



MINUTES OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

For the meeting held on
Tuesday, November 18, 2014, at 2:00 p.m.
980 9th Street, Conference Center, 2nd Floor
Sacramento, California 95814

Vice Chairman Peter Luchetti called the meeting of the California Infrastructure and Economic Development Bank (IBank) Board to order at approximately 2:04 p.m.

1. Call To Order and Roll Call.

The Board member attendees and/or presenters:

Eraina Ortega, for the Director of the Department of Finance
Blake Fowler, for the State Treasurer
Brian Annis, for the Secretary of the State Transportation Agency
Peter Luchetti, Governor's appointee

The absent Board member:

Michael E. Rossi, Chairman

The IBank staff member attendees:

Teveia Barnes, Ruben Rojas, Marilyn Munoz, Diane Cummings, Tad Thomas

Information Item

2. Executive Director's Report.

Executive Director Ms. Teveia Barnes introduced:

- Alice Scott, new Deputy Director of External Affairs
- Diane Nanik, new Fiscal Unit Manager

Consent Item:

3. Approve minutes from the meeting held on October 20, 2014.

Vice Chairman Luchetti called for questions or comments from the Board and the public on the minutes. Mr. Annis inquired about the approval of Resolution 14-15. It was confirmed that Resolution 14-15 was amended to include an expiration date for the issuance of the obligation. Mr. Fowler, requested that the last paragraph of page 1 of the October 20, 2014 minutes read, "additional funds are with the State's Pooled Money Investment Account".

Hearing no other comments, Vice Chairman Luchetti entertained a motion to approve this consent item. Ms. Ortega moved to approve the minutes. The Secretary of the Board took the roll call vote and the Board unanimously approved the minutes.

Action Items:

Vice Chairman Luchetti announced that Action Item #8, Resolution 14-19, is deferred to a later date and thus the Board will hear Action Items 4-7.

4. Resolution 14-06 extending the Board's conditional approval through June 30, 2015, to lend Infrastructure State Revolving Fund Program funds to Theatre for Children, Inc. dba The B Street Theatre, in an amount not to exceed \$8,400,000, to provide funds to finance an eligible project known as the B Street Theatre Project located in the City of Sacramento.

Vice Chairman Luchetti called for any questions or comments from the Board. Hearing none, Vice Chairman Luchetti requested that parties representing the B Street Theatre introduce themselves.

Mr. Bill Blake, Managing Director for the B Street Theatre, introduced himself and thanked the Board and IBank staff for their support. Vice Chairman Luchetti congratulated Mr. Blake for successfully securing a \$2.5 million grant from the City of Sacramento.

Ms. Leslie Fritzsche, City of Sacramento Economic Development Manager, thanked the IBank Board for their support.

Vice Chairman Luchetti called for any additional questions or comments from the Board or the public. Hearing none, he entertained a motion to approve Resolution No. 14-06. Ms. Ortega moved to approve the resolution and Mr. Fowler seconded the motion. The Secretary of the Board took the roll call vote and the Board unanimously approved the Amended and Restated Resolution 14-06.

5. Resolution No. 14-16 approving the lending of Infrastructure State Revolving Fund Program funds to the City of Santa Cruz in the amount of \$14,130,000 to finance a Portion of the City-wide Road Improvements Project located within the City of Santa Cruz.

Vice Chairman Luchetti requested representatives from the City of Santa Cruz to introduce themselves. Mr. Marcus Pimentel introduced himself as the Finance Director for the City of Santa Cruz. Vice Chairman Luchetti called for any questions or comments from the Board or the public.

Mr. Annis inquired about the cost effectiveness of the selected projects and the anticipated street index level which will be achieved as a result of the street improvement program. Mr. Pimentel stated that the target index range is 72-75. Mr. Annis asked if any of the new lane stripping would improve bicycle access and safety. Mr. Pimentel stated that the city has a program which has improved bicycle access to previously inaccessible areas. Mr. Pimentel further stated that the community is very engaged in addressing and supporting alternative forms of transportation.

Vice Chairman Luchetti stated that the City's actions to fund California Public Employees' Retirement System (CalPERS) obligations via a bond issuance in 2011 was reassuring and an indication that the City was managing its commitments. Vice Chairman Luchetti requested Mr. Pimentel to comment on the City's ability to meet its CalPERS obligations and simultaneously administer the Road Improvement Project. Mr. Pimentel stated that the City maintains alternative revenue sources within the General Fund; a \$5 million public trust fund set aside for "opportunity purchases" in addition to a two-month operating reserve; approximately \$14 million. Specific to CalPERS, Mr. Pimentel stated that the City has implemented a secondary retirement system and closed off its first tier retirement system.

Vice Chairman Luchetti called for any additional questions or comments from the Board or the public. Hearing none, he entertained a motion to approve Resolution No. 14-16. Mr. Annis moved to approve the resolution and Mr. Fowler seconded the motion. The Secretary of the Board took the roll call vote and the Board unanimously approved Resolution 14-16.

6. Resolution 14-17 approving the issuance of tax-exempt obligations in an amount not to exceed \$36,435,000 in a direct purchase by TPB Investments, Inc., for the benefit of Vermont Village Human Service Corporation (VVHS), to refund the outstanding California Infrastructure and Economic Development Bank Revenue Bonds, Series 2003, originally issued to finance the cost of development of real property and improvements located in the City of Los Angeles.

Vice Chairman Luchetti requested representatives from the VVHS to introduce themselves. Mr. Robert Rubin, Executive Director of VVHS described the services provided by VVHS and the need to refinance the existing debt.

Vice Chairman Luchetti called for any additional questions or comments from the Board or the public. Hearing none, he entertained a motion to approve Resolution No. 14-17. Ms. Ortega moved to approve the resolution and Mr. Fowler seconded the motion. The Secretary of the Board took the roll call vote and the Board unanimously approved Resolution 14-17.

7. Resolution 14-18 approving the issuance of tax-exempt obligations in an amount not to exceed \$40,000,000 in a direct purchase by First Republic Bank for the benefit of Petersen Automotive Museum Foundation (PAMF) to finance the cost of design, acquisition, construction, renovation, installation, and equipping of improvements to the PAMF's facilities located in the City of Los Angeles.

Vice Chairman Luchetti requested representatives from the Petersen Automotive Museum Foundation to introduce themselves. Mr. Eitan Ginsburg, introduced himself as the CFO for PAMF.

Vice Chairman Luchetti called for any additional questions or comments from the Board or the public. Hearing none, he entertained a motion to approve Resolution No. 14-18. Ms. Ortega moved to approve the resolution and Mr. Annis seconded the motion. The Secretary of the Board took the roll call vote and the Board unanimously approved Resolution 14-18.

Other Non-Action Business.

Vice Chairman Luchetti called for any other business. Ms. Barnes indicated that Resolution 14-19 has been scheduled for a special Board meeting on December 11, 2014 at 2 p.m. at the Department of Food and Agriculture Auditorium.

Public Comment.

Vice Chairman Luchetti called for any public comment; there was none.

Adjournment.

Vice Chairman Luchetti declared the meeting adjourned at approximately 2:43 p.m. The Secretary of the Board took the roll call vote and the Board unanimously adjourned the meeting.