

INDEPENDENT CITIES FINANCE AUTHORITY

BOARD OF DIRECTORS ANNUAL MEETING

June 28, 2016

MINUTES

I. CALL TO ORDER.

The annual meeting of the Board of Directors of the Independent Cities Finance Authority (ICFA) was called to order in the City of South Gate on June 28, 2016 at 12:10 p.m. by President Gil Hurtado.

II. ROLL CALL.

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

Gil Hurtado, President	South Gate
Sylvia Ballin, Vice President	San Fernando
Jose Solache, Treasurer	Lynwood
Edwin Hernandez	Lynwood
Leticia Lopez	Vernon
Ricardo Pacheco	Baldwin Park
Emma Sharif	Compton

Alternate Members Of The Board of Directors Present

None

The City of Huntington Park were not represented by a voting member.

Guests Present

Guy Burgoon	EMG Markets Group
Pam Newcomb	Newcomb Williams Financial Group
Preston Olsen	Ballard Spahr
Ryder Smith	Tripepi Smith & Associates
George Turk	Millennium Housing
Janees Williams	Newcomb Williams Financial Group
Wes Wolf	Wolf & Company, Inc.

Staff Present

Glen Price	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 THE MINUTES OF THE MAY 3, 2016 BOARD OF DIRECTORS MEETING.

It was moved by Jose Solache, seconded by Gil Hurtado, and unanimously carried by the following roll call vote to approve the minutes of the May 3, 2016 Board of Directors meeting:

AYES: Sylvia Ballin (San Fernando), Edwin Hernandez (Lynwood), Gil Hurtado (South Gate), Leticia Lopez (City of Vernon), Ricardo Pacheco (Baldwin Park), Emma Sharif (Compton)

NOES: None

ABSTAIN: None

ABSENT: City of Huntington Park

B. APPROVAL OF THE REFINANCING OF A MANUFACTURED HOME COMMUNITY BY ICFA FOR MILLENNIUM HOUSING OF CALIFORNIA AND ITS AFFILIATES COACH OF SAN DIEGO, INC. AND MILLENNIUM HOUSING CORPORATION, LOCATED IN THE CITY OF SANTA ROSA, COUNTY OF SONOMA.

Staff reported generally as follows:

The proposal is to finance the refunding of a manufactured home community in the City of Santa Rosa located in the County of Sonoma (Santa Rosa Leisure Mobile Home Park), on behalf of Millennium Housing. Millennium originally purchased the park in November of 2007 through ICFA.

George Turk of Millennium Housing provided a brief report on the park and all aspects of financing of the project. He indicated that \$600,000 in upgrades have taken place since purchasing the park in November of 2007 and that the Park has been awarded \$1.2 million in housing upgrades. By refinancing, the cash flow of the park will substantially increase which will allow Millennium to provide additional improvements in the park.

Staff presented a report on the finance team and costs of issuance for the project. It was noted that the City of Santa Rosa conducted a TEFRA hearing on June 21st to approve the bond financing.

President Hurtado thanked Millennium Housing for bringing this financing to the Authority, and asked if there were any additional questions or comments. There were none.

It was moved by Jose Solache, seconded by Emma Sharif, and unanimously carried by the following roll call vote to approve all aspects of the proposed financing for Santa Rosa Mobile Home Park on behalf of Millennium Housing:

AYES: Sylvia Ballin (San Fernando), Edwin Hernandez (Lynwood), Gil Hurtado (South Gate), Leticia Lopez (City of Vernon), Ricardo Pacheco (Baldwin Park), Emma Sharif (Compton)
NOES: None
ABSTAIN: None
ABSENT: City of Huntington Park

C. APPROVAL/ADOPTION OF RESOLUTION NO. 2016-3 (A RESOLUTION OF THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY AUTHORIZING THE ISSUANCE IN ONE OR MORE SERIES OF ITS NOT TO EXCEED \$15,250,000 AGGREGATE PRINCIPAL AMOUNT OF INDEPENDENT CITIES FINANCE AUTHORITY MOBILE HOME PARK REVENUE REFUNDING BONDS (SANTA ROSA MOBILE HOME PARK) SERIES 2016, AND APPROVING CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH)

Staff reported generally as follows:

Resolution 2016-3 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 20 basis points times the principal amount of the bonds issued. ICFA will thereafter receive an annual fee equal to 10 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 park 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 Trustee.

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

It was moved by Emma Sharif, seconded by Jose Solache, and unanimously carried by the following roll call vote to approve/adopt Resolution 2016-3 approving the bond issuance and the various agreements and documents relating thereto and to authorize President Hurtado and staff to execute all necessary documents relating thereto:

AYES: Sylvia Ballin (San Fernando), Edwin Hernandez (Lynwood), Gil Hurtado (South Gate), Leticia Lopez (City of Vernon), Ricardo Pacheco (Baldwin Park), Emma Sharif (Compton)

NOES: None

ABSTAIN: None

ABSENT: City of Huntington Park

D. APPROVAL/ADOPTION OF FIRST AMENDEMENT TO ADMINISTRATIVE SERVICES AGREEMENT BETWEEN THE INDEPENDENT CITIES FINANCE AUTHORITY AND SMITH, ALVAREZ & CASTILLO, INC.

Scott Campbell, ICFA General Legal Counsel, noted that the contract for administrative services will terminate on June 30, 2016. After a discussion of the services being provided by Smith, Alvarez & Castillo and costs associated therewith,

it was moved by Jose Solache, seconded by Leticia Lopez, and unanimously carried by the following roll call vote to approve the First Amendment To Administrative Services Agreement for a three year term:

AYES: Sylvia Ballin (San Fernando), Edwin Hernandez (Lynwood), Gil Hurtado (South Gate), Leticia Lopez (City of Vernon), Ricardo Pacheco (Baldwin Park), Emma Sharif (Compton)
NOES: None
ABSTAIN: None
ABSENT: City of Huntington Park

E. APPROVAL/ADOPTION OF A BUDGET FOR THE 2016-17 FY AND AN INVESTMENT POLICY FOR THE SAME PERIOD.

Jose Solache, ICFA Treasurer, referred those present to the proposed budget contained in the agenda packet noting that it represents the best estimates of staff regarding future financings, and noted that a balanced budget is being presented for approval/adoption.

It was further noted that the Board should adopt the Statement of Investment Policy which requires that all Authority funds be deposited in a bank and/or in the State of California Local Agency Investment Fund (LAIF), unless otherwise directed by the Board.

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

It was moved by Jose Solache, seconded by Sylvia Ballin, and unanimously carried by the following roll call vote to approve/adopt the 2016-17 FY budget and to approve/adopt the Statement of Investment Policy:

AYES: Sylvia Ballin (San Fernando), Edwin Hernandez (Lynwood), Gil Hurtado (South Gate), Leticia Lopez (City of Vernon), Ricardo Pacheco (Baldwin Park), Emma Sharif (Compton)
NOES: None
ABSTAIN: None
ABSENT: City of Huntington Park

F. APPROVAL OF FINANCIAL ACCOUNTING FOR THE PERIOD APRIL 1, 2016 TO MAY 30, 2016.

It was moved by Gil Hurtado, seconded by Edwin Hernandez, and unanimously carried by the following roll call vote to approve the financial accounting for the period April 1, 2016 to May 30, 2016:

AYES: Sylvia Ballin (San Fernando), Edwin Hernandez (Lynwood), Gil Hurtado (South Gate), Leticia Lopez (City of Vernon), Ricardo Pacheco (Baldwin Park), Emma Sharif (Compton)

NOES: None

ABSTAIN: None

ABSENT: City of Huntington Park

G. UPDATE ON PENDING PROJECTS/ACTIVITIES.

Guy Burgoon of EMG Markets Group provided an updated on the Homeownership Lease Purchase Initiative program.

VI. COMMENTS FROM BOARD MEMBERS.

There were no comments from Board Members.

VII. COMMENTS FROM STAFF.

There were no comments from staff.

VIII. ADJOURNMENT.

There being no further business to be discussed, the meeting was adjourned at 12:30 p.m.

Respectfully submitted,

/s/

Deborah J. Smith
Executive Director