

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



For the meeting held on
Tuesday, April 26, 2016, at 2:00 p.m.
Dept. of Food and Agriculture
1220 N Street, Auditorium
Sacramento, CA 95814

Chairman Panorea Avdis called the meeting of the California Infrastructure and Economic Development Bank (IBank) Board to order at approximately 2:01p.m.

1. Call to Order and Roll Call

The following Board members were in attendance:

Panorea Avdis, Chairman of the Board, Director, Governor's Office of Business and Economic Development
Eraina Ortega, for the Director of the Department of Finance
Brian Annis, for the Secretary of the California State Transportation Agency
Alan Gordon, for the State Treasurer
Peter Luchetti, Governor's Appointee

IBank staff members in attendance were:

Teveia Barnes, Stefan R. Spich, Nancee Trombley, Tad Thomas, Fariba Khoie

Information Item

2. Executive Director's Report

Ms. Barnes gave her Executive Director's Report, which consisted of an update on the proposed 2016 ISRF Bond Financing. Ms. Barnes informed the Board that IBank intended to seek approval of the 2016 ISRF Bonds at the May 2016 meeting. Mr. Luchetti asked who was underwriting and Ms. Barnes informed the Board that the underwriters would be JP Morgan and Piper Jaffray.

Ms. Barnes also reported on the Board's request for a comparative rate study relating to Conduit Bond Fee's across State agencies. Ms. Barnes reported that IBank may request a change in the fee structure but would bring this to the Board at a later time and after public comment.

Consent Item

3. Approve minutes from the meeting held on February 23, 2016

Chairman Avdis called for questions or comments on the February 23, 2016 Board meeting minutes from the Board and the public. Hearing none, Chairman Avdis called for a motion to approve minutes. Mr. Gordon so moved and Mr. Luchetti seconded the motion. Ms. Avdis abstained as she was not in attendance. Mr. Luchetti, Ms. Ortega, Mr. Annis, and Mr. Gordon voted to approve the minutes. The motion passed unanimously.

4. Approve minutes from the meeting held on March 22, 2016

Chairman Avdis called for questions or comments on the March 22, 2016 Board meeting minutes from the Board and the public. Hearing none, Chairman Avdis then called for a motion to approve the minutes. Ms. Ortega so moved and Mr. Luchetti seconded. Mr. Gordon

abstained as he was not in attendance. Ms. Avdis, Ms. Ortega, Mr. Luchetti, and Mr. Annis (after consultation with STA's representative in attendance at such meeting) voted to approve the minutes. The motion passed unanimously.

Action Items

5. Amended Resolution No. 15-16 regarding B Street Theatre Conduit Bond: Amended Resolution No. 15-16 approving the new negotiated terms with a new lender and the extension of the Resolution No. 15-16 expiration date for the issuance of conduit tax-exempt obligations structured as a loan in an amount not to exceed \$12,000,000 for the benefit of the Theatre for Children, Inc. dba The B Street Theatre located in the City of Sacramento.

Chairman Avdis requested that Staff introduce Amended Resolution 15-16. Ms. Fariba Khoie, IBank's Bond Unit Manager, introduced B-Street Theater's representatives to the Board and then introduced the Resolution. Ms. Avdis asked for comments from the Board. Mr. Gordon inquired whether this type of transaction required that B-Street have a certified Financial Advisor. Ms. Barnes explained that it did not. Mr. Luchetti mentioned the existence of a new law requiring certified Financial Advisors for specific financial transactions. Ms. Barnes stated she was aware of the new law and that the B-Street transaction does not require a Financial Advisor. Mr. Luchetti then inquired into the IBank's process for underwriting and approval of the loan guarantee portion of the B-Street transaction. Ms. Trombley explained that IBank only reviews the FDC loans for compliance and clarified that the FDC, not IBank, performs the underwriting. Ms. Barnes offered that the Staff could make a presentation on the Small Business Loan Guarantee Program at the May Board meeting. Ms. Avdis noted such a presentation would be helpful. Ms. Avdis asked for public comment. Hearing none, Chairman Avdis requested a motion to approve this action item. Ms. Ortega so moved and Mr. Luchetti seconded. The Board unanimously approved Amended Resolution No. 15-16.

6. Amended and Restated Resolution No. 16-02 regarding Pico Water District ISRF Financing: Amended and Restated Resolution No 16-02 approving the required certifications that Pico Water District (Pico) has not used funds derived from the sale of recycled water Pico purchases from the Central Basin Municipal Water District and has complied with the debt service coverage ratio requirements and other required surveillance items into Annual Certifications only to facilitate effective post funding surveillance activities and approving certain other amendments to Resolution No. 16-02.

Chairman Avdis requested that Staff introduce Amended and Restated Resolution 16-02. Mr. Tad Thomas, IBank's ISRF Unit Manager, introduced the Resolution. Ms. Avdis asked the Board and the public if there were any questions or comments. Hearing none, Chairman Avdis requested a motion to approve this action item. Mr. Gordon so moved and Ms. Ortega seconded. The Board unanimously approved Amended and Restated Resolution No. 16-02.

7. City of Del Mar ISRF Program Financing: Resolution No. 16-08 approving lending Infrastructure State Revolving Fund Program funds to the City of Del Mar in an amount not to exceed \$16,161,000 to finance an eligible project known as Del Mar City Hall and Town Hall Construction Project located in the City of Del Mar.

Chairman Avdis requested that Staff introduce Resolution 16-08. Mr. Thomas introduced the representative from the City of Del Mar and the Resolution. Ms. Avdis asked the Board and the public if there were any questions or comments. Hearing none, Chairman Avdis requested a

motion to approve this action item. Mr. Luchetti so moved and Mr. Annis seconded. The Board unanimously approved Resolution No. 16-08.

8. San Luis Obispo County ISRF Program Financing: Resolution No. 16-09 approving lending Infrastructure State Revolving Fund Program funds to the San Luis Obispo County in an amount not to exceed \$6,000,000 to finance the construction of eligible project known as A Portion of San Luis Obispo County Regional Airport located in San Luis Obispo County.

Chairman Avdis requested that Staff introduce Resolution 16-09. Mr. Thomas introduced the representatives from the County of San Luis Obispo (SLO) and the Resolution. Ms. Avdis asked the Board and the public if there were any questions or comments. Mr. Luchetti inquired about the status of FAA Grant monies and the structure of disbursement of the federal and IBank financings. SLO confirmed that they were currently drawing down on the FAA Grant. Ms. Barnes and the SLO representative confirmed that both IBank and FAA funds are disbursed on a reimbursement basis. Chairman Avdis requested a motion to approve this action item. Mr. Gordon so moved and Ms. Ortega seconded. The Board unanimously approved Resolution No. 16-09.

9. Walt Disney Refunding Bonds: Resolution No. 16-10 approving issuance of revenue bonds in an amount not to exceed \$55,000,000 to refund the outstanding California Infrastructure and Economic Development Bank Revenue Bonds (The Walt Disney Family Museum) Series 2008, initially issued for the benefit of The Walt Disney Family Museum, LLC and The Walt Disney Family Museum and used to finance an eligible project located in the County of San Francisco.

Chairman Avdis requested that Staff introduce Resolution 16-10. Ms. Khoie introduced the representatives from The Walt Disney Family Museum and the Resolution. Ms. Avdis asked the Board and the public if there were any questions or comments. Mr. Annis inquired about the Disney Museum's lease terms. Disney representative explained that as they were located on a National Park they had a 30 year lease term with renewal options. Chairman Avdis requested a motion to approve this action item. Mr. Gordon so moved and Ms. Ortega seconded. The Board unanimously approved Resolution No. 16-10.

Reporting/Non-Action Business

Chairman Avdis asked if there were any other items that the Board would like to discuss. There were none.

Public Comment

Chairman Avdis asked if there were any comments or questions from the Board or the public. No additional comments or questions were received.

Adjournment

Chairman Avdis declared the meeting adjourned at approximately 2:47 p.m.