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San Luis Obispo County Housing Trust Fund

June 16, 2015

Jerry Rioux
Executive Director
San Luis Obispo County Housing Trust Fund
71 Zaca Lane, Suite 130
San Luis Obispo, CA 93401

Dear Jerry Rioux:

This letter is to notify you that the application for the recertification of San Luis Obispo County Housing Trust Fund as a Community Development Financial Institution, (CDFI), pursuant to California Revenue and Taxation Code (R&TC) Section(s) 17053.57, 23657, or 12209 has been approved by the California Organized Investment Network (COIN). This approval is contingent upon the accuracy and completeness of the information and documentation contained in the application of San Luis Obispo County Housing Trust Fund. Including, but not limited to, San Luis Obispo County Housing Trust Fund's representation that its organization intends to lend or invest in urban, rural, or reservation-based communities in this State, and will use all the proceeds of Qualified Investments for the benefit of economically disadvantaged communities and low-income people in California as described in California Insurance Code Section(s) 12939 and 12939.1. COIN advises you of the following:

- COIN has certified San Luis Obispo County Housing Trust Fund's eligibility as a Community Development Financial Institution qualified to receive "Qualified Investments" under the COIN administered California CDFI Tax Credit Program. Continuation of certification as a CDFI is contingent on annual renewal and continuing to meet the legal definition of a CDFI, which is contained in the Revenue and Taxation Code statutes. COIN reserves the right to request information reasonably needed to confirm continuing eligibility for certification.
- The CDFI receiving tax credit investments pursuant to Sections 12209, 17053.57, and 23657 of the Revenue and Taxation Code are required under Insurance Code Section 12939.1 to submit reports to the COIN on its use of the program and the COIN may specify by notice to those CDFIs the form, content, and manner of the reports.
- "Qualified Investment" includes support of renewable energy projects, energy efficiency improvements, and promoting needed renewable energy generation

June 16, 2015

Page 2

projects.

- "Qualified Investment" means: 1) a deposit or loan that does not earn interest, 2) an equity investment, 3) or an equity-like debt instrument that conforms to the specifications for these instruments as prescribed by the U.S. Department of the Treasury CDFI Fund, or its successor. All qualified investments must be equal to or greater than \$50,000 and for a minimum of sixty months in exchange for a 20% tax credit.
- If a "Qualified Investment" is *withdrawn* before the end of the 60th month and not redeposited or reinvested in another CDFI within 60 days, there shall be added to the "net tax" or "tax" as defined in R&TC Section 17039, Section 23036, or Section 28 of Article XIII of the California Constitution, for the taxable or income year in which the withdrawal occurs, the entire amount of any credit previously allowed under R&TC Sections 17053.57 or 23657, (requiring the CDFI to notify COIN *and* the Franchise Tax Board), and Section 12209, (requiring the CDFI to notify COIN *and* the Board of Equalization).
- If a "Qualified Investment" is *reduced* before the end of the 60th month, but not below fifty thousand dollars (\$50,000), there shall be added to the "net tax" as defined in Section 17039, Section 23036, or Section 28 of Article XIII of the California Constitution, for the taxable or income year in which the reduction occurs, an amount equal to 20 percent of the total reduction for the taxable or income year. Sections 17053.57 and 23657 require the CDFI to notify COIN *and* the Franchise Tax Board of the reduction, and Section 12209 requires the CDFI to notify COIN *and* the Board of Equalization.

Sincerely,



Stacie Olivares-Castain

Managing Director
COIN
Department of Insurance
300 S. Spring Street, 11th Floor
Los Angeles, CA 90013

enc: Certificate of CDFI

State of California
Department of Insurance

CALIFORNIA ORGANIZED INVESTMENT NETWORK

**Community Development
Financial Institution Certificate**

This is to certify that

**San Luis Obispo County Housing Trust
Fund**

Organized under the laws of California, subject to its Articles of Incorporation or other fundamental organizational documents, has been approved by the COIN. This approval is based on the information and documentation contained in the application of San Luis Obispo County Housing Trust Fund. Including, but not limited to, San Luis Obispo County Housing Trust Fund's representation that its organization intends to lend or invest in urban, rural, or reservation-based communities in this State, and is hereby certified as a Community Development Financial Institution pursuant to California Revenue and Taxation Code Sections 17053.57, 23657, or 12209.

This certificate is expressly conditioned upon the holder hereof now and hereafter being in full compliance with all, and not in violation of any, of the applicable laws and lawful requirements made under authority of the laws of the State of California as long as such laws or requirements are in effect and applicable, and as such laws and requirements now are, or may hereafter be changed or amended. Continuation of certification as a CDFI is contingent on annual renewal and continuing to meet the legal definition of a CDFI which is contained in the R&TC statutes. COIN reserves the right to request information reasonably needed to confirm continuing eligibility for certification.



In witness whereof, and in commemoration of the certification of said entity on June 16, 2015, I have hereunto set my hand and caused this official seal to be affixed on this 16th day of June, 2015.

Stacie Olivares-Castain
Managing Director
California Organized Investment Network