

THE FINANCING PLAN

Use of Bond Proceeds

Proceeds of the Bonds will be used (i) with respect to the 2009A Bonds, to fund certain redevelopment activities of benefit to the Project Area; (ii) with respect to the 2009B Bonds, to fund certain low and moderate income housing activities of benefit to the Project Area; (iii) with respect to the 2009C Bonds, to fund certain redevelopment activities with respect to the Project Area on behalf of certain of the taxing entities entitled to tax sharing under the Redevelopment Law (as defined herein) (see “THE PROJECT AREA – Pass Through Agreement and Tax Sharing Statutes”); (iv) to fund a reserve fund for each series of the Bonds; and (v) to pay the costs of issuing each series of the Bonds.

Plan of Financing

2009A Bonds. The Agency anticipates using the proceeds of the 2009A Bonds deposited to the Redevelopment Fund to fund the costs of public improvements within the Project Area consistent with the Agency’s approved five-year implementation plan, such as, but not limited to, the following:

- Traffic Signalization Projects (Cherry and Elm; Forest and Polk)
- Infrastructure Improvements and Landscaping (Coalinga Plaza)
- Utility Improvements and Street Lights (Juniper Ridge Business Park)
- Fence Improvements (Claremont Custody Facility)
- City Entryway Monument Signs
- Infrastructure Improvements (Various)

2009B Bonds. The Agency anticipates using the proceeds of the 2009B Bonds deposited to the 2009B Housing Account of the Housing Fund for low and moderate income housing projects within the Project Area consistent with the Agency’s approved five-year implementation plan, such as, but not limited to, the following:

- First-time homebuyer grant program
- Rehabilitation grant program

2009C Bonds. The Agency anticipates using the proceeds of the 2009C Bonds deposited to the 2009C Redevelopment Fund – Statutory Tax Sharing to fund the costs of such public improvements within the Project Area as set forth in a certificate of each Participating Taxing Entity and consistent with the Agency’s approved five-year implementation plan.

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Sources and Uses of Funds

The following table shows the estimated sources and uses of the proceeds from the sale of the Bonds:

Sources and Uses of Funds

2009A Bonds

Sources of Funds:

Par Amount of 2009A Bonds	\$3,235,000.00
Less: Net Original Issue Discount	(48,964.30)
Total Sources	<u>\$3,186,035.70</u>

Uses of Funds:

Redevelopment Fund	\$2,743,535.70
Underwriting	46,907.50
2009A Costs of Issuance ⁽¹⁾	72,092.50
2009A Debt Service Reserve Account	323,500.00
Total Uses	<u>\$3,186,035.70</u>

2009B Bonds

Sources of Funds:

Par Amount of 2009B Bonds	\$2,660,000.00
Less: Net Original Issue Discount	(40,233.35)
Total Sources	<u>\$ 2,619,766.65</u>

Uses of Funds:

2009B Housing Account	\$2,256,766.65
Underwriting	38,570.00
2009B Costs of Issuance ⁽¹⁾	58,430.00
2009B Debt Service Reserve Account	266,000.00
Total Uses	<u>\$ 2,619,766.65</u>

2009C Bonds

Sources of Funds:

Par Amount of 2009C Bonds	\$ 645,000.00
Less: Net Original Issue Discount	(17,898.75)
Total Sources	<u>\$ 627,101.25</u>

Uses of Funds:

2009C Redevelopment Fund – Statutory Tax Sharing	\$ 536,601.25
Underwriting	9,352.50
2009C Costs of Issuance ⁽¹⁾	16,647.50
2009C Debt Service Reserve Account	64,500.00
Total Uses	<u>\$ 627,101.25</u>

(1) Costs of Issuance include Bond Counsel, Agency Counsel, Disclosure Counsel, Financial Advisor, Fiscal Consultant, and Trustee fees and expenses, rating agency fees, printing expenses and other costs related to the issuance of the applicable series of Bonds.