

UNAPPROVED

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INDEPENDENT CITIES FINANCE AUTHORITY

BOARD OF DIRECTORS SPECIAL MEETING
MAY 11, 2011

MINUTES

I. CALL TO ORDER.

The meeting of the Board of Directors of the Independent Cities Finance Authority (ICFA) was called to order at Vernon City Hall in the City of Vernon on May 10, 2011 at 11:45 a.m. by President Mike McCormick.

II. ROLL CALL.

Members Of The Board of Directors Present (Voting)

W. Michael McCormick	Vernon
Barbara Calhoun	Compton
Mario Gomez	Huntington Park
Gil Hurtado	South Gate
Jim Morton	Lynwood

Alternate Members Of The Board of Directors Present (Non Voting)

None

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

Guests Present

Stephen Ajobiewe	Compton
Joseph Lillio	San Fernando
Pam Newcomb	Kinsell, Newcomb & DeDios
Fred Olsen	Ballard Spahr
Bill Simmons	City Light & Power
George Turk	Millennium Housing
Janees Williams	Kinsell, Newcomb & DeDios
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 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 MAY 19, 2010 BOARD OF DIRECTORS MEETINGS.

It was moved by Jim Morton, seconded by Mario Gomez, and unanimously carried that the minutes of the May 19, 2010 Board of Directors meeting be approved.

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

Staff noted that George Turk of Millennium Housing is purchasing a manufactured home community in the City of Capitola through an ICFA bond issuance. In order for the project (Castle Mobile Estates) to be eligible for funding through ICFA, the Authority must approve the City of Capitola as a member. The City of Capitola will take action on June 9thth to become an associate member of the Authority.

Staff expressed appreciation to George Turk of Millennium Housing for bringing another manufactured home community to the Authority for funding (this will be the eighth park Millennium has funded through ICFA).

Staff also introduced Fred Olsen of Ballard Spahr who will serve as Bond Counsel on this deal.

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

It was moved by Mario Gomez, seconded by Jim Morton, and unanimously carried that the City of Capitola be approved as an associate member (non-voting) of the Independent Cities Finance Authority, and further that President McCormick and staff be authorized to execute documents relating thereto.

C. APPROVAL OF THE CITY OF MANHATTAN BEACH AS AN ASSOCIATE MEMBER (NON-VOTING) OF THE INDEPENDENT CITIES FINANCE AUTHORITY.

Staff noted that the City of Manhattan Beach will be taking action to become an associate member of the Authority in order to participate in upcoming programs.

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

It was moved by Mario Gomez, seconded by Jim Morton, and unanimously carried that the City of Manhattan Beach be approved as an associate member (non-voting) of the Independent Cities Finance Authority, and further that President McCormick and staff be authorized to execute documents relating thereto.

D. REPORT ON A STREET LIGHTING PROJECT WITH CITY LIGHT & POWER, INC.

Those in attendance were referred to materials contained in the agenda packet. Bill Simmons of City Light & Power, Inc. noted that CLP provides services relative to all aspects of street lighting (maintenance, repair, etc.). It was noted that correspondence has been sent to all ICFA member cities introducing CLP and the services they provide. Mr. Simmons will follow up with the cities and provide the ICFA Board with any feedback.

E. REPORT ON A DEBT COLLECTION PROJECT WITH CGI.

Those in attendance were referred to materials contained in the agenda packet. Wes Wolf, on behalf of CGI, noted that CGI has selected seven cities (Compton, Downey, Hermosa Beach, Huntington Park Inglewood, Long Beach and Manhattan Beach) to conduct pilot studies of delinquent city debts, including unpaid parking tickets, to determine if additional revenues could be realized. CGI representatives will make contact with the noted cities and provide the ICFA Board with any feedback.

F. REPORT ON POSSIBLE FINANCINGS WITH DOWNEY REGIONAL MEDICAL CENTER-HOSPITAL, INC.; A CHARTER SCHOOL IN THE CITY OF LOS ANGELES; AND SAN MARCOS ASSESSMENT DISTRICT.

Downey Regional Medical Center

Fred Olsen of Ballard Spahr noted that discussions are currently taking place relative to an up to \$32 million financing of the Downey Regional Medical Center-Hospital for a ten year period. The facility will be coming out of bankruptcy in June or July and would like to issue bonds as part of its reorganization plans. Staff will continue with discussions and provide an update at the next Board meeting.

Charter School in the City of Los Angeles

Fred Olsen of Ballard Spahr noted that his firm is working with Alliance College-Ready Public Schools to construct a charter school in the City of Los Angeles, which would require a bond issuance, possibly through ICFA. There was a lengthy discussion about the pros and cons of charter schools. It was agreed that an update would be provided at the next ICFA Board meeting.

San Marocs Assessment District

Pam Newcomb noted that the residents of San Marcos Lake would like to establish an Assessment District to finance the acquisition of various recreational improvements (lake, tennis courts, clubhouses, etc.). She noted that they are working with the creditors and the bankruptcy court and will report back at the next ICFA Board meeting.

G. DISCUSSION AND APPROVAL OF ICFA MARKETING EFFORTS.

Staff reported generally as follows:

In an effort to more effectively market ICFA it is recommended that the Authority join Trackdown Management. Jack Simpson, President of Trackdown Management, publishes a monthly (and sometime bi-monthly) newsletter which is distributed to all the city managers in the State (488), as well as companies/organizations who provides services to cities. In total, approximately 3,000 newsletters are distributed via e-mail each month. The fee would be \$1,000 per year to become a member and thus have ICFA exposure.

It was further noted that ICFA has purchased a table top display at the California Contract Cities Seminar to be held May 13-14th. Staff will be available at the booth to answer questions attendees may have about the Authority.

After discussion, President McCormick asked if there were any more questions or comments. There were none.

It was moved by Mario Gomez, seconded by Jim Morton, and unanimously carried to authorize the expenditure of \$1,00 to Trackdown Management to assist the Authority in its marketing efforts.

VI. COMMENTS FROM BOARD MEMBERS.

President McCormick asked if there were any comments from Board Members. There were none.

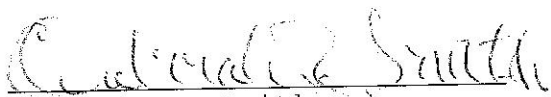
VII. MATTERS FROM STAFF.

It was agreed that the next ICFA Board meeting would take place in the City of Huntington Park on June 22, 2011.

VIII. ADJOURNMENT.

There being no further business to be conducted, the meeting was adjourned at 1:15 p.m. in memory of Mario Gomez' father.

Respectfully submitted,


Deborah J. Smith
Program Administrator