

UNAPPROVED

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INDEPENDENT CITIES FINANCE AUTHORITY

BOARD OF DIRECTORS REGULAR ANNUAL MEETING  
JUNE 27, 2012

MINUTES

I. CALL TO ORDER.

The regular annual meeting of the Board of Directors of the Independent Cities Finance Authority (ICFA) was called to order at Bateman Hall in the City of Lynwood on June 27, 2012 at 12:20 p.m. by President Mike McCormick.

II. ROLL CALL.

Members Of The Executive Committee/Board of Directors Present (Voting)

W. Michael McCormick	Vernon
Mario Gomez	Huntington Park
Gil Hurtado	South Gate
Jim Morton	Lynwood
Ricardo Pacheco	Baldwin Park

Alternate Members Of The Board of Directors Present

None

The cities of Compton, Hawthorne, Hermosa Beach, and San Fernando were not represented by a voting member.

Guests Present

Jessica Hernandez	Tripepi Smith & Associates
Juli Morabe	Wolf & Company
Pam Newcomb	Kinsell, Newcomb & De Dios
Fred Olsen	Ballard Spahr
Ryder Smith	Tripepi Smith & Associates
Suzanne Taylor	Augusta Communities
Janees Williams	Kinsell, Newcomb & De Dios
Wes Wolf	Wolf & Company

Staff Present

Parissh Knox	Best Best & Krieger LLP
Debbie Smith	Smith, Alvarez & Castillo/ICFA

III. AMENDMENTS OR ADJUSTMENTS TO THE AGENDA.

There were no amendments or adjustments to the agenda.

IV. PUBLIC COMMENTS.

There were no members of the public who wished to speak.

V. NEW BUSINESS.

A. APPROVAL OF MINUTES OF THE APRIL 25, 2012 BOARD OF DIRECTORS MEETING.

It was moved by Jim Morton, seconded by Mario Gomez, and unanimously carried that the minutes of the April 25, 2012 Board of Directors meeting be approved.

B. APPROVAL OF THE CITY OF MONTCLAIR AS AN ASSOCIATE MEMBER (NON-VOTING) OF THE INDEPENDENT CITIES FINANCE AUTHORITY.

Staff noted that the City of Montclair took action on June 18, 2012 to become an associate (non-voting) member of the Independent Cities Finance Authority. ICFA must approve the City of Montclair as a member of the Authority so that projects in the City are eligible to be funded through ICFA, more specifically refunding of three mobile home parks in the City through Augusta Communities.

President McCormick asked if there were any questions or comments. There were none.

It was moved by Mario Gomez, seconded by Gil Hurtado, and unanimously carried as follows:

1. To approve the City of Montclair as an associate member (non-voting) of the Independent Cities Finance Authority; and
2. To authorize President McCormick and staff to execute necessary documents relative to associate membership.

C. APPROVAL OF THE REFINANCING OF VILLA MONTCLAIR MOBILE HOME PARK, MONTEREY MANOR MOBILE HOME ESTATES AND HACIENDA MOBILE HOME PARK IN THE CITY OF MONTCLAIR; AND VALLEY VIEW MOBILE HOME PARK IN THE CITY OF YUCAIPA (AUGUSTA COMMUNITIES MOBILE HOME PARK POOL), BY ICFA FOR AUGUSTA COMMUNITIES.

Staff reported generally as follows:

The proposal is to finance the refunding of three manufactured home communities in the City of Montclair (Villa Montclair Mobile Home Park, Monterey Manor Mobile Home Estates, and Hacienda Mobile Home Park) and one in the City of Yucaipa (Valley View Mobile Home Park).

Suzanne Taylor of Augusta Communities provided a brief report on herself and Augusta Communities, as well as a report on all aspects of financing of the project.

Staff presented a report on manufactured home communities financed through ICFA, the financial team, and costs of issuance for the project.

President McCormick thanked Ms. Taylor for bringing this refinancing to the Authority, and asked if there were any questions or comments. There were none.

It was moved by Jim Morton, seconded by Gil Hurtado, and unanimously carried to approve all aspects of the proposed financing on behalf of Augusta Communities.

**D. APPROVAL AND ADOPTION OF RESOLUTION 2012-5 (A RESOLUTION OF THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY AUTHORIZING THE ISSUANCE OF ITS NOT TO EXCEED \$30,000,000 AGGREGATE PRINCIPAL AMOUNT OF INDEPENDENT CITIES FINANCE AUTHORITY MOBILE HOME PARK REVENUE REFUNDING BONDS (AUGUSTA HOMES MOBILE HOME PARK POOL) SERIES 2012A AND MOBILE HOME PARK SUBORDINATE REVENUE REFUNDING BONDS (AUGUSTA HOMES MOBILE HOME PARK POOL) SERIES 2012B (FEDERALLY TAXABLE), AND APPROVING CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH).**

Staff reported generally as follows:

Resolution 2012-5 is the ICFA document which formally authorizes the issuance and delivery of the bonds and authorizes the execution of the bond documents. The various bond documents facilitate the funding thereof.

It was noted that ICFA will receive a fee at closing equal to 25 basis points times the principal amount of the bonds issued. ICFA will thereafter receive an annual fee equal to 12 basis points on the outstanding principal of the bonds as long as the bonds are outstanding. The bonds are not an obligation of the Authority. They are payable solely from revenues from the parks to repayment of the bonds. Generally, after issuance of the bonds, ICFA's responsibilities will be

limited to reviewing reports provided by the Oversight Agent and the Trustee.

President McCormick asked if there were any questions or comments. There were none.

It was moved by Jim Morton, seconded by Gil Hurtado, and unanimously carried as follows:

1. To approve/adopt Resolution 2012-5 approving the bond issuance and the various agreements and documents relating thereto; and
2. To authorize President McCormick and staff to execute all necessary documents.

**E. APPROVAL AND ADOPTION OF RESOLUTION NO. 2012-6 (A RESOLUTION OF THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY (THE "AUTHORITY") EXPRESSING AN INTENT TO ISSUE NOT MORE THAN \$10,500,000 AGGREGATE PRINCIPAL AMOUNT OF QUALIFIED SCHOOL CONSTRUCTION BONDS TO BE DESIGNATED AS THE INDEPENDENT CITIES FINANCE AUTHORITY CHARTER SCHOOL REVENUE BONDS (CRMA MIDDLE SCHOOL #8 PROJECT) SERIES 2012 (TAXABLE QUALIFIED SCHOOL CONSTRUCTION BONDS - DIRECT SUBSIDY) (THE "BONDS"); EXPRESSING AN INTENT TO REIMBURSE CERTAIN QUALIFIED COSTS WITH PROCEEDS OF THE BONDS; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.**

Staff reported generally as follows:

Late last year, ICFA was instrumental in financing the construction of a charter school on behalf of Alliance For College-Ready Public Schools in the City of Los Angeles. Alliance is now seeking approval from ICFA to adopt a Reimbursement Resolution. Basically, a reimbursement resolution will allow Alliance for College-Ready Public Schools to begin spending its own money and get reimbursed from bond proceeds if ICFA ultimately issues bonds in the future. It does not bind ICFA to issue bonds in the future, but simply allows Alliance to make preliminary expenditures. ICFA would still need to adopt a final bond resolution and approve the transaction at a later date.

President McCormick asked if there were any questions or comments. There were none.

It was moved by Jim Morton, seconded by Gil Hurtado, and unanimously carried as follows:

1. To approve/adopt Resolution No. 2012-6 which expresses ICFA's intent to issue qualified school construction bonds to reimburse costs to be incurred by the owner for the acquisition and construction of charter school facilities located at 3640 East 1<sup>st</sup> Street in Los Angeles, California; and
2. To authorize President McCormick and staff to execute all necessary documents.

**F. DISCUSSION/APPROVAL OF AN AMENDMENT TO ICFA'S PROPOSED BUDGET FOR FISCAL YEAR 2012-13.**

Staff reported generally as follows:

It was recommended that a new line item budget for Community Outreach Programs be added to ICFA's proposed budget for Fiscal Year 2012-13. The program is described as follows:

**Community Outreach Program:**

ICFA seeks to strengthen the success and civic incorporation of programs that build capacity of residents or users of affordable housing projects, supportive housing projects, and/or mobile home parks. ICFA finds that a Community Outreach Program component serves a valid public purpose in that it complements the current mission of ICFA.

Under this program, ICFA seeks to provide donations to community organizations across the state that specifically seek to build the capacity of communities through increased civic engagement or by providing opportunities for residents of affordable housing projects, supportive housing projects, and/or mobile home parks to be integrated into the civic life of their community.

An annual maximum allocation of \$5,000 per eligible Board Member was suggested with ICFA Board approval of specific community programs that would receive the funds. Eligible Board Members who may vote on the final list of community programs must have attended 2/3 of the prior year's ICFA Board meetings. Staff recommends that a new line item not to exceed \$45,000 be added to the budget. Eligible Board Members may nominate one organization per year for consideration.

Any funds not used in this current year will be rolled into next year as a means of cost savings. Staff recommended that this program be reviewed every three (3) years for effectiveness.

It was suggested that a form be developed and utilized for Board Members to indicate which community programs they would like to participate in.

President McCormick asked if there were any questions or comments. There were none.

It was moved by Gil Hurtado, seconded by Mario Gomez, and unanimously carried to approve an amendment to ICFA's proposed budget for Fiscal Year 2012-2013.

**G. STATUS REPORT ON ICFA MARKETING PROGRAM.**

Staff reported generally as follows:

As part of ICFA's marketing program, President McCormick, Vice President Gomez, staff and consultants assisted at a table top display as part of the California Contract Cities Association Seminar. It was felt to be beneficial as numerous contacts were made. Vice President Gomez thanked those who participated.

**H. APPROVAL OF FINANCIAL ACCOUNTING FOR THE PERIOD APRIL 25, 2012 TO THE PRESENT.**

Staff presented the receipts and expenditures for the period April 25, 2012 to the present.

President McCormick asked if there were any questions or comments. There were none.

It was moved by Jim Morton, seconded by Gil Hurtado, and unanimously carried to approve the financial accounting for the period April 25, 2012 to the present.

**I. UPDATE ON PENDING PROJECTS/ACTIVITIES.**

There was no report.

**VI. COMMENTS FROM BOARD MEMBERS.**

Jim Morton welcomed all those present to the City of Lynwood.

Gil Hurtado invited those present to the City of South Gate's 4th of July fireworks show at South Gate Park.

**VII. COMMENTS FROM STAFF.**

Wesley Wolf noted that City of Huntington Park street lighting project was just completed. Vice President Gomez stated that the residents were pleased with the 14 street lamps on Hill and California Streets.

Suzanne Taylor thanked the Board for approving the Augusta Communities project.

**VIII. ADJOURNMENT.**

There being no further business to be discussed, the meeting was adjourned at 12:50 p.m.

Respectfully submitted,

  
Deberah J. Smith  
Program Administrator