

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

For the meeting held on
Tuesday, September 26, 2017 at 2:00 p.m.
Steinberg Conference Room, Suite 1700
1325 J Street, 17th Floor
Sacramento, California 95814

Acting Chair Peter Luchetti called the meeting of the California Infrastructure and Economic Development Bank (IBank) Board to order at approximately 2:05 p.m.

1. Call to Order and Roll Call

The following Board members were in attendance:

Peter Luchetti, Acting Chair of the Board, Governor's Appointee
Eraina Ortega for the Director of the Department of Finance,
Brian Annis for the Secretary of the California State Transportation Agency, and
Alan Gordon for the State Treasurer's Office

The following Board members were not in attendance:

Panorea Avdis, Chair of the Board, Director of the Governor's Office of Business and
Economic Development

IBank staff members in attendance were

Teveia Barnes, William Pahland, Emily Burgos, and Alice Scott

Information Item

2. Executive Director's Report

Ms Barnes began by introducing Mr. Robert Andosca, IBank's newly hired Public Information Officer. Ms. Barnes gave a brief history of Mr. Andosca's professional experience of over 30 years in communications and journalism. Mr. Andosca will be working with IBank's External Affairs Unit. Mr. Gordon lightheartedly asked if Mr. Andosca would be putting on a "Twitter Training", to which Ms. Barnes explained that both GO-Biz Communications and IBank External Affairs have conducted social media training for the staff. Mr. Andosca thanked Ms. Barnes and reaffirmed the importance and impact of social media. He then expressed his appreciation to IBank staff and Alice Scott, the Deputy Director of External Affairs.

Ms. Barnes then gave the floor to the manager of IBank's Small Business Finance Center, Ms. Emily Burgos, who updated the Board on IBank's Jump Start Loan Program. Ms. Burgos informed the Board that four loans totaling \$28,000.00, ranging from \$3,000.00 to \$10,000.00, had been awarded under the Jump Start Loan Program to an ethnically diverse group of low-wealth entrepreneurs. All four businesses are start-ups, with each representing a unique industry, and all will be opening for business in areas of economic depression in California. Together the four businesses will be retaining 6 jobs and creating an additional position. The Jump Start Financial Development Corporations have provided over one-hundred and twenty hours of technical assistance including financial wellness planning to sixty-nine applicants. Ms. Burgos concluded that Jump Start is doing exactly what it was created to do thus far and that she looks forward to reporting more good news at the October Board meeting. She asked if the Board had any questions and hearing

none, she returned the floor to the Executive Director. Ms. Barnes then concluded her report.

Consent Item

3. Approve minutes from the meeting held on June 27, 2017

The Acting Chair asked if there were any comments or questions regarding the June 27, 2017 Minutes. Hearing none, he called for a vote to approve the Minutes. Ms. Ortega made a motion to approve the Minutes and Mr. Gordon seconded. The board voted unanimously to approve the June 27, 2017 Board Meeting Minutes.

Action Items

- 4. Amended and Restated Resolution No. 17-07 extending for an additional period of time the Board's approval of the transaction set forth in Resolution No. 17-07 approving the issuance of tax-exempt obligations, in an amount not to exceed \$89,790,000, to be sold to Wells Fargo Municipal Capital Strategies, LLC through a private placement and loaning the proceeds to Los Angeles County Museum of Natural History to finance an eligible project located in the City of Los Angeles.**

Executive Director, Teveia Barnes introduced Resolution No. 17-07. Ms. Barnes informed the Board that the borrower was simply requesting a 180 day extension in time during which to close the transaction, and none of the project or financing terms would be altered. Ms. Ortega asked why the borrower needed the additional time. Ms. Barnes and Mr. Pahland clarified that the borrower needed more time to negotiate the swap and the change in interest rates modes. Acting Chair Luchetti asked if the Board had any further comments or questions and hearing none, Mr. Annis moved for a vote and Ms. Ortega seconded. Acting Secretary William Pahland took the vote. The Board voted unanimously to approve resolution 17-07.

- 5. Resolution No. 17-13 approving lending Infrastructure State Revolving Fund Program funds to the City of Torrance in an amount not to exceed \$8,625,000 to finance an eligible project known as the North Torrance Well Field Project Phase III located in the City of Torrance.**

Acting Chair Luchetti notified the Board that Resolution No. 17-13 will be tabled until further notice.

- 6. Resolution No. 17-14 approving IBank's 2017 Investment Policy.**

IBank Executive Director, Teveia Barnes, began by explaining that the Board approves IBank's Investment Policy annually and that though the year is not quite over, for efficiency's sake she is bringing it before the Board at that time. Ms. Barnes then introduced Resolution 17-14 for IBank's 2017 Investment Policy and pointed out that the only change requested was in the title year.

The Acting Chair asked if the Board had any further questions. As he began to ask for public questions or comments, Acting Board Secretary, Mr. William Pahland reminded the Acting Chair Luchetti that he had not asked for public comment during the last item. Acting Chair Luchetti thanked the Acting Secretary for the reminder and asked if the public had

any questions, or comments regarding Resolution 17-07, to which there were none. The Acting Secretary called for a ratification of the previous vote to approve Resolution 17-07 to which all Board members acknowledged that their previous vote stood.

Acting Chair Luchetti then asked for public comment on Resolution 17-14 to which there were none. Ms. Ortega moved for the vote to be taken and Mr. Gordon seconded. The vote was taken, and the Board unanimously approved Resolution 17-14.

7. Resolution No. 17-15 approving the IBank Debt Management Policy

IBank Executive Director, Teveia Barnes introduced Resolution 17-15 and explained that IBank was recommending some minor changes to the Debt Policy, but nothing substantive. Ms. Barnes then asked that the three year Board review of the Debt Policy be extended to five years. Acting Chair Luchetti asked why, to which Ms. Barnes answered that bringing the Debt Management Policy before the board more frequently would be administratively redundant given that the Board considers the Debt Policy every time IBank issues Bonds with the Board's approval. The Acting Chair reminded the Board of the ever-changing nature of finance and tax law and the complexity of municipal finance. Ms. Ortega expressed her view that the Board should review the Debt Policy every 5 years, unless the Debt Policy had otherwise been reviewed in connection with the issuance of debt. The Board expressed agreement with the five-year timeline as described by Ms. Ortega. Acting Chair Luchetti asked that language be added to the Debt Policy specifically making it the Executive Director's responsibilities to stay current with changing laws. Ms. Barnes agreed and assured the Board that a revised Debt Policy would be presented for the Board's consideration at the next scheduled Board meeting.

Reporting/Non-Action Business

A brief discussion regarding doing business with Wells Fargo was started by Alan Gordon, who asked if recent events involving Wells Fargo have caused IBank to make any changes in its trustees for its bonds. Ms. Barnes explained that before the current events involving Wells Fargo, IBank had decided to use US Bank, as trustee, for the majority of IBank's bonds.

Ms. Barnes then presented Mr. Alan Gordon with an honorary award from IBank for his years of service on the Board in light of his upcoming retirement.

Public Comment

Acting Chair Luchetti asked if there were any questions or comments from the public and there were none.

Adjournment

Acting Chair Luchetti declared the meeting adjourned at approximately 2:40 p.m.