

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

For the meeting held on  
Wednesday, October 23, 2019 at 2:00 p.m.  
Steinberg Conference Room  
1325 J Street, 17<sup>th</sup> Floor  
Sacramento, California 95814

Chair Lenny Mendonca, the Director of the Governor's Office of Business and Economic Development, 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:

Chair, Lenny Mendonca, Director of the Governor's Office of Business and Economic Development,  
Augustin Jimenez for the Secretary of the California State Transportation Agency,  
Jovan Agee for the State Treasurer, and  
Amy Jarvis for the Director of the Department of Finance

IBank staff members in attendance were:

Nancee Robles, William Pahland Jr., and Stefan Spich

**Information Item**

**Consent Item**

**2. Approve minutes from the meeting held on September 17, 2019**

Chair Mendonca opened up discussion of the previous meeting's minutes. Mr. Jimenez moved to approve minutes and Mr. Agee seconded the motion. After asking for and receiving no public comment, the Board approved the September 17, 2019 Meeting Minutes.

**Action Items**

**3. Resolution No. 19-18 approving the issuance of taxable revenue bonds in an amount not to exceed \$170,000,000 to (i) refund the outstanding California Infrastructure and Economic Development Bank Revenue Bonds, 2011 Series A (The J. David Gladstone Institutes Project) initially issued for the benefit of The J. David Gladstone Institutes to finance an eligible project located in the City of San Francisco, and (ii) to provide the borrower with additional funds to finance another eligible project located in the City of San Francisco.**

Mr. Steven Wright, Public Finance Analyst, introduced Resolution 19-18 and noted the previous financings IBank had undertaken for the Institute in 2001 and 2011. Mr. Wright described the Institute and the public benefits of the financing, and then introduced the Institute's representatives: Pete Vujasin, Underwriter (BAML), and John Wang, Bond Counsel (Orrick). Chair Mendonca welcomed the representatives and invited comment on the project. Mr. Wang thanked the Board and noted he was prepared to answer any questions.

Mr. Jimenez asked about the Institute's expected rating from Fitch, if it was already delivered and whether it might have any impact on the transaction. Mr. Vujasin confirmed that Fitch had delivered an "A" rating and so the project did not have to meet any special conditions due to the rating level. Mr. Jimenez thanked the representatives.

Chair Mendonca then asked for public comment. Hearing none, Mr. Agee moved for approval of the resolution and Mr. Jimenez seconded. The Board voted unanimously to pass Resolution 19-18.

**4. Resolution No. 19-19 approving the issuance of tax-exempt fixed rate revenue bonds in an amount not to exceed \$3,250,000,000 for the benefit of DesertXpress Enterprises, LLC to finance an eligible project located in the County of San Bernardino.**

Acting Executive Director Nancee Robles introduced Resolution 19-19. She described the project, the related public benefits and noted that this financing had been in the works for over a year. Ms. Robles clarified that the IBank financing would only cover components located within California. She then introduced the borrower's representatives: Husein Cumber, Chief Strategy Officer (Florida East Coast Industries), and John Wang, Bond Counsel (Orrick). Chair Mendonca welcomed the representatives and invited comment on the project. Mr. Cumber thanked the IBank and the Board and noted he had nothing additional to add to his previous presentations and the written materials.

Mr. Agee noted that the California Debt Limit Allocation Committee (CDLAC) allocation recently granted to the project was contingent upon completion of an economic development plan. Mr. Agee noted the allocation granted had been sought by multiple parties for projects including housing, therefore completion of the plan was a necessary component of the approval. Mr. Cumber agreed and noted that the financing still had further steps, including another potential CDLAC allocation and a federal allocation from the Department of Transportation. He stated the borrower did not intend for the issuance to occur until the capital stack and all necessary approvals were granted, and expected the financing to close in March 2020. Mr. Agee noted that CDLAC would likely consider the subsequent allocation at the January 2020 meeting, but that the sequence of the events sounded correct.

Chair Mendonca then asked for public comment. Hearing none, Mr. Agee moved for approval of the resolution and Mr. Jimenez seconded. The Board voted unanimously to pass Resolution 19-19.

**5. Resolution No. 19-20 approving IBank 2019 Investment Policy**

Deputy Director of Compliance Jeffery Ingles introduced Resolution 19-20. He noted that the Investment Policy required annual Board review and approval, and therefore was before the Board. Chair Mendonca asked Mr. Ingles to confirm that that the only change to the 2019 Investment Policy had been the correction of a few typos and updating the date. Mr. Ingles confirmed this understanding.

Chair Mendonca then asked for public comment. Hearing none, Mr. Agee moved for approval of the resolution and Ms. Jarvis seconded. The Board voted unanimously to pass Resolution 19-20.

**Reporting/Non-Action Business**

**Public Comment**

## **Adjournment**

Chair Mendonca declared the meeting adjourned at approximately 2:13 p.m.