

UNAPPROVED

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INDEPENDENT CITIES FINANCE AUTHORITY

BOARD OF DIRECTORS SPECIAL MEETING
APRIL 25, 2012

MINUTES

I. CALL TO ORDER.

The meeting of the Board of Directors of the Independent Cities Finance Authority (ICFA) was called to order at the La Villa Basque Restaurant in the City of Vernon on April 25, 2012 at 12:10 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

Jacob Carlton	Ballard Spahr
Juli Morabe	Wolf & Company
Pam Newcomb	Kinsell, Newcomb & De Dios
Ryder Smith	Tripepi Smith & Associates
George Turk	Millennium Housing
Janees Williams	Kinsell, Newcomb & De Dios
Wes Wolf	Wolf & Company

Staff Present

Scott Campbell	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 MARCH 21, 2012 BOARD OF DIRECTORS MEETINGS.

It was moved by Jim Morton, seconded by Mario Gomez, and unanimously carried that the minutes of the March 21, 2012 Board of Directors meetings be approved.

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

Staff noted that the City Council of the City of Palm Springs took action on April 18, 2012 to become an associate member (non-voting) of the Independent Cities Finance Authority. ICFA must approve the City of Palm Springs as a member of the Authority so that projects in the City are eligible to be funded through ICFA, more specifically the Sahara Mobile Home Park, on behalf of Millennium Housing.

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

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

1. To approve the City of Palm Springs 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 A 254-UNIT MANUFACTURED HOME COMMUNITY BY ICFA FOR MILLENNIUM HOUSING OF CALIFORNIA LOCATED IN THE CITY OF PALM SPRINGS, COUNTY OF RIVERSIDE.

Staff reported generally as follows:

The proposal is to refinance Sahara Mobile Home Park in the City of Palm Springs which contains 254 units on 29 acres. As noted above, the City of Palm Springs took action on April 18th to become an associate member of ICFA, as well as conducted the required TEFRA hearing approving the bond financing by ICFA.

A report was given on manufactured home communities financed through ICFA, the financial team and costs of issuance for the project.

George Turk of Millennium Housing provided a report on all aspects of financing of the project, and indicated that Millennium will be utilizing some of the funds to complete necessary infrastructure (streets). President McCormick expressed appreciation to Mr. Turk for bringing another manufactured home community to the Authority for funding (this is the tenth park that Millennium has funded through ICFA).

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 to approve all aspects of the proposed refinancing on behalf of Millennium Housing.

- D. APPROVAL AND ADOPTION OF RESOLUTION 2012-4 (A RESOLUTION OF THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY AUTHORIZING THE ISSUANCE OF ITS NOT TO EXCEED \$16,000,000 AGGREGATE PRINCIPAL AMOUNT OF INDEPENDENT CITIES FINANCE AUTHORITY MOBILE HOME PARK REVENUE REFUNDING BONDS (SAHARA MOBILE HOME PARK) SERIES 2012A, ITS MOBILE HOME PARK SUBORDINATE REVENUE REFUNDING BONDS (SAHARA MOBILE HOME PARK) SERIES 2012B AND ITS MOBILE HOME PARK SUBORDINATE REVENUE REFUNDING BONDS (SAHARA MOBILE HOME PARK) SERIES 2012C (FEDERALLY TAXABLE), AND APPROVING CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH) .

Staff reported generally as follows:

Resolution 2012-4 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 Sahara Mobile Home 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 the Trustee.

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/adopt Resolution 2012-4 approving the bond issuance and the various agreements and documents relating thereto;
2. To authorize President McCormick and staff to execute all necessary documents.

E. DISCUSSION/APPROVAL OF AN ICFA MARKETING PROGRAM.

Staff presented a marketing program to the Board generally outlined as follows:

Through a support team comprised of Debbie Smith, Pam Newcomb and Janees Williams (Newcomb De Dios Financial Group), Ryder Smith (Tripepi Smith & Associates), and Wes Wolf (Wolf & Company), the goal is to increase municipal tax exempt and taxable debt offering activity with members, associate members, non-members and public finance professional firms such as investment bankers, legal and financial advisor firms, while at the same time marketing ICFA as the premier Joint Powers Authority in the State of California for such activity. Leveraging of outside consultants is consistent with the historic effort of ICFA to use outside professionals to manage the day-to-day activities of the Authority.

For the record, it was noted that there is no relationship between Debbie Smith, ICFA Program Administrator, and Ryder Smith of Tripepi Smith & Associates (the firm being proposed to implement the technology aspect of the marketing program).

Key components comprising the marketing efforts are:

1. To re-introduce ICFA to its members, associate members, non members and public finance professional firms with live presentations, marketing mailers, conference attendance, and technology based communications. In particular, ICFA's membership, will be reminded that ICFA does more than housing.
2. To focus on targeting members, associate members and public finance professionals based in Southern California.
3. To focus on targeting non members and other governmental issuers of debt in California.
4. To focus on targeting public finance professionals based in Northern California.

Implementation of the key components identified above will require implementation of the following marketing steps:

Technology - Key Firm: Tripepi Smith & Associates

1. Develop and provide a monthly newsletter focusing on the latest financing, Board Members, ICFA news, calendar of stories, etc. sent by email to all cities in California.
2. Create financing announcements (AKA slicks) to be mailed and emailed as needed upon closing of deals.
3. Redo/update the website with live content and a refreshed focus on the breadth of services provided by the Authority. Ensure that as part of the refresh, care is taken to search engine optimization that will aid in search engine results for ICFA.
4. Establish Facebook and Twitter accounts to both reach targeted audiences that use the local government finance space.
5. Create new and update marketing materials to be used for sales calls, mailers, conferences, and email attachments. These materials will be designed with both print and electronic delivery in mind.
6. Make use of video productions, if requested by ICFA, to highlight the accomplishments and leadership of ICFA.
7. Distribute meeting agendas to the world electronically as information only items that contribute to the transparency of the Authority.

Tactical Sales and Marketing Plan Goals - Key Firm: Tripepi Smith & Associates

1. Direct marketing mailers to be sent by email to all members, associate members and public financial professionals bi-monthly.
2. Newsletter to be emailed monthly to all members, associate members and public finance professionals.
3. Meeting agendas to be emailed to all associate members and public finance professionals, and others.
4. Update website (note Items 1, 2 and 3 also need to be tied into the update of the website), plus establish Facebook and Twitter accounts.
5. ICFA to maintain membership in Trackdown Management, California Contract Cities Association (CCCA), and Independent Cities Association (ICA).
6. ICFA to attend and reserve booth space at the CCCA May conference, ICA July conference, and place advertisement and attend Bond Buyers Conference. The Board will develop a budget for Debbie Smith, Board Members and consultants to attend said conferences representing ICFA.
7. Develop a one-half or one-day educational seminar for member/associate members.
8. Develop a user friendly application and fee schedule, including the sharing of the upfront fee with the host city or not-for-profit developer.
9. Develop guidelines for the use of investment bankers, financial advisors and legal firms that wish to use ICFA as an issuer.

Cost Proposal:

The cost proposal was outlined as follows:

INCOME:		\$100,000
EXPENSES:		\$ 52,450
Technology Upfront	\$ 13,950	
Technology Annually	\$ 15,000	
Conference-Marketing	\$ 18,000	
Professional Dues/Ads	\$ 4,500	
Educational Seminar	\$ 1,000	
PROFIT		\$ 47,550

Vice President Gomez asked a question about ICFA's exposure to litigation once a Facebook/Twitter account has been established. Scott Campbell, ICFA Legal Counsel, indicated that there would be no exposure to litigation as all communications would go through the Program Administrator with approval from Legal Counsel to ensure that control measures are in place.

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

It was moved by Jim Morton, seconded by Mario Gomez, and unanimously carried to approve the marketing program outlined above for ICFA.

F. APPROVAL OF FINANCIAL ACCOUNTING FROM MARCH 1, 2012 TO THE PRESENT.

Staff presented the receipts and expenditures for the period March 1, 2012 to the present.

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

It was moved by Mario Gomez, seconded by Jim Morton, and unanimously carried to approve the financial accounting for the period March 1, 2012 to the present.

G. UPDATE ON PENDING PROJECTS/ACTIVITIES.

Wes Wolf presented an update on the *Get Home Now* program previously approved by the ICFA Board.

VI. COMMENTS FROM BOARD MEMBERS.

There were no comments from Board Members.

VII. MATTERS FROM STAFF.

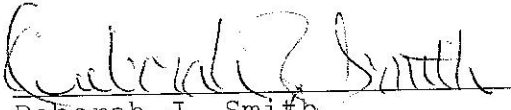
Staff noted that Augusta Communities will be bringing four parks to ICFA for refinancing in June or July of 2012.

George Turk indicated that he is in negotiations with a mobile home park in Orange County which, if successful, he would bring to ICFA for financing.

VIII. ADJOURNMENT.

There being no further business to be conducted, the meeting was adjourned at 12:35 p.m.

Respectfully submitted,


Deborah J. Smith
Program Administrator