



**MINUTES OF THE  
CALIFORNIA INFRASTRUCTURE AND  
ECONOMIC DEVELOPMENT BANK**

For the meeting held on  
June 18, 2013  
980 9<sup>th</sup> Street, Conference Center, 2nd Floor  
Sacramento, California 95814

Chairman Jimenez called the meeting of the California Infrastructure and Economic Development Bank (I-Bank) Board to order at approximately 1:37 p.m.

**1. Call To Order and Roll Call.**

The following Board members were in attendance:

Augustin Jimenez represented the Acting Secretary of the Business, Transportation and Housing Agency.  
Tom Dyer represented the Director of the Department of Finance.  
Julie Giordano represented the State Treasurer.  
James Goldstene represented the Secretary of the State and Consumer Services Agency.  
D. Everett Rice, Governor's appointee.

The following I-Bank staff members were in attendance:

Roma Cristia-Plant, Marilyn Munoz, Carlos Nakata, Joel Tokimitsu, and Diane Cummings.

**2. Assistant Executive Director's Report.**

Assistant Executive Director Ms. Cristia-Plant gave the Assistant Executive Director's report and informed the Board of the following:

- I-Bank staff recently met with representatives of the California State Auditor's Office to discuss funds in I-Bank accounts outside of the State Treasury related to the Infrastructure State Revolving Fund (ISRF) Program Bonds and State School Fund Bonds and provided information to assist the auditors with their review of the accounts.
- The privately placed tax-exempt financing in the amount of \$44.5 million for the San Francisco Ballet Association approved by the Board in May closed on June 6<sup>th</sup>.
- The I-Bank's auditors, Macias Gini and O'Connell LLP, will be onsite next week (6/24–6/28) to begin the 2012–2013 financial audit. The auditors will return August 19<sup>th</sup> to resume the audit.
- Staff continue to market the ISRF Program through email blasts and are currently working on two ISRF Program financing applications for presentation at future Board meetings.

**Consent Items:**

**3. Approve minutes from the meeting held on December 11, 2012.**

Chairman Jimenez called for questions or comments from the Board and the public. Hearing none, he entertained a motion to approve this consent item. Mr. Dyer moved to approve the minutes and Mr. Rice seconded the motion. The Board unanimously approved the minutes. Ms. Giordano and Mr. Goldstene both indicated that each wanted the minutes to reflect that although they approved the minutes they were not in attendance at the meeting.

**4. Approve minutes from the meeting held on February 26, 2013.**

Chairman Jimenez called for questions or comments from the Board and the public. Hearing none, he entertained a motion to approve this consent item. Ms. Giordano moved to approve the minutes and Mr. Rice seconded the motion. All Board members in attendance approved the minutes, except Mr. Dyer who abstained, stating that he was not present at the February 26<sup>th</sup> Board Meeting.

**5. Approve minutes from the meeting held on May 21, 2013.**

Chairman Jimenez called for questions or comments from the Board and the public. Hearing none, he entertained a motion to approve this consent item. Ms. Giordano moved to approve the minutes and Mr. Dyer seconded the motion. All Board members in attendance approved the minutes, except Mr. Rice, who abstained, stating that he was not present at the May 21<sup>st</sup> Board Meeting.

**Action Items:**

- 6. Resolution No. 13-06 approving the issuance of tax-exempt obligations, in an amount not to exceed \$48,000,000, to be sold through a private placement and loaning the proceeds to The Contemporary Jewish Museum (Borrower) to: (i) refund the outstanding California Infrastructure and Economic Development Bank Variable Rate Demand Revenue Bonds, Series 2006, which proceeds were used to finance an eligible project located in the City and County of San Francisco; and (ii) to provide additional funds to the Borrower to finance an eligible project located in the City and County of San Francisco.**

Mr. Tokimitsu presented a staff report in which he stated The Contemporary Jewish Museum has requested up to \$48,000,000 in tax-exempt 501(c)(3) financing to refund the outstanding California Infrastructure and Economic Development Bank revenue bonds, initially issued in 2006, which were used to finance and refinance the acquisition, rehabilitation, renovation, construction and equipping of the museum facility located at 736 Mission Street in the City and County of San Francisco, and to finance a new eligible project at the museum facility. Mr. Tokimitsu indicated the financing for the new eligible project will be used to pay and/or reimburse The Contemporary Jewish Museum for capital expenditures related to the construction, renovation, improving and equipping of the facilities related to, including without limitation, the cost of information technology equipment and security and surveillance hardware and software. Mr. Tokimitsu also indicated the financing is estimated to achieve approximately \$127,000 in savings to annual debt service, which will allow The Jewish Contemporary Museum to more efficiently manage its finances and enhance its public and educational programs and exhibits. Mr. Tokimitsu introduced Ms. Denise Childs, Chief Operating Officer for The Contemporary Jewish Museum, and Mr. Sean Tierney, Bond Counsel with Hawkins, Delafield and Wood.

Ms. Childs responded to a question from Mr. Goldstene and confirmed that total estimated saving to debt service through the term of the financing is approximately \$1,800,000 and that further savings would be achieved with the elimination of a letter of credit and its related costs. Mr. Tokimitsu responded to a question from Chairman Jimenez explaining that the purpose of

requesting approval in an amount that is higher than the estimated sources and uses for the financing would be to allow a reasonable amount of unanticipated increased cost, if any, to be included in the financing without returning to the board for an additional approval.

Chairman Jimenez called for any additional questions or comments from the Board or the public. Hearing none, he entertained a motion to approve Resolution No. 13-06. Mr. Goldstene moved to approve the resolution and Mr. Dyer seconded the motion. The Board unanimously approved the resolution.

**7. Resolution No. 13-07 approving lending Infrastructure State Revolving Fund (ISRF) Program funds to the City of Capitola in an amount not to exceed \$1,372,500 to finance an eligible project known as the Pacific Cove Parking Lot Project located in the City of Capitola.**

Mr. Nakata presented a staff report in which he stated the City of Capitola requests financing for a project that consists of the relocation of mobile homes and mobile home tenants from Pacific Mobile Home Park, construction of a new parking lot facility on the vacated land and related appurtenances, construction of a walkway to an adjacent existing City-owned parking lot, and installation of signage and pay meters in both parking lots and elsewhere in the City. Mr. Nakata indicated that the project will provide an additional 226 additional parking spaces, and is a first step to addressing the need for additional parking in the Village area of the City and to alleviate traffic congestion, reduce automobile emissions, alleviate pedestrian hazard and improve the quality of life for local residents. He further stated that in the City there is a desperate need for additional parking in the community that the City Traffic and Parking Commission determined that expansion of public parking serving the Village should be one of the City's highest priorities.

Mr. Nakata introduced Jamie Goldstein, Capitola City Manager. Mr. Goldstien responded to a question from Mr. Goldstene and stated his working relationship with Mr. Nakata over the years resulted in the city applying to the ISRF Program for project funding, and that the city had not originally planned to need financing but did so due to an unexpected pipe failure and the negative fiscal impacts to the city finances of the recent economic recession. Mr. Goldstein also confirmed for Mr. Goldstene that the resident relocations from the mobile home park has been completed, and that the environmental work for the project is also complete, including the acquisition of coastal permits, and that the project is ready to go out to bid in August.

Chairman Jimenez called for any addition questions or comments from the Board or the public. Hearing none, he entertained a motion to approve Resolution No. 13-07. Mr. Rice moved to approve the resolution, and Mr. Dyer seconded the motion. The Board unanimously approved the resolution.

**Non-Action Items:**

Ms. Cristia-Plant stated there are no staff presentations for the non-action items, but staff is available to answer the Board Member questions on these items.

**8. I-Bank Monthly Investment Transaction Report for Month Ending May 31, 2013.**

**9. Actions taken by the I-Bank's Executive Director pursuant to authority delegated by the Board:**

- a. In connection with the California Infrastructure and Economic Development Bank tax-exempt loan obligation, initially issued for the benefit of American Youth Hostels, Inc. and Los Angeles Council of American Youth Hostels, Inc., the Assistant Executive Director as Assignee of the Executive Director approved amendments to the Loan Agreement to permit the merger of American Youth Hostels, Inc. and Los Angeles Council of American Youth Hostels, Inc. into a single entity and to amend certain reporting requirements and financial covenants.**

Mr. Tokimitsu clarified for Chair Jimenez that in 2010, the I-Bank completed a financing for the LA Council of American Youth Hostels, Inc. and American Youth Hostels, Inc., that the two entities recently elected to merge into a single entity, and that the I-Bank's approval of the merger resulted in a perfunctory agreement amendment involving reporting requirements. In addition, Ms. Munoz further clarified that the amended reporting requirements pertained to a covenant between a borrower and a private lender.

- b. In connection with an ISRF Program Enterprise Fund Installment Sale Agreement CIEDB-12-100 (Agreement) executed on May 15, 2012, between the I-Bank and the City of San Bernardino Municipal Water Department (Borrower) for the purpose of financing the Ogden 12 MG Reservoir Project, as amended on November 1, 2012, and renamed the Ogden 12 MG Reservoir and System Wide Pipeline Replacement Project (Project), the Assistant Executive Director, as Assignee of the Executive Director, approved an Agreement amendment to again revise the Project description to add a new component and to extend the disbursement deadline.**

Ms. Cummings responded to a question from Chair Jimenez and confirmed that the original ISRF Program-funded project for the San Bernardino Municipal Water Department came in under budget, and the borrower requested to add an additional pipeline replacement component to be funded by the loan. She further stated that the new project component would have been eligible if included in the original application. Ms. Munoz and Ms. Cristia-Plant also confirmed for Mr. Rice that these types of minor project amendments are perfunctory and included in the Board's delegation of authority to the Executive Director.

**Discussion Items.**

Chairman Jimenez called for any other business; there was none.

**Public Comment.**

Chairman Jimenez called for any public comment; there was none.

**Adjournment.**

Chairman Jimenez declared the meeting adjourned at approximately 2:10 p.m.