

MINUTES OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

For the meeting held on
Tuesday, December 19, 2017 at 2:00 p.m.
Steinberg Conference Room, Suite 1700
1325 J Street, 17th Floor
Sacramento, California 95814

Chair Panorea Avdis called the meeting of the California Infrastructure and Economic Development Bank (IBank) Board to order at approximately 2:00 p.m.

1. Call to Order and Roll Call

The following Board members were in attendance:

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

IBank staff members in attendance were

Teveia Barnes, Nancee Trombley, Stefan Spich, and William Pahland

Information Item

2. Executive Director's Report

Ms. Teveia Barnes turned over the Executive Director's Report to Chair Avdis. Chair Avdis noted that Ms. Eraina Ortega, a long time Board representative, would be participating in her final Board meeting before moving on to her new position as Inspector General for the Department of Transportation. Chair Avdis thanked Ms. Ortega for her years of service. Ms. Barnes then presented an IBank Certificate of Appreciation to Ms. Ortega for her years of service on the Board.

Consent Item

3. Approve minutes from the meeting held on November 28, and December 13, 2017

Chair Avdis asked that approval of the November 28, and December 13, 2017 Minutes be postponed until the IBank's January 23, 2018 Board Meeting. The Board agreed to the postponement.

Action Items

4. Resolution No. 17-24 approving entry into Loan Agreement and other documents for the issuance of tax exempt obligations to be sold to First Republic Bank through a private placement in an amount not to exceed \$28,000,000 to (i) refund the outstanding California Statewide Communities Development Authority Bonds, Series 2005, and other indebtedness, initially issued for the benefit of The Archer School for Girls (Borrower) and used to finance an eligible project located in the City

of Los Angeles, and (ii) to provide the Borrower additional funds to finance another eligible project located in the City of Los Angeles.

Upon request from the Archer School for Girls due to time pressures, Chair Avdis brought this item to the Board first.

Mr. John Belmont, IBank Staff Loan Officer, introduced Resolution No. 17-24. Representing the borrower were Ms. Jane Davis (Director of Finance, Archer School), and Ms. Harriet Welch (Bond Counsel, Squire Patton Boggs). Chair Avdis thanked Mr. Belmont, welcomed the borrower representatives and asked if they had any comments. Ms. Davis thanked IBank for their assistance. Chair Avdis then asked about two pending lawsuits connected to the project. Ms. Welch provided an update on the litigation, the expected timing of the court's decision and its impact upon the project. Chair Avdis thanked Ms. Welch and asked for further questions or comments from the Board. After asking for and hearing no public comment, Ms. Ortega moved to vote, which was seconded by Mr. Annis. The Board voted unanimously to pass Resolution 17-24.

5. Resolution No. 17-23 approving the issuance of fixed rate tax-exempt and taxable revenue bonds, and Qualified Zone Academy Bonds in an amount not to exceed \$45,000,000 for the benefit of Powerhouse Science Center to finance an eligible project located in the City of Sacramento.

Mr. John Weir, IBank Staff Loan Officer, introduced Resolution No. 17-23 and noted IBank had received six letters from national, state and local elected officials in support of the project. Representing the borrower were Mr. Harry Laswell (Interim Executive Director, Powerhouse), Eugene Clark-Herrera (Bond Counsel, Orrick) and Sam Smalls (Financial Advisor, George K. Baum). Chair Avdis thanked Mr. Weir, welcomed the borrower representatives and asked if they had any comments. Mr. Laswell thanked IBank for their consideration and assistance. Mr. Luchetti asked about the buyers of the Series A and B Bonds, to which Mr. Weir responded by identifying such buyers. Mr. Fritz Pahland expanded upon the identity of the buyers and provided additional context. Finally Mr. Smalls provided context on the role of Blue Path Financial as a finance structuring entity. Mr. Luchetti thanked Mr. Weir, Mr. Pahland and Mr. Smalls. Sacramento City Council member Steve Hansen then spoke in support of the project, provided background on the project's history and thanked IBank for their efforts in bringing this long planned project to reality. Chair Avdis then asked for further questions or comments from the Board. After asking for and hearing no public comment, Chair Avdis moved to vote, which was seconded by Mr. Annis. The Board voted unanimously to pass Resolution 17-23.

6. Resolution No. 17-25 approving the issuance of tax-exempt obligations, in an amount not to exceed \$20,360,000, to be sold to First Republic Bank through a private placement and loaning the proceeds to Young Men's Christian Association (YMCA) of San Francisco to refinance outstanding bonds and loans, the proceeds of which were used to finance eligible projects located in the City of San Mateo and in the City and County of San Francisco.

Mr. John Weir, IBank Staff Loan Officer, introduced Resolution No. 17-25. Representing the borrower were Ms. Kathy Cheng (CFO, YMCA), Ms. Linda Griffith (VP of Risk Management and Legal Affairs, YMCA), and Sean Tierney (Bond Counsel, Orrick). Chair Avdis thanked Mr. Weir, welcomed the borrower representatives and asked if they had any

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comments. Ms. Griffith thanked the IBank staff for its assistance and discussed the benefits of the financing. Chair Avdis then asked Ms. Griffith whether the San Francisco YMCA's workforce development programs were coordinating with the Workforce Investment Board in San Francisco. Ms Griffith responded that the YMCA was currently working closely with similar programs from the City/County of San Francisco and would investigate these other resources and capabilities. Chair Avdis asked for and heard no public comment. Chair Avdis then moved to vote, which was seconded by Ms. Ortega. The Board voted unanimously to pass Resolution 17-25.

Reporting/Non-Action Business

The Board received the Small Business Finance Center Monthly Investment Transaction Report for Month Ending October 31, 2017.

Public Comment

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

Adjournment

Chair Avdis declared the meeting adjourned at approximately 2:18 p.m.