 100% recycled wood, VOC and formaldehyde-free
- Countertops: low VOC epoxy labtops
- Carpet tiles: 100% recycled, recyclable nylon carpet tiles can be rearranged by teachers as required, individually replaced if soiled or damaged, and returned to the manufacturer for reuse at the end of their useful life.

Faculty Restroom

- Flooring and wainscoting: 100% recycled marble and granite terrazzo tiles

Hallways

- Flooring: resilient tiles are 100% recycled, post-consumer tire rubber, individually replaceable to minimize waste
- Wood paneling: existing wall paneling on the North wall was removed, plywood shear walls were installed as part of the seismic upgrade of the building, then the original paneling was replaced and painted.
- Lockers: existing lockers were gathered from other areas of the building and recessed into the south wall, providing a built-in look without the need for replacing the existing units.
- Baseboard: medium density fiberboard (MDF), 100% recycled wood, VOC and formaldehyde-free

DEFINITIONS

- FSC:** Forest Stewardship Council certified wood ensures that the product has been harvested from a sustainably managed forest that does not contribute to deforestation, erosion or other exploitation of natural resources and native communities.
- Formaldehyde:** Formaldehyde resin has traditionally been used in many construction materials as an adhesive. It is toxic, allergenic, and carcinogenic, and is a known indoor air pollutant that contributes to headaches, asthma and other ailments.
- Post-consumer:** A material that has reached the end of its useful life and would otherwise be discarded.
- Reclaimed:** A material that has been salvaged and repurposed without undergoing reprocessing or remanufacturing.
- Recycled:** A discarded material that has been reused in the manufacture of a new material or product.
- VOC:** Volatile organic compounds that have high enough vapor pressures under normal conditions to vaporize and enter the atmosphere. Common artificial sources of VOCs include paint thinners, carpet backing and plastics. VOCs are indoor and outdoor air pollutants, contributing to global warming and a variety of negative health effects.

Attachment C
Preliminary Bond Sizing

SOURCES AND USES OF FUNDS

Children's Day School
2010 Bank Qualified Private Placement Bonds
Option 2 - Fixed Rate

Dated Date 06/01/2010
Delivery Date 06/01/2010

Sources:

| | |
|----------------|--------------|
| Bond Proceeds: | |
| Par Amount | 9,500,000.00 |
| | <hr/> |
| | 9,500,000.00 |

Uses:

| | |
|--|--------------|
| Project Fund Deposits: | |
| New Money (Excess Proceeds) | 1,309,166.02 |
| City National Loan - 333 Dolores | 2,727,789.29 |
| City National Loan - Prepayment Penalty 3.3.2010 | 484,903.33 |
| Bank of Marin - 16th Street | 1,837,500.00 |
| Parent Loans | 475,000.00 |
| City National Loan - Phase 1 Mini-Perm | 788,020.83 |
| City National Loan - Phase 2 Mini-Perm | 883,622.53 |
| Reimbursement for Renovation Expenditures | 806,048.00 |
| | <hr/> |
| | 9,312,050.00 |

| | |
|-------------------------------|--------------|
| Delivery Date Expenses: | |
| Cost of Issuance | 74,450.00 |
| Underwriter's Discount | 50,000.00 |
| U.S. Bank Upfront Fee (0.30%) | 28,500.00 |
| LOC Counsel Fee | 35,000.00 |
| | <hr/> |
| | 187,950.00 |
| | <hr/> |
| | 9,500,000.00 |

Notes:

Costs shown are estimates only and will be revised as the closing date approaches.
CNB Mortgage prepayment penalty assumes 15% haircut offered by CNB.



COST OF ISSUANCE

Children's Day School
2010 Bank Qualified Private Placement Bonds
Option 2 - Fixed Rate

| Cost of Issuance | \$/1000 | Amount |
|-----------------------------|---------|-----------|
| Bond Counsel (Hawkins) | 3.68421 | 35,000.00 |
| Bond Counsel Expenses | 0.36842 | 3,500.00 |
| ABAG Conduit Issuer Fee | 1.50000 | 14,250.00 |
| Conduit Issuer Counsel | 0.78947 | 7,500.00 |
| Trustee Fee | 0.23158 | 2,200.00 |
| Trustee Counsel Fee | 0.21053 | 2,000.00 |
| Title & Other Closing Costs | 1.05263 | 10,000.00 |
| | 7.83684 | 74,450.00 |

Note: Costs shown are estimates only and will be revised as the closing date approaches.



UNDERWRITER'S DISCOUNT

Children's Day School
2010 Bank Qualified Private Placement Bonds
Option 2 - Fixed Rate

| Underwriter's Discount | \$/1000 | Amount |
|------------------------|---------|-----------|
| Management Fee | 3.15789 | 30,000.00 |
| Underwriter's Counsel | 1.57895 | 15,000.00 |
| Expenses | 0.52632 | 5,000.00 |
| | 5.26316 | 50,000.00 |



BOND SUMMARY STATISTICS

Children's Day School
 2010 Bank Qualified Private Placement Bonds
 Option 2 - Fixed Rate

| | |
|---------------|------------|
| Dated Date | 06/01/2010 |
| Delivery Date | 06/01/2010 |
| Last Maturity | 01/01/2040 |

| | |
|--------------------------|-----------------|
| Variable Arbitrage Yield | |
| Period Begin Date | Arbitrage Yield |
| 06/01/2010 | 3.246870% |
| 01/01/2015 | 5.279642% |
| 01/01/2020 | 5.279909% |
| 01/01/2025 | 5.279323% |
| 01/01/2030 | 5.279655% |
| 01/01/2035 | 5.279731% |

| | |
|--------------------------|-----------|
| True Interest Cost (TIC) | 4.617418% |
| Net Interest Cost (NIC) | 4.758187% |
| All-In TIC | 5.005413% |
| Average Coupon | 4.728906% |

| | |
|---------------------------|--------|
| Average Life (years) | 17.974 |
| Duration of Issue (years) | 12.106 |

| | |
|-----------------------------|---------------|
| Par Amount | 9,500,000.00 |
| Bond Proceeds | 9,500,000.00 |
| Total Interest | 8,074,921.76 |
| Net Interest | 8,124,921.76 |
| Total Debt Service | 17,574,921.76 |
| Maximum Annual Debt Service | 686,229.05 |
| Average Annual Debt Service | 594,081.86 |

| | |
|---------------------------------|----------|
| Underwriter's Fees (per \$1000) | |
| Average Takedown | |
| Management Fee | 3.157895 |
| Other Fee | 2.105263 |

| | |
|------------------------------|----------|
| Total Underwriter's Discount | 5.263158 |
|------------------------------|----------|

| | |
|-----------|-----------|
| Bid Price | 99.473684 |
|-----------|-----------|

| | TIC | All-In TIC | Arbitrage Yield |
|----------------------------|--------------|---------------|--------------------|
| Par Value | 9,500,000.00 | 9,500,000.00 | 9,500,000.00 |
| + Accrued Interest | | | |
| + Premium (Discount) | | | |
| - Underwriter's Discount | -50,000.00 | -50,000.00 | |
| - Cost of Issuance Expense | | -74,450.00 | |
| - Other Amounts | | -63,500.00 | |
| Target Value | 9,450,000.00 | 9,312,050.00 | 9,500,000.00 |
| Target Date | 06/01/2010 | 06/01/2010 | 06/01/2010 |
| Yield | 4.617418% | 5.005413% | 3.246870% |



BOND PRICING

Children's Day School
 2010 Bank Qualified Private Placement Bonds
 Option 2 - Fixed Rate

| Bond Component | Maturity Date | Amount | Rate | Yield | Price |
|-----------------------|---------------|-----------|--------|--------|---------|
| Bank Qualified Bonds: | | | | | |
| | 01/01/2011 | 75,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2012 | 165,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2013 | 170,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2014 | 175,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2015 | 180,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2016 | 230,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2017 | 235,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2018 | 245,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2019 | 250,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2020 | 260,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2021 | 270,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2022 | 280,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2023 | 285,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2024 | 295,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2025 | 305,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2026 | 315,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2027 | 330,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2028 | 340,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2029 | 350,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2030 | 365,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2031 | 375,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2032 | 385,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2033 | 400,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2034 | 415,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2035 | 430,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2036 | 445,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2037 | 460,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2038 | 475,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2039 | 490,000 | 3.223% | 4.707% | 100.000 |
| | 01/01/2040 | 505,000 | 3.223% | 4.707% | 100.000 |
| | | 9,500,000 | | | |

| | | |
|-------------------------|--------------|-------------|
| Dated Date | 06/01/2010 | |
| Delivery Date | 06/01/2010 | |
| First Coupon | 07/01/2010 | |
| Par Amount | 9,500,000.00 | |
| Original Issue Discount | | |
| Production | 9,500,000.00 | 100.000000% |
| Underwriter's Discount | -50,000.00 | -0.526316% |
| Purchase Price | 9,450,000.00 | 99.473684% |
| Accrued Interest | | |
| Net Proceeds | 9,450,000.00 | |

Note: Assumes current fixed rate quoted by US Bank as of 3/11/2010 and a 2% increase after 5 years based on S&Y's forecasts of future rates.



DETAILED BOND DEBT SERVICE

Children's Day School
 2010 Bank Qualified Private Placement Bonds
 Option 2 - Fixed Rate

Bank Qualified Bonds (BQ)

| Period Ending | Principal | Coupon | Interest | Debt Service |
|---------------|-----------|--------|--------------|---------------|
| 01/01/2011 | 75,000 | 3.223% | 179,516.67 | 254,516.67 |
| 01/01/2012 | 165,000 | 3.223% | 303,767.72 | 468,767.72 |
| 01/01/2013 | 170,000 | 3.223% | 298,519.03 | 468,519.03 |
| 01/01/2014 | 175,000 | 3.223% | 292,902.68 | 467,902.68 |
| 01/01/2015 | 180,000 | 3.223% | 287,330.46 | 467,330.46 |
| 01/01/2016 | 230,000 | 3.223% | 456,229.05 | 686,229.05 |
| 01/01/2017 | 235,000 | 3.223% | 444,319.26 | 679,319.26 |
| 01/01/2018 | 245,000 | 3.223% | 431,841.84 | 676,841.84 |
| 01/01/2019 | 250,000 | 3.223% | 419,145.77 | 669,145.77 |
| 01/01/2020 | 260,000 | 3.223% | 406,088.29 | 666,088.29 |
| 01/01/2021 | 270,000 | 3.223% | 392,599.51 | 662,599.51 |
| 01/01/2022 | 280,000 | 3.223% | 378,318.52 | 658,318.52 |
| 01/01/2023 | 285,000 | 3.223% | 363,781.97 | 648,781.97 |
| 01/01/2024 | 295,000 | 3.223% | 348,896.44 | 643,896.44 |
| 01/01/2025 | 305,000 | 3.223% | 333,565.97 | 638,565.97 |
| 01/01/2026 | 315,000 | 3.223% | 317,484.68 | 632,484.68 |
| 01/01/2027 | 330,000 | 3.223% | 301,105.92 | 631,105.92 |
| 01/01/2028 | 340,000 | 3.223% | 283,870.02 | 623,870.02 |
| 01/01/2029 | 350,000 | 3.223% | 266,173.63 | 616,173.63 |
| 01/01/2030 | 365,000 | 3.223% | 247,773.84 | 612,773.84 |
| 01/01/2031 | 375,000 | 3.223% | 228,767.40 | 603,767.40 |
| 01/01/2032 | 385,000 | 3.223% | 209,181.14 | 594,181.14 |
| 01/01/2033 | 400,000 | 3.223% | 189,116.48 | 589,116.48 |
| 01/01/2034 | 415,000 | 3.223% | 168,141.55 | 583,141.55 |
| 01/01/2035 | 430,000 | 3.223% | 146,505.13 | 576,505.13 |
| 01/01/2036 | 445,000 | 3.223% | 124,046.21 | 569,046.21 |
| 01/01/2037 | 460,000 | 3.223% | 100,827.30 | 560,827.30 |
| 01/01/2038 | 475,000 | 3.223% | 76,760.29 | 551,760.29 |
| 01/01/2039 | 490,000 | 3.223% | 51,968.82 | 541,968.82 |
| 01/01/2040 | 505,000 | 3.223% | 26,376.17 | 531,376.17 |
| | 9,500,000 | | 8,074,921.76 | 17,574,921.76 |

Bond Variable Rate Table

| Begin Date | End Date | Interest Rate |
|------------|------------|---------------|
| 01/01/2015 | 01/01/2040 | 5.223% |



NET DEBT SERVICE

Children's Day School
 2010 Bank Qualified Private Placement Bonds
 Option 2 - Fixed Rate

| Period Ending | Total Debt Service | Trustee Fee | Pre-Funded Restructuring Costs | ABAG Annual Fee | Net Debt Service |
|---------------|--------------------|-------------|--------------------------------|-----------------|------------------|
| 01/01/2011 | 254,516.67 | 2,200 | 39,323.98 | 4,750 | 300,790.65 |
| 01/01/2012 | 468,767.72 | 2,200 | 39,323.98 | 4,750 | 515,041.70 |
| 01/01/2013 | 468,519.03 | 2,200 | 39,323.98 | 4,750 | 514,793.01 |
| 01/01/2014 | 467,902.68 | 2,200 | 39,323.98 | 4,750 | 514,176.66 |
| 01/01/2015 | 467,330.46 | 2,200 | 39,323.98 | 4,750 | 513,604.44 |
| 01/01/2016 | 686,229.05 | 2,200 | | 4,750 | 693,179.05 |
| 01/01/2017 | 679,319.26 | 2,200 | | 4,750 | 686,269.26 |
| 01/01/2018 | 676,841.84 | 2,200 | | 4,750 | 683,791.84 |
| 01/01/2019 | 669,145.77 | 2,200 | | 4,750 | 676,095.77 |
| 01/01/2020 | 666,088.29 | 2,200 | | 4,750 | 673,038.29 |
| 01/01/2021 | 662,599.51 | 2,200 | | 4,750 | 669,549.51 |
| 01/01/2022 | 658,318.52 | 2,200 | | 4,750 | 665,268.52 |
| 01/01/2023 | 648,781.97 | 2,200 | | 4,750 | 655,731.97 |
| 01/01/2024 | 643,896.44 | 2,200 | | 4,750 | 650,846.44 |
| 01/01/2025 | 638,565.97 | 2,200 | | 4,750 | 645,515.97 |
| 01/01/2026 | 632,484.68 | 2,200 | | 4,750 | 639,434.68 |
| 01/01/2027 | 631,105.92 | 2,200 | | 4,750 | 638,055.92 |
| 01/01/2028 | 623,870.02 | 2,200 | | 4,750 | 630,820.02 |
| 01/01/2029 | 616,173.63 | 2,200 | | 4,750 | 623,123.63 |
| 01/01/2030 | 612,773.84 | 2,200 | | 4,750 | 619,723.84 |
| 01/01/2031 | 603,767.40 | 2,200 | | 4,750 | 610,717.40 |
| 01/01/2032 | 594,181.14 | 2,200 | | 4,750 | 601,131.14 |
| 01/01/2033 | 589,116.48 | 2,200 | | 4,750 | 596,066.48 |
| 01/01/2034 | 583,141.55 | 2,200 | | 4,750 | 590,091.55 |
| 01/01/2035 | 576,505.13 | 2,200 | | 4,750 | 583,455.13 |
| 01/01/2036 | 569,046.21 | 2,200 | | 4,750 | 575,996.21 |
| 01/01/2037 | 560,827.30 | 2,200 | | 4,750 | 567,777.30 |
| 01/01/2038 | 551,760.29 | 2,200 | | 4,750 | 558,710.29 |
| 01/01/2039 | 541,968.82 | 2,200 | | 4,750 | 548,918.82 |
| 01/01/2040 | 531,376.17 | 2,200 | | 4,750 | 538,326.17 |
| | 17,574,921.76 | 66,000 | 196,619.90 | 142,500 | 17,980,041.66 |



FORM 8038 STATISTICS

Children's Day School
 2010 Bank Qualified Private Placement Bonds
 Option 2 - Fixed Rate

Dated Date 06/01/2010
 Delivery Date 06/01/2010

| Bond Component | Date | Principal | Coupon | Price | Issue Price | Redemption at Maturity |
|-----------------------|------------|--------------|--------|---------|--------------|------------------------|
| Bank Qualified Bonds: | | | | | | |
| | 01/01/2011 | 75,000.00 | 3.223% | 100.000 | 75,000.00 | 75,000.00 |
| | 01/01/2012 | 165,000.00 | 3.223% | 100.000 | 165,000.00 | 165,000.00 |
| | 01/01/2013 | 170,000.00 | 3.223% | 100.000 | 170,000.00 | 170,000.00 |
| | 01/01/2014 | 175,000.00 | 3.223% | 100.000 | 175,000.00 | 175,000.00 |
| | 01/01/2015 | 180,000.00 | 3.223% | 100.000 | 180,000.00 | 180,000.00 |
| | 01/01/2016 | 230,000.00 | 3.223% | 100.000 | 230,000.00 | 230,000.00 |
| | 01/01/2017 | 235,000.00 | 3.223% | 100.000 | 235,000.00 | 235,000.00 |
| | 01/01/2018 | 245,000.00 | 3.223% | 100.000 | 245,000.00 | 245,000.00 |
| | 01/01/2019 | 250,000.00 | 3.223% | 100.000 | 250,000.00 | 250,000.00 |
| | 01/01/2020 | 260,000.00 | 3.223% | 100.000 | 260,000.00 | 260,000.00 |
| | 01/01/2021 | 270,000.00 | 3.223% | 100.000 | 270,000.00 | 270,000.00 |
| | 01/01/2022 | 280,000.00 | 3.223% | 100.000 | 280,000.00 | 280,000.00 |
| | 01/01/2023 | 285,000.00 | 3.223% | 100.000 | 285,000.00 | 285,000.00 |
| | 01/01/2024 | 295,000.00 | 3.223% | 100.000 | 295,000.00 | 295,000.00 |
| | 01/01/2025 | 305,000.00 | 3.223% | 100.000 | 305,000.00 | 305,000.00 |
| | 01/01/2026 | 315,000.00 | 3.223% | 100.000 | 315,000.00 | 315,000.00 |
| | 01/01/2027 | 330,000.00 | 3.223% | 100.000 | 330,000.00 | 330,000.00 |
| | 01/01/2028 | 340,000.00 | 3.223% | 100.000 | 340,000.00 | 340,000.00 |
| | 01/01/2029 | 350,000.00 | 3.223% | 100.000 | 350,000.00 | 350,000.00 |
| | 01/01/2030 | 365,000.00 | 3.223% | 100.000 | 365,000.00 | 365,000.00 |
| | 01/01/2031 | 375,000.00 | 3.223% | 100.000 | 375,000.00 | 375,000.00 |
| | 01/01/2032 | 385,000.00 | 3.223% | 100.000 | 385,000.00 | 385,000.00 |
| | 01/01/2033 | 400,000.00 | 3.223% | 100.000 | 400,000.00 | 400,000.00 |
| | 01/01/2034 | 415,000.00 | 3.223% | 100.000 | 415,000.00 | 415,000.00 |
| | 01/01/2035 | 430,000.00 | 3.223% | 100.000 | 430,000.00 | 430,000.00 |
| | 01/01/2036 | 445,000.00 | 3.223% | 100.000 | 445,000.00 | 445,000.00 |
| | 01/01/2037 | 460,000.00 | 3.223% | 100.000 | 460,000.00 | 460,000.00 |
| | 01/01/2038 | 475,000.00 | 3.223% | 100.000 | 475,000.00 | 475,000.00 |
| | 01/01/2039 | 490,000.00 | 3.223% | 100.000 | 490,000.00 | 490,000.00 |
| | 01/01/2040 | 505,000.00 | 3.223% | 100.000 | 505,000.00 | 505,000.00 |
| | | 9,500,000.00 | | | 9,500,000.00 | 9,500,000.00 |

| | Maturity Date | Interest Rate | Issue Price | Stated Redemption at Maturity | Weighted Average Maturity | Yield | Net Interest Cost |
|----------------|---------------|---------------|--------------|-------------------------------|---------------------------|---------|-------------------|
| Final Maturity | 01/01/2040 | 3.223% | 505,000.00 | 505,000.00 | | | |
| Entire Issue | | | 9,500,000.00 | 9,500,000.00 | 17.9744 | 3.2469% | 4.7289% |

Proceeds used for accrued interest 0.00
 Proceeds used for bond issuance costs (including underwriters' discount) 124,450.00
 Proceeds used for credit enhancement 0.00
 Proceeds allocated to reasonably required reserve or replacement fund 0.00



Attachment D
Draft TEFRA, Indenture and Loan Agreement
2008 Reimbursement Resolution

**CITY AND COUNTY OF SAN FRANCISCO
NOTICE OF PUBLIC HEARING PURSUANT TO SECTION 147(f) OF THE INTERNAL
REVENUE CODE OF 1986, AS AMENDED, FOR THE FINANCING OF CERTAIN
FACILITIES FROM THE SALE OF TAX-EXEMPT OBLIGATIONS**

NOTICE IS HEREBY GIVEN that at ___ [a.m./p.m.] on ___, 2010 in the City of San Francisco's Office of Public Finance, Room 336, 1 Dr. Carlton B. Goodlett Place, San Francisco, California 94102, the City and County of San Francisco (the "City") will conduct a public hearing (the "Public Hearing") at which time the City will hear and consider information concerning the proposed sale and issuance by the California Municipal Finance Authority (the "Authority") of its Revenue Bonds (Children's Day School), in one or more series over the next three years (collectively, the "Bonds"), in an aggregate principal amount not to exceed ten million dollars (\$10,000,000), pursuant to a plan of finance for various capital facilities as more fully described below. Proceeds of the Bonds will be loaned to Children's Day School, Inc., a California nonprofit public benefit corporation (or any successor thereto) (the "Corporation"), pursuant to one or more loan agreements (collectively, the "Loan Agreement"). The Corporation plans to use the Bond proceeds over the next three years to finance the following: (1) [construction, acquisition, improvement, capital maintenance, equipment acquisition and other related capital expenditures [does this description include the architectural and other soft costs for the improvement work?] at the Corporation's facilities located at 333 Dolores Street, San Francisco, California 94110 and 3275-3279 16th Street, San Francisco, CA 94103; (2) [Do we need to state that a portion of the funds will be used to refinance the Corporation's existing loans?] [Do we need to state that a portion of the funds will be used to reimburse capital expenditures made by the Corporation using available moneys of the Corporation?] and (2) costs of issuance, funding a debt service reserve, capitalized interest and credit enhancement fees (collectively, the "Projects"), all to be owned and operated by the Corporation and used for the educational purposes thereof.

The Bonds will be paid entirely from payments by the Corporation under the Loan Agreement. Neither the full faith and credit nor the taxing power, if any, of the City, the Authority and its members, the State of California (the "State") or any other political corporation, subdivision or agency of the State is pledged to the payment of the principal of, premium, if any, or interest on the Bonds, nor shall the City, the Authority and its members, the State, or any other political corporation, subdivision or agency of the State be liable or obligated to pay the principal of, premium, if any, or interest on the Bonds.

It is the intention of the Authority and the Corporation to issue the first series of Bonds not later than one year from the date of the City's approval of the plan of finance.

The Public Hearing is intended to comply with the public approval requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended.

Those wishing to comment on the issuance of the Bonds, the proposed nature or location of the Projects, or the plan of finance may either appear in person at the time and place indicated above or submit written comments, which must be received prior to the Public Hearing, to the City, c/o Anthony Ababon, Office of Public Finance, at the address indicated above.

Date: _____, 2010

CITY AND COUNTY OF SAN FRANCISCO

/s/ Angela Calvillo

Angela Calvillo

Clerk of the Board of Supervisors
City and County of San Francisco

CALIFORNIA MUNICIPAL FINANCE AUTHORITY

and

CHILDREN'S DAY SCHOOL, INC.

LOAN AGREEMENT

As of ____ 1, 2010

\$ _____

**CALIFORNIA MUNICIPAL FINANCE AUTHORITY
REVENUE BONDS
(CHILDREN'S DAY SCHOOL)
SERIES 2010**

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FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

| | |
|--|--|
| City Elective Officer Information <i>(Please print clearly.)</i> | |
| Name of City elective officer(s): Members, San Francisco Board of Supervisors | City elective office(s) held: Members, San Francisco Board of Supervisors |
| Contractor Information <i>(Please print clearly.)</i> | |
| Name of contractor: Children's Day School | |
| <i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i> | |
| (1) Board of Trustees (see attached list) (2) Head of School (chief operating officer): Richard W. Ackerly (3) Not applicable (4) Not applicable (5) Not applicable | |
| Contractor address: 333 Dolores Street, San Francisco, CA 94110 | |
| Date that contract was approved: | Amount of contract: |
| Describe the nature of the contract that was approved: TEFRA legislation authorizing the issuance and sale of tax-exempt bonds by the California Municipal Finance Authority in an aggregate principal amount not to exceed \$10,000,000 for Children's Day School. | |
| Comments: | |

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

a board on which the City elective officer(s) serves San Francisco Board of Supervisors
Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

| | |
|---|---|
| Filer Information <i>(Please print clearly.)</i> | |
| Name of filer: Clerk of the San Francisco Board of Supervisors | Contact telephone number: (415) 554-5184 |
| Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102 | E-mail: bos.legislation@sfgov.org |

Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed

Children's Day School
Board of Trustees
As of 05/20/10

Matthew Schwartz, Chair
Richard Hylton, Vice Chair
Patricia Buse, Vice Chair
Ray Baxter, Secretary
Chris van Löben Sels, Treasurer

Suzanne Abbey
Rick Ackerly (through June 30, 2010)
Ila Afsharipour
Susi Alexander
Robert Curley, Chair Emeritus
Laura DeLafuente
Marianne Evans
Eric Fastiff
John Hendrickson
Andrew Henry
Molly Huffman (as of July 1, 2010)
Tracy Kirkham, Chair Emeritus
Robin McClarren, PTTA President
Elizabeth McClellan
Susan Munn
Jack Munson
Laura Pliska
Carol Swainson
Michael Silver
Darya Soto