

MEMBER CITIES

Alhambra
 Apple Valley
 Azusa
 Baldwin Park
 Barstow
 Bell
 Bellflower
 Brea
 Capitola
 Carpinteria
 Carson
 Chino
 Claremont
 Colton
 Commerce
 Compton
 Covina
 Downey
 Duarte
 El Monte
 Fairfield
 Fontana
 Fresno
 Gardena
 Garden Grove
 Glendale
 Glendora
 Hawaiian Gardens
 Hawthorne
 Huntington Park
 Indio
 Inglewood
 La Habra
 La Puente
 Lakewood
 Lancaster
 Lawndale
 Long Beach
 Los Angeles
 Lynwood
 Monrovia
 Montclair
 Montebello
 Monterey Park
 Morgan Hill
 Norwalk
 Oceanside
 Palmdale
 Palm Springs
 Paramount
 Pico Rivera
 Planada Community Services District
 Pomona
 Rancho Cucamonga
 Rialto
 Riverside
 Rohnert Park
 Salinas
 San Bernardino
 San Bernardino County
 San Diego County
 San Fernando
 San Juan Capistrano
 San Marcos
 San Mateo County
 Santa Clarita
 Santa Rosa
 Signal Hill
 South Gate
 Vernon
 Vista
 West Covina
 Whittier
 Yucaipa

BOARD MEMBERS

OFFICERS
 Mike McCormick, President
 Vernon
 Stephen Ajobiewe, Treasurer
 Compton

DIRECTORS
 Ricardo Pacheco, Baldwin Park
 Willie Jones, Compton
 Vacant, Huntington Park
 Edwin Hernandez, Lynwood
 Sylvia Ballin, San Fernando
 Gil Hurtado, South Gate
 Secretary/Executive Director
 Debbie Smith
 General Legal Counsel
 Scott Campbell
 Best Best & Krieger, LLP



INDEPENDENT CITIES FINANCE AUTHORITY
 Regular Meeting Of The Board Of Directors
 Regular Meeting Of The Executive Committee

Wednesday, May 20, 2015
 12:00 p.m.

City of Vernon
 Conference Room 3
 4305 Santa Fe Avenue
 Vernon, CA 90058

MEETING AGENDA

STAFF REPORTS AND OTHER WRITTEN DOCUMENTS RELATED TO ITEMS ON THIS AGENDA CAN BE OBTAINED FROM THE INDEPENDENT CITIES FINANCE AUTHORITY BY CALLING (877) 906-0941.

FOR YOUR INFORMATION: The Authority Board/Executive Committee will hear from the public on any item on the agenda or an item of interest to the Board/Executive Committee that is not on the Agenda. These items may be referred for administrative action or scheduled on a future Agenda. Comments are to be limited to three minutes for each speaker, unless extended by the Authority Board. Each speaker will have an opportunity to speak on any Agenda item. You have the opportunity to address the Authority Board at the following times.

- A. AGENDA ITEM: at the time the Authority Board considers the Agenda item or during Public Comment, and
- B. NON-AGENDA ITEMS: during Public Comment - comments will be received for a maximum 30-minute period; any additional requests will be heard following the completion of the Agenda.
- C. PUBLIC HEARINGS: at the time of the Public Hearing

I. CALL TO ORDER. (Page 4)

II. ROLL CALL. (Page 4)

City of Baldwin Park
 City of Compton
 City of Huntington Park
 City of Lynwood

City of San Fernando
 City of South Gate
 City of Vernon

III. AMENDMENTS OR ADJUSTMENTS TO THE AGENDA. (Page 4)

IV. PUBLIC COMMENT. At this time the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the Authority. Reasonable time limits are imposed on each topic and each speaker. In accordance with the provisions of the Ralph M. Brown Act (GC § 54950 et seq.), no action or discussion may take place by the Board on any item not on the posted agenda. The Board may respond to statements made or questions asked, and may direct staff to report back on the topic at a future meeting. (Page 5)

V. NEW BUSINESS.

- A. Approval Of Minutes Of The February 18, 2015 And March 23, 2015 Board Of Directors Meetings. (Pages 5 & 20-28) *RECOMMEND APPROVAL*
- B. Status Report/Update On An ICFA Market Rate Lease Purchase Homeownership Initiative Program And Approval To Continue With The Development And Implementation Of The Program. (Pages 6-8) *RECOMMEND APPROVAL*
- C. 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 San Juan Capistrano, County Of San Diego. (Pages 9-11) *RECOMMEND APPROVAL*
- D. Approval/Adoption Of Resolution No. 2015-3 (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 \$38,100,000 Aggregate Principal Amount Of Independent Cities Finance Authority Mobile Home Park Revenue Refunding Bonds (San Juan Mobile Estates) Series 2015, And Approving Certain Documents And Authorizing Certain Actions In Connection Therewith. (Pages 12-13 & 29-34) *RECOMMEND APPROVAL/ADOPTION*
- E. Approval/Adoption Of Audit Report For Year Ended June 30, 2014. (Pages 13-14 & 35-49) *RECOMMEND APPROVAL/ADOPTION*
- F. Approval/Adoption Of Resolution 2015-4 (A Resolution Of The Board of Directors/Executive Committee Of The Independent Cities Finance Authority Naming And Appointing Certain Officers And Staff). (Pages 14 & 50-51) *RECOMMEND APPROVAL/ADOPTION*
- G. Appointment/Election Of Executive Committee Members For A Two Year Term. (Pages 14-15) *RECOMMEND APPOINTMENT/ELECTION*
- H. Status Report On SB 710 (Galgiani) – Joint Exercise Of Powers: Financing. (Page 15) *RECOMMEND CONTINUED SUPPORT*

REGULAR MEETING OF THE BOARD OF DIRECTORS
REGULAR MEETING OF THE EXECUTIVE COMMITTEE
May 20, 2015
Page Three

- I. Status Report On The County Of Los Angeles Becoming An Associate Member Of ICFA.
(Pages 15-16) *RECOMMEND RECEIVE AND FILE*
 - J. Approval Of Financial Accounting For The Period February 1, 2015 to May 1, 2015.
(Pages16-17) *RECOMMEND APPROVAL*
 - K. Update On Pending Projects/Activities. (Page 17-18)
INFORMATION ONLY
- VI. COMMENTS FROM BOARD MEMBERS.** (Page 18)
- VII. MATTERS FROM STAFF.** (Page18)
- VIII. ADJOURNMENT.** (Page 18)

The public shall have an opportunity to comment on any item as each item is considered by the Board/Executive Committee and prior to action being taken. Agenda Reports are available at the Independent Cities Finance Authority office upon request by calling (877) 906-0941.

NOTICE: New items will not be considered after 2:00 p.m. unless the Board of Directors/ Executive Committee votes to extend the time limit. Any items on the agenda that are not completed will be forward to the next regular Board of Directors/Executive Committee meeting.

IN COMPLIANCE WITH THE AMERICAN DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE INDEPENDENT CITIES FINANCE AUTHORITY AT (877) 906-0941. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE INDEPENDENT CITIES FINANCE AUTHORITY TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING.

NOTE TO CITY CLERKS:

Please post this Meeting Notice in three separate locations, just as you would a City Council agenda.

INDEPENDENT CITIES FINANCE AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS
REGULAR MEETING OF THE EXECUTIVE COMMITTEE

May 20, 2015 - 12:00 p.m.

AGENDA SUMMARY

I. CALL TO ORDER.

II. ROLL CALL.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

A roll call of the following member cities will be conducted:

City of Baldwin Park	City of San Fernando
City of Compton	City of South Gate
City of Huntington Park	City of Vernon
City of Lynwood	

C. RECOMMENDATION:

None.

III. AMENDMENTS OR ADJUSTMENTS TO THE AGENDA.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

None.

C. RECOMMENDATION:

None.

AGENDA SUMMARY

May 20, 2015

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IV. PUBLIC COMMENT.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

At this time the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the Agency. Reasonable time limits are imposed on each topic and each speaker. In accordance with the provisions of the Ralph M. Brown Act (GC §54950 et seq.), no action or discussion may take place by the Board on any item not on the posted agenda. The Board may respond to statements made or questions asked, and may direct staff to report back on the topic at a future meeting.

C. RECOMMENDATION:

None.

V. NEW BUSINESS.

A. APPROVAL OF MINUTES OF THE FEBRUARY 18, 2015 AND MARCH 23, 2015 BOARD OF DIRECTORS MEETINGS.

A. MATERIAL ENCLOSED: **(PAGES 20-28)**

1. Minutes of the February 18, 2015 Board of Directors meeting. **(Pages 20-25)**
2. Minutes of the March 23, 2015 Board of Directors meeting. **(Pages 26-28)**

B. COMMENTS:

None.

C. RECOMMENDATION:

Approve the minutes of the February 18, 2015 and March 23, 2015 Board of Directors meetings.

AGENDA SUMMARY

May 20, 2015

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B. STATUS REPORT/UPDATE ON AN ICFA MARKET RATE LEASE PURCHASE HOMEOWNERSHIP INITIATIVE PROGRAM AND APPROVAL TO CONTINUE WITH THE DEVELOPMENT AND IMPLEMENTATION OF SAID PROGRAM.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

On July 15, 2014 ICFA entered into a Memorandum of Understanding with Guy Burgoon of Emerging Markets Group (EMG) which gave EMG authorization to proceed with the development of an ICFA Lease Purchase Homeownership Initiative program.

Briefly, the Lease Purchase Home Ownership Program assists individuals and families in overcoming two of the major barriers to home ownership -- lack of cash and lack of good credit. The Lease Purchase Program allows a homebuyer to select and live in the home of their dreams, lock in the purchase price and the monthly payment. If a homebuyer has satisfactory credit, then the purpose of program is to provide the down payment and closing costs. However, if credit is also a problem, the program not only provides the down payment and pays the closing costs, but also assists the home purchaser to establish or even re-establish their credit reputation. At the end of the lease the homebuyer will assume the existing mortgage.

During the lease period the home is owned by ICFA or a related non-profit that will help the Lease Purchase candidate get ready to assume the ownership of their house which transfers title to Lease Purchase candidate at the end of the lease. The Lease Purchase candidate can select any home that meets their needs and that they can afford located within one of the participating ICFA cities.

The status of Mr. Burgoon's efforts are as follows:

AGENDA SUMMARY

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Based upon authorization found in United States Department of Housing and Urban Development (HUD) Handbook 4155.1, *Mortgage Credit Analysis for Mortgage Insurance, One to Four Family Properties*, confirmation of this same authorization by the Santa Ana, CA HUD Homeownership Center, and the identification of demand for both available properties and prospective applicants, EMG has coordinated the creation and execution of agreements among parties related to the Independent Cities Finance Authority Market Rate Lease Purchase Homeownership Initiative for delivery to ICFA by May 31, 2015, for approval by ICFA in June 2015, and for implementation no later than July 1, 2015.

As custodian, Wilmington Trust, N.A., who will facilitate and manage the flow of all program-related funds, has submitted a written proposal describing the services they have committed to provide and the related fees. The proposed fee schedule is in keeping with expectations, and the format of the proposal is acceptable.

American Financial Network, Inc. (AFN) has requested exclusive rights to price, originate, securitize, and service all of the mortgage loans that will result from the proposed Initiative and confirmed the willingness and ability to pay a \$125,000.00 commitment fee to participate as an FHA-approved mortgage lender. American Financial Network, Inc. (AFN) is a Ginnie Mae-approved Seller/Servicer with corporate offices in Chino Hills, CA and more than twenty-five branch offices located in ICFA member counties and cities.

Springboard Nonprofit Consumer Credit Management, Inc., who will help process, educate, mentor, and manage prospective mortgagors, is amenable to the terms of the services agreement we provided them and continues to work with us to refine the related scope of services.

HomeStar Property Management, LLC (HomeStar) has confirmed the terms and fee structure of their commitment to fulfill the combined role of property manager and lease servicer. HomeStar will maintain property condition during lease mode and provide home warranty policies for necessary service and repairs beyond routine maintenance.

AGENDA SUMMARY

May 20, 2015

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SWBC Insurance has confirmed the terms and fee structure of their commitment to provide property, casualty, and liability insurance coverage for all acquired properties during lease mode.

And finally, GDP Advisors has confirmed the terms and fee structure of the contingent business interruption coverage they will provide to advance payments during the lease period should the mortgage reserve fund become depleted.

These collective commitments to originate, service, manage, and insure mortgage loans and/or properties enabled us to begin identifying acquisition opportunities. As such, Mr. Burgoon attended the IMN Single Family Rental Investment Forum in Miami Beach, FL April 21-22, 2015 and met with equity funds, aggregators, homebuilders, and middle market owner/operators who confirmed their willingness to source properties and/or prospective mortgagors. More importantly, EMG has established relationships through their service partners with banks and servicers who are able to sell properties directly to ICFA given its instrumentality of government status.

EMG will continue to finalize agreements, financial and operational structures, and program-related documents so the finished product may be submitted to the ICFA Board by May 31, 2015 for consideration and approval during their June 2015 meeting. Mr. Burgoon will also collect and deposit with the custodian fees from AFN and from HomeStar to pay development costs to and on behalf of ICFA upon approval and implementation of the Initiative.

Guy Burgoon of EMG and will be available at the meeting to provide an updated report and answer any questions the Board may have.

C. RECOMMENDATION:

Authorize Emerging Markets Group, LLC to continue to develop, structure and implement the proposed ICFA Market Rate Lease Purchase Homeownership Initiative Program.

C. 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 SAN JUAN CAPISTRANO, COUNTY OF SAN DIEGO.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

Proposal:

To finance the refunding of a manufactured home community in the City of San Juan Capistrano, County of San Diego (San Juan Mobile Estates), which is located at 32302 Alipaz Street, on behalf of Millennium Housing.

San Juan Mobile Estates is a 312-space, all age community. Spread over 38 landscaped acres, the residents enjoy a large 9,800 square foot community center with an assembly room, service kitchen, library, game room, billiards room, fitness center, indoor spa, sauna, pool, and horseshoe pits; two laundry buildings; wide streets and large landscaped homesites.

Millennium Housing purchased the park in June of 2006 through ICFA. Millennium is now seeking to refinance the park in order to obtain a lower interest rate and provide additional funds for improvements in the park.

By way of brief background, Millennium Housing of California and its affiliates have facilitated the purchase and/or refunding of twenty-one manufactured home communities through ICFA. The parks are located in the cities of Capitola, Carpinteria, Fresno, Hermosa Beach, Morgan Hill, Moss Beach, Palm Springs, Rohnert Park, Salinas, San Juan Capistrano, San Marcos, Santa Rosa, and Yucaipa.

In addition, Augusta Communities has purchased four separate manufactured home communities through ICFA in the cities of Montclair and Yucaipa.

AGENDA SUMMARY

May 20, 2015

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The purchase by nonprofits of nearly 5,300 manufactured home community spaces will have been financed by ICFA to date.

Financing Team:

The financing team for this transaction is as follows:

Participant	Firm
Issuer	Independent Cities Finance Authority
Issuer's Counsel	Best Best & Krieger LLP
Bond Counsel	Ballard Spahr, LLP
Underwriter	Newcomb Williams Financial Group
Underwriter's Counsel	By Underwriter
Oversight Agent	Wolf & Company, Inc.
Financial Advisor	Wolf & Company, Inc.
Trustee	Union Bank of California
Trustee's Counsel	Union Bank of California Legal Division
Borrower	Millennium Housing
Borrower's General Counsel	Charles Kane & Dye, LLP
Borrower's 501(c)(3) Counsel	Goldfarb & Lipman

Costs of Issuance:

The costs of issuance will be covered partially by the funds from the issue that are permitted to be used for this purpose by the federal guidelines. The financing of this project is estimated generally as follows. Please note that these numbers are preliminary and are subject to change:

SOURCES OF FUNDS:	
Par Amount Of Bonds	\$37,020,000.00
Reoffering Premium	929,652.70
Transfers from Prior Issue Debt Service Funds	583,218.00
Transfers from Prior Issue DSR Funds	2,458,563.13
Prior Repair and Replacement Fund	120,000.00
Prior Issue Surplus Fund	145,000.00
TOTAL SOURCES	\$41,401,433.83
USES OF FUNDS:	
Total Underwriter's Discount (1.500%)	555,300.00
Costs Of Issuance	252,100.00
Issuer Fee	74,040.00
Deposit To Debt Service Reserve Fund (DSRF)	2,092,550.00
Deposit To Net Cash Escrow Fund	36,326,808.25
Repair and Replacement	1,700,000.00
Rental Assistance	400,000.00
Rounding Amount	635.58
TOTAL USES	\$41,401,433.83

Issuer's Fees:

- 20 basis points times the aggregate principal amount of the bonds at issuance
- 10 basis points times the aggregate principal in the amount of the bonds outstanding annually.

Bond Documents:

The ICFA resolution approving the bond documents are enumerated under Agenda Item D.

C. RECOMMENDATION:

Approve all aspects of the proposed project for San Juan Mobile Estates in the City of San Juan Capistrano.

AGENDA SUMMARY

May 20, 2015

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D. APPROVAL/ADOPTION OF RESOLUTION NO. 2015-3 (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 \$38,100,000 AGGREGATE PRINCIPAL AMOUNT OF INDEPENDENT CITIES FINANCE AUTHORITY MOBILE HOME PARK REVENUE REFUNDING BONDS (SAN JUAN MOBILE ESTATES) SERIES 2015, AND APPROVING CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH)

A. MATERIAL ENCLOSED: (PAGES 29-34) AND UNNUMBERED BOND DOCUMENTS DELIVERED UNDER SEPARATE COVER)

1. Resolution 2015-3 (Pages 29-35)
2. Indenture of Trust
3. Loan Agreement
4. Regulatory Agreement
5. Administration And Oversight Agreement
6. Preliminary Official Statement
7. Purchase Contract

B. COMMENTS:

DOCUMENTS:

The resolution is included in the packet; the draft bond documents were distributed via email for review.

For more details, please refer first to the Preliminary Official Statement and then to the individual documents contained therein.

ICFA Payment And Responsibilities

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 obligation of Millennium Housing of California to pay these fees is set forth in the Regulatory Agreement.

The bonds are not a financial obligation of the Authority. They are payable solely from revenues from San Juan Mobile Estates pledged by Millennium Housing of California to repayment of the bonds. This pledge is further secured by the Deed of Trust in favor of the

AGENDA SUMMARY

May 20, 2015

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Generally, after issuance of the bonds, ICFA's responsibilities will be limited to reviewing reports provided by the Oversight Agent and the Trustee.

City of San Juan Capistrano Obligations

The City of San Marcos, which is currently an associate member of ICFA, will conduct a TEFRA hearing on June 16, 2015 to approve the bond financing.

Summary

The bond documents referred to above may be modified by the President, staff and General Legal Counsel to the extent necessary to carry out the purposes expressed by the Board of Directors/Executive Committee in Resolution 2015-3 following the distribution of this packet and action by the Board of Directors/Executive Committee.

Any and all questions regarding the myriad of bond documents will be answered by the various consultants at the meeting.

C. RECOMMENDATION:

1. Approve/adopt Resolution 2015-3 approving the bond issuance and the various agreements and documents relating thereto;
2. Authorize President McCormick and staff to execute all necessary documents.

E. APPROVAL/ADOPTION OF AUDIT REPORT FOR YEAR ENDED JUNE 30, 2014.

A. MATERIAL ENCLOSED: (PAGES 35-49)

Audit report for year ended June 30, 2014.

B. COMMENTS:

Robert Eichel & Associates conducted the audit in accordance with auditing standards generally accepted in the United States of America. In their opinion, the basic financial statements present fairly, in all material respects, the financial position of the Authority as of June 30, 2014 and the results of its operations and cash flows for the year then ended.

C. RECOMMENDATION:

Approve the audit report for year ended June 30, 2014.

F. APPROVAL/ADOPTION OF RESOLUTION 2015-4 (A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDEPENDENT CITIES FINANCE AUTHORITY NAMING AND APPOINTING CERTAIN OFFICES AND STAFF).

A. MATERIAL ENCLOSED: **(PAGES 50-51)**

Resolution 2015-4.

B. COMMENTS:

The Joint Powers Agreement and Bylaws of ICFA provide for the election of Officers (President and Vice President) for two year terms. Officers must be selected from the Directors. Alternate Directors may not serve as President or Vice President.

In addition, a Treasurer must also be selected. The Treasurer may be a Director or Alternate Director.

C. RECOMMENDATION:

1. Conduct an election for President and Vice President of the Authority;
2. Appoint a member of the Board to serve as Treasurer of the Authority; and
3. Approve/adopt Resolution 2015-4 and authorize President McCormick and staff to execute same.

G. APPOINTMENT/ELECTION OF EXECUTIVE COMMITTEE MEMBERS FOR A TWO YEAR TERM.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

The following individuals currently serve on the Executive Committee:

<u>Position</u>	<u>Member</u>	<u>Alternate Member</u>	<u>City</u>
President	Mike McCormick	---	Vernon
Vice President	---	---	Huntington Park
Member	Ricardo Pacheco	---	Baldwin Park

Alternate Board Members may vote in place of Directors who serve on the Executive Committee. The Executive Committee is empowered by the Joint Powers Agreement (Article 10) and the Bylaws (Article IV) to conduct virtually all activities of the Board of Directors. The individual appointed or his/her alternate must be available to attend all Executive Committee meetings.

The President and Vice President are automatic members of the Executive Committee.

C. RECOMMENDATION:

Appoint/elect Directors/Alternate Directors to the Executive Committee.

H. STATUS REPORT ON SB 710 (GALGIANI) - JOINT EXERCISE OF POWERS: FINANCING.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

SB 710 (formerly AB 2046 of 2014) would allow California Joint Powers Authorities to issue bonds and enter into loan agreements or refinance private projects located outside of the State of California.

The bill passed out of the Senate Government & Finance Committee with a 5-0 vote on May 6th. It will be heard in Senate Appropriations Committee sometime within the next two weeks.

C. RECOMMENDATION:

Continue to support SB 710.

I. STATUS REPORT ON THE COUNTY OF LOS ANGELES BECOMING AN ASSOCIATE MEMBER OF ICFA.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

At The June Board of Directors meeting, Ken Spiker And Associates, Inc. was engaged to secure the County of Los Angeles as an associate member of ICFA.

Greg Spiker will provide a verbal report at the meeting.

C. RECOMMENDATION:

Receive and file.

J. APPROVAL OF FINANCIAL ACCOUNTING FOR THE PERIOD FEBRUARY 1, 2015 TO APRIL 30, 2015.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

Receipts for the period February 1, 2015 to April 30, 2015 were as follows:

Millbrook monthly fees (3 months)	\$ 342.36
Castle monthly fees (3 months)	898.74
Yucaipa monthly fees (3 months)	2,391.00
Palm Springs monthly fees (3 months)	2,897.49
Santa Rosa monthly fees (3 months)	3,888.00
Rancho Vallecitos monthly fees (3 months)	3,919.53
Hacienda Valley monthly fees (3 months)	4,073.43
Westlake monthly fees (3 months)	5,226.28
Vista de Santa Barbara (3 months)	6,322.50
Rohnert Park monthly fees (3 months)	6,462.21
Lamplighter monthly fees (3 months)	8,202.00
San Juan monthly fees (3 months)	11,577.00
Alliance (quarterly fee)	4,691.46
Augusta Communities (quarterly fee)	8,038.14
Palomar East & West (issuer fee)	71,650.00
TOTAL RECEIPTS	\$140,580.14

Expenditures for the period February 1, 2015 to April 30, 2015 were as follows:

Emerging Markets Group (Lease Purchase Initiative)	\$ 2,500.00
U. S. Advocacy (advocacy services)	7,500.00
Smith, Alvarez & Castillo (staff services)	18,750.00
W. Michael McCormick (stipend for Feb.Board mtg.)	150.00

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May 20, 2015
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Mario Gomez (stipend for Feb. Board mtg.)	150.00
Gil Hurtado (stipend for Feb. Board Mtg.)	150.00
Ricardo Pacheco (stipend for Feb. Board mtg.)	150.00
Jose Solache (stipend for Feb. Board mtg.)	150.00
City of Huntington Park (Lunch - Board meeting)	144.17
Tripepi Smith & Associates (public relations)	3,776.73
US Bank (DPA Program fees)	1,650.00
Robert Eichel & Associates (audit services)	3,500.00
University-Student Union at CSULA (LA Partners)	998.80
Krisla, Inc. (accountant services)	6,630.00
W. Michael McCormick (stipend for March Board mtg.)	150.00
Sylvia Ballin (stipend for March Board mtg.)	150.00
Gil Hurtado (stipend for March Board Mtg.)	150.00
Ricardo Pacheco (stipend for March Board mtg.)	150.00
Jose Solache (stipend for March Board mtg.)	150.00
U.S. Advocacy (advocacy services)	7,500.00
Smith, Alvarez & Castillo (staff services)	18,750.00
Emerging Markets Group (Lease Purchase Initiative)	2,500.00
Tripepi Smith & Associates (public relations)	5,842.30
Emerging Markets Group (Lease Purchase Initiative)	2,500.00
U.S. Advocacy (advocacy services)	7,500.00
Smith, Alvarez & Castillo (staff services)	18,750.00
Calif. Contract Cities Assoc. (table top display)	800.00
Calif. Contract Cities Assoc. (assoc. mbr. fee)	1,500.00
Calif. Contract Cities Assoc. (registration fee)	<u>575.00</u>
 TOTAL EXPENDITURES	 \$113,317.00

ICFA account balances as of April 30, 2015 are as follows:

Bank of America	\$ 63,643.70
LAIF	\$242,987.69

It should also be noted that ICFA has two outstanding loans: One to Millennium Housing in the amount of \$250,000 and another to Augusta Communities in the amount of \$90,000.

C. RECOMMENDATION:

Approve the financial accounting for the period February 1, 2015 to April 30, 2015.

K. UPDATE ON PENDING PROJECTS/ACTIVITIES.

A. MATERIAL ENCLOSED:

None.

AGENDA SUMMARY

May 20, 2015

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B. COMMENTS:

Staff will provide a verbal update on pending ICFA projects/activities.

C. RECOMMENDATION:

Information only.

VI. COMMENTS FROM BOARD MEMBERS.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

None.

C. RECOMMENDATION:

None.

VII. MATTERS FROM STAFF.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

None.

C. RECOMMENDATION:

None.

VIII. ADJOURNMENT.

ATTACHMENTS

For The May 20, 2015
Independent Cities Finance Authority
Regular Board Of Directors Meeting/
Regular Executive Committee Meeting

INDEPENDENT CITIES FINANCE AUTHORITY

**BOARD OF DIRECTORS REGULAR MEETING
FEBRUARY 18, 2015**

MINUTES

I. CALL TO ORDER.

The regular meeting of the Board of Directors of the Independent Cities Finance Authority (ICFA) was called to order in the City of Huntington Park on February 18, 2015 at 12:05 p.m. by President Mike McCormick.

II. ROLL CALL.

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

W. Michael McCormick, President	Vernon
Mario Gomez, Vice President	Huntington Park
Sylvia Ballin	San Fernando
Gil Hurtado	South Gate
Ricardo Pacheco	Baldwin Park
Jose Solache	Lynwood

Alternate Members Of The Board of Directors Present

None

Guests Present

Sara Appel	Tripepi Smith & Associates
Guy Burgoon	Emerging Markets Group
Jacob Carlton	Ballard Spahr
Joanne Cordero	Springboard
Jeanie Mar	Wilmington Trust
Pam Newcomb	Newcomb Williams Financial Group
Greg Spiker	Ken Spiker And Associates, Inc.
Dave Tomblin	Highgrove Holdings Management Group
George Turk	Millennium Housing
Janees Williams	Newcomb Williams Financial Group
Wes Wolf	Wolf & Company, Inc.

Staff Present

Michael Maurer	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 SEPTEMBER 24, 2014 BOARD OF DIRECTORS MEETING.

It was moved by Sylvia Ballin, seconded by Gil Hurtado, and unanimously carried to approve the minutes of the September 24, 2015 Board of Directors meeting.

B. STATUS REPORT ON AN ICFA MARKET RATE LEASE PURCHASE HOMEOWNERSHIP INITIATIVE PROGRAM AND APPROVAL OF FIRST AMENDMENT TO MEMORANDUM OF UNDERSTANDING BETWEEN EMERGING MARKETS GROUP AND ICFA.

Staff introduced Guy Burgoon of Emerging Markets Group (EMG) who referred those present to material contained in the agenda packet which outlines the program and progress that has been made.

It was noted that written commitments from all prospective partners who will help facilitate the program and maintain on-going operations will be collected by March 31, 2015, which will enable EMG to coordinate the creation and execution of agreements among parties. Once agreements are executed, financial and operational structures of the proposed Initiative are finalized, and program documents are ready to be executed, EMG will present the finished product to the Board for their consideration and approval.

Inasmuch as EMG and ICFA entered into an Memorandum of Understanding for a six month period beginning July 1, 2014, a First Amendment to Memorandum of Understanding was presented to the Board for consideration extending the Agreement to May 31, 2015 with compensation as follows:

- During the extended term, the development fee payable to EMG will remain \$5,000 per month, provided, however, that 50% of the development fee will be accrued and paid on a contingency basis so long as EMG is successful in satisfying the milestones no later than May 31, 2015 to allow for approval of the program at a Board meeting to be held in June. The remaining 50% of the development fee (i.e., \$2,500) will be payable monthly in accordance with the terms of the MOU.
- In the event EMG is successful in satisfying the milestones no later than May 31, 2015, so as to allow for approval of the program during the June meeting of the ICFA Board of Directors, then EMG will be entitled to payment of the contingency no later than June 30, 2015. In the event that EMG is not successful in satisfying the milestones as of May 31, 2015, then the contingency will lapse and will no longer be payable by the Authority to EMG.

After a discussion on possible changes to the program, reconsideration of lenders, etc., it was moved by Gil Hurtado, seconded by Mario Gomez, and unanimously carried as follows:

1. To authorize Emerging Markets Group, LLC to continue to develop, structure and implement the proposed ICFA Market Rate Lease Purchase Homeownership Initiative Program; and
2. To authorize President McCormick and/or staff to enter into a First Amendment to Memorandum of Understanding between EMG and ICFA through May 31, 2015 based on the compensation terms outlined above.

C. APPROVAL OF THE REFINANCING OF TWO MANUFACTURED HOME COMMUNITIES BY ICFA FOR MILLENNIUM HOUSING OF CALIFORNIA AND ITS AFFILIATES, COACH OF SAN DIEGO, INC. AND MILLENNIUM HOUSING CORPORATION LOCATED IN THE CITY OF SAN MARCOS, COUNTY OF SAN DIEGO.

Staff reported generally as follows:

The proposal is to finance the refunding of two manufactured home communities in the City of San Marcos located in the County of San Diego (Palomar East Estates and Palomar West Estates), on behalf of Millennium Housing. Millennium originally financed the purchase of the parks in 2003 through another entity.

George Turk of Millennium Housing provided a brief report on the park and all aspects of financing of the project. He indicated that these two manufactured home communities are two of the nicest parks in the State. He further noted that the purpose of the refinancing is to obtain a lower interest rate thereby reducing the debt which will allow for additional surplus to be used for improvements in the parks.

Staff presented a report on the finance team and costs of issuance for the project. It was noted that the City of San Marcos will conduct a TEFRA hearing on February 24th to approve the bond financing.

President McCormick 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 Mario Gomez, seconded by Ricardo Pacheco, and unanimously carried to approve all aspects of the proposed financing for Palomar East Estates and Palomar West Estates on behalf of Millennium Housing.

- D. APPROVAL/ADOPTION OF RESOLUTION NO. 2015-1(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 \$38,500,000 AGGREGATE PRINCIPAL AMOUNT OF INDEPENDENT CITIES FINANCE AUTHORITY MOBILE HOME PARK REVENUE REFUNDING BONDS (PALOMAR EAST ESTATES AND PALOMAR WEST ESTATES) SERIES 2015, AND APPROVING CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH)**

Staff reported generally as follows:

Resolution 2015-1 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 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 2015-1 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. STATUS REPORT ON AB 2046 (GOMEZ) - JOINT EXERCISE OF POWERS: FINANCING.

Staff reported generally as follows:

AB 2046 would allow California Joint Powers Authorities to issue bonds and enter into loan agreements or refinance private projects located outside of the State of California. The bill passed out of the Assembly Floor last year and was placed in the Senate Suspense File. As a result, Bruce Young of U.S. Advocacy has been working hard over the last several months to introduce a new version of AB 2046. He is carefully looking at legislators to determine who would be the best choice to author and co-author the bill.

It was moved by Gil Hurtado, seconded by Mario Gomez, and unanimously carried to receive and file this item.

H. STATUS REPORT ON THE COUNTY OF LOS ANGELES BECOMING AN ASSOCIATE MEMBER OF ICFA.

Greg Spiker noted that he is continuing to meet with representative from the County of Los Angeles in his efforts to secure the County of Los Angeles as an associate member of ICFA.

I. APPROVAL OF FINANCIAL ACCOUNTING FOR THE PERIOD SEPTEMBER 1, 2014 TO JANUARY 31, 2015.

It was moved by Mario Gomez, seconded by Gil Hurtado, and unanimously carried to approve the financial accounting for the period September 1, 2014 to January 31, 2015.

J. UPDATE ON PENDING PROJECTS/ACTIVITIES.

Staff provided an update on numerous projects/activities that ICFA is involved in.

VI. COMMENTS FROM BOARD MEMBERS.

Mario Gomez noted that after serving 12 years on the Huntington Park City Council, he will be termed out of office effective March 3rd.

President McCormick wished him well in his future endeavors and thanked him for his dedicated service to the City of Huntington Park and ICFA.

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 12:35 p.m.

Respectfully submitted,

_____/s/
Deborah J. Smith
Executive Director

INDEPENDENT CITIES FINANCE AUTHORITY

**BOARD OF DIRECTORS REGULAR MEETING
MARCH 23, 2015**

MINUTES

I. CALL TO ORDER.

The regular meeting of the Board of Directors of the Independent Cities Finance Authority (ICFA) being held via teleconference was called to order in the City of Los Angeles on March 23, 2015 at 10:15 a.m. by President Mike McCormick.

II. ROLL CALL.

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

W. Michael McCormick, President	Vernon
Sylvia Ballin	San Fernando
Gil Hurtado	South Gate
Ricardo Pacheco	Baldwin Park
Jose Solache	Lynwood

Alternate Members Of The Board of Directors Present

None

Guests Present

Pam Newcomb	Newcomb Williams Financial Group
Preston Olsen	Ballard Spahr
George Turk	Millennium Housing
Janees Williams	Newcomb Williams Financial Group
Wes Wolf	Wolf & Company, Inc.

Staff Present

Michael Maurer	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/ADOPTION OF RESOLUTION NO. 2015-2(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 \$38,500,000 AGGREGATE PRINCIPAL AMOUNT OF INDEPENDENT CITIES FINANCE AUTHORITY MOBILE HOME PARK REVENUE REFUNDING BONDS (PALOMAR EAST ESTATES) SERIES 2015, INDEPENDENT CIITES FINANCE AUTHORITY MOBILE HOME PARK REVENUE REFUNDING BONDS (PALOMAR ESTATES WEST) SERIES 2015, AND APPROVING CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH)

Staff reported generally as follows:

At the February 18, 2015 Board of Directors meeting, the ICFA Board approved the refinancing of two manufactured home communities by ICFA for Millennium Housing in the City of San Marcos (Palomar Estates East and Palomar Estates West) for approximately \$38.5 million. At that same meeting, the Board approved/adopted a resolution approving the necessary bond documents for this financing (Resolution No. 2015-1).

It has been decided to split the transaction into two separate bond issues. Given the fact that the Board approved the transaction and authorized only one set of bond documents for both parks (Indenture of Trust, Loan Agreement, Regulatory Agreement, Administration and Oversight Agreement, Preliminary Official Statement, and Purchase Contract), General Legal Counsel believes that the Board should approve separate bond documents for each park.

Some of the reasons for splitting the transaction into two separate bond issues are as follows:

- Each park is now strong enough to stand on its own (which was not the case when Millennium originally purchased the parks 12 years ago)
- The parks are each on separate ground leases
- The parks have always been managed separately, each with its own manager and maintenance staff
- The accounting is simpler
- Residents can track exactly where their dollars are going and will not have the suspicion that the "other" park is being favored
- The ground rent payments are calculated differently (one is based on percentage of the rents and the other lease has an inflation factor): and

It should be pointed out that there is no need for the City of San Marcos to hold a new TEFRA hearing. The public hearing notice and the City TEFRA resolution identify the properties and state that the properties will be refinanced with the proceeds of one or more series of bonds issued by ICFA in an amount not to exceed \$38,500,000. Therefore, nothing in the TEFRA documents is affected by the new structure.

After discussing the legalities of what would happen if the transaction was not split, President McCormick asked if there were any more questions or comments. There were none.

It was moved by Gil Hurtado, seconded by Sylvia Ballin, and unanimously carried as follows:

1. To approve/adopt Resolution 2015-2 approving the two bond issuances and the various agreements and documents relating thereto; and
2. To authorize President McCormick and staff to execute all necessary documents.

VI. COMMENTS FROM BOARD MEMBERS.

Jose Solache, City of Lynwood, noted that Jim Morton, former Lynwood Council Member and long-time ICFA Board Member, recently passed away.

Congratulations were offered to Sylvia Ballin on her successful re-election.

VII. COMMENTS FROM STAFF.

There were no comments from staff.

VIII. ADJOURNMENT.

There being no further business to be discussed, the meeting was adjourned in memory of Jim Morton at 10:20 a.m.

Respectfully submitted,

Deborah J. Smith
Executive Director

RESOLUTION NO. 2015-3

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 \$38,100,000 AGGREGATE PRINCIPAL AMOUNT OF INDEPENDENT CITIES FINANCE AUTHORITY MOBILE HOME PARK REVENUE REFUNDING BONDS (SAN JUAN MOBILE ESTATES) SERIES 2015, AND APPROVING CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the Independent Cities Finance Authority, a joint powers authority duly organized and existing under the laws of the State of California (the "Authority"), is authorized to issue bonds pursuant to Chapter 8 of Part 5 of Division 31 of the Health and Safety Code of the State of California (the "Act") to finance the acquisition of mobile home parks by nonprofit organizations within the jurisdiction of the Authority; and

WHEREAS, Authority previously issued its Mobile Home Park Revenue Bonds (San Juan Mobile Estates) Series 2006A, its Mobile Home Park Subordinate Revenue Bonds (San Juan Mobile Estates) Series 2006B and its Mobile Home Park Subordinate Revenue Bonds (San Juan Mobile Estates) Taxable Series 2006C (collectively, the "Prior Bonds") pursuant to an Indenture of Trust, dated as of May 1, 2006 (the "Prior Indenture"), between the Authority and MUFG Union Bank, N.A. (formerly known as Union Bank of California, N.A.), in such capacity (the "Prior Trustee"), and loaned the proceeds of the Prior Bonds (the "Prior Loan") to Millennium Housing Corporation, a California nonprofit public benefit corporation (the "Prior Borrower"), in order to provide financing with respect to the acquisition and improvement of a mobilehome park with 312 total spaces known as San Juan Mobile Estates (the "Project"), located at 32302 Alipaz Street in the City of San Juan Capistrano, California (the "City"); and

WHEREAS, in connection with the refinancing of the Project as described herein, the Project will be transferred to Millennium Housing, LLC, a California limited liability company, or an affiliate thereof (the "Borrower"); and

WHEREAS, the Borrower has requested that the Authority issue and sell one or more series of its revenue refunding bonds for the purpose of refunding the Prior Bonds and financing certain improvements to the Project; and

WHEREAS, Millennium Housing Corporation, the sole member of the Borrower, is qualified as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and the operation of the Project by the Borrower will further its purpose to encourage, preserve, rehabilitate, develop, operate, and maintain decent, safe, sanitary and affordable housing for low income and disadvantaged persons in the State of California; and

WHEREAS, the operation of the Project by the Borrower will lessen the governmental burden of the City by preserving affordable housing within the City; and

WHEREAS, pursuant to the Act, the Authority proposes to issue its Mobile Home Park Revenue Refunding Bonds (San Juan Mobile Estates) Series 2015 (the "Bonds") in an aggregate amount not to exceed \$38,100,000 and to loan the proceeds of such Bonds to the Borrower in order to refund the Prior Bonds, to finance certain improvements to the Project and to pay certain costs incurred in connection with the issuance of the Bonds; and

WHEREAS, there has been presented to the Board of Directors/Executive Committee at this meeting proposed forms of an Indenture of Trust, a Loan Agreement, a Regulatory Agreement and

Statement and a Purchase Contract among the Authority, the Borrower and Newcomb Williams Financial Group securities offered through Stinson Securities, LLC (the “Underwriter”) pursuant to which the Bonds will be purchased by the Underwriter for sale to the public; and

WHEREAS, as required by Section 147(f) of the Code, prior to the issuance of the Bonds, the City Council of the City will conduct a duly noticed public hearing with respect to the proposed issuance of the Bonds and financing of the Project by the Authority, such notice to be published in a newspaper of general circulation in the City, and as the applicable elected representatives of the City, the City Council will approve the issuance of the Bonds; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the issuance of the Bonds exist or will exist, have happened or will happen and have been or will be performed in due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to issue the Bonds for the purposes, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY AS FOLLOWS:

SECTION 1. Recitals. The above recitals, and each of them, are true and correct.

SECTION 2. Appointment of Trustee. MUFG Union Bank, N.A. is hereby appointed as the initial trustee (the “Trustee”) under the Indenture of Trust (the “Indenture”) relating to the Bonds, with the duties and powers of such Trustee as are set forth in the Indenture.

SECTION 3. Indenture. The Indenture authorizing the issuance of the Bonds, between the Authority and the Trustee, in the form presented at this meeting, is hereby approved and the President, Vice President or Executive Director (each, an “Authorized Officer”), each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Indenture in substantially the form hereby approved together with such additions or changes as the officer executing the same, upon consultation with the Authority counsel or bond counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof by the Authority.

SECTION 4. Form of Bonds. The form of the Bonds, as set forth in the Indenture, is hereby approved and the President or Vice President and the Secretary are hereby authorized and directed to execute by manual or facsimile signature, for and in the name and on behalf of the Authority, the Bonds in substantially the form hereby approved together with such additions or changes as the officer executing the same, upon consultation with the Authority counsel or bond counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof by the Authority, in either temporary and/or definitive form in the aggregate principal amounts and all in accordance with the terms and provisions of the Indenture.

SECTION 5. Loan Agreement. The Loan Agreement (the “Loan Agreement”) by and among the Authority, the Trustee and the Borrower, whereby the proceeds of the Bonds are to be loaned to the Borrower for the purposes set forth therein, in the form presented at this meeting, is hereby approved and the Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Loan Agreement in substantially the form hereby approved together with such additions or changes as the officer executing the same, upon consultation with the Authority counsel or bond counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof by the Authority.

SECTION 6. Regulatory Agreement. The Regulatory Agreement and Declaration of Restrictive Covenants by and among the Authority, the Trustee and the Borrower (the “Regulatory Agreement”) in the form presented at this meeting, is hereby approved and the Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Regulatory Agreement with respect to the Project in substantially the form hereby approved together with such additions or changes therein as the officer executing the same, upon consultation with the Authority counsel or bond counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof by the Authority.

SECTION 7. Official Statement. The Preliminary Official Statement (the “Preliminary Official Statement”) in the form presented at this meeting, is hereby approved for use in connection with the marketing of the Bonds. The Executive Director is hereby authorized and directed to make changes to the form of the Preliminary Official Statement hereby approved, upon consultation with the Authority counsel or bond counsel, as necessary or desirable to reflect the terms of the financing and the documents with respect thereto.

The Preliminary Official Statement may be brought into the form of a final Official Statement which shall contain such changes or modifications thereto as may be deemed necessary or desirable by the Executive Director, upon consultation with the Authority counsel or bond counsel. The Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the final Official Statement. The Authorized Officers, each acting alone, are authorized and directed, on behalf of the Authority, to certify the Preliminary Official Statement as “deemed final” for purposes of Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended (“Rule 15c2-12”), and to certify the Official Statement as “final” pursuant to Rule 15c2-12.

SECTION 8. Purchase Contract. The Purchase Contract among the Authority, the Borrower and the Underwriter, in the form presented at this meeting, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized to execute the Purchase Contract in substantially said form, together with such additions or changes as the officer executing the same, upon consultation with the Authority counsel or bond counsel, may approve, such approval to be conclusively evidenced by the execution and delivery of the Purchase Contract by the Authority; provided that the principal amount, the net interest cost, the maturity date and the Underwriter’s discount for the Bonds do not exceed the following: (i) Maximum Principal Amount: \$38,100,000; (ii) Net Interest Cost: 5.75%; (iii) Maturity Date: July 1, 2050; and (iv) Underwriter’s Discount or Fee: 1.50%.

SECTION 9. Administration and Oversight Agreement. The Administration and Oversight Agreement (the “Administration Agreement”) in the form presented at this meeting, by and among the Authority, the Borrower, and Wolf & Company Inc. (or such other entity as the Executive Director shall select) as Oversight Agent, is hereby approved and the Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute the Administration Agreement in substantially the form hereby approved, together with such additions or changes as the officer executing the same, upon consultation with the Authority counsel or bond counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 10. Designation of Professionals. The law firm of Ballard Spahr LLP is hereby designated as bond counsel and disclosure counsel to the Authority with respect to the Bonds. Newcomb Williams Financial Group securities offered through Stinson Securities, LLC is hereby designated as underwriter for the Bonds. Wolf & Company Inc. is hereby designated as financial advisor to the Authority with respect to the Bonds.

SECTION 11. Ratification of Prior Acts. All actions previously taken (not inconsistent with the provisions of this resolution) by the Authority and by the officers of the Authority directed toward the

SECTION 12. Other Acts. The President, Vice President, members of the Board of Directors/Executive Committee, Executive Director, Secretary, Treasurer, Authority counsel, and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including without limitation, obtaining bond insurance and a rating for the Bonds, if either is deemed to be advisable upon consultation with the Authority's financial consultant and the Underwriter, and including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents which they, or any of them, may deem necessary or advisable in order to consummate the transactions as described herein in connection with the issuance and sale of the Bonds or to otherwise effectuate the purposes of this Resolution.

SECTION 13. Limited Obligations. The Bonds, together with interest thereon, shall be limited obligations of the Authority, giving rise to no pecuniary liability of the Authority, any member of the Authority, the State of California or any political subdivision thereof, nor any charge against its general credit, and shall be payable solely from the Indenture trust estate. The Bonds shall not constitute an indebtedness or loan of the credit of the Authority, any member of the Authority or the State of California or any political subdivision thereof within the meaning of any constitutional or statutory provisions.

SECTION 14. Severability. If any provisions of this Resolution should be held invalid, the invalidity of such provision shall not affect the validity of any of the other provisions of this resolution.

SECTION 15. Effective Date. All resolutions of the Authority or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This Resolution shall take effect immediately upon adoption.

PASSED, APPROVED, AND ADOPTED BY THE INDEPENDENT CITIES FINANCE AUTHORITY
THIS 20TH DAY OF MAY, 2015.

President

Secretary/Executive Director

I, Deborah Smith, Secretary and Executive Director of the Independent Cities Finance Authority, do hereby certify that the foregoing Resolution was duly adopted by the Board of Directors/Executive Committee of said Authority at the meeting of the Board of Directors/Executive Committee of said Authority held on the 20th day of May, 2015, and that the same was passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Deborah Smith, Secretary and Executive Director of the
Independent Cities Finance Authority

INDEPENDENT CITIES FINANCE AUTHORITY
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
JUNE 30, 2014

INDEPENDENT CITIES FINANCE AUTHORITY

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MEMBER CITIES

Alhambra
 Apple Valley
 Azusa
 Baldwin Park
 Barstow
 Bell
 Bellflower
 Brea
 Capitola
 Carpinteria
 Carson
 Chino
 Claremont
 Colton
 Commerce
 Compton
 Covina
 Downey
 Duarte
 El Monte
 Fairfield
 Fontana
 Fresno
 Gardena
 Garden Grove
 Glendale
 Glendora
 Hawaiian Gardens
 Hawthorne
 Huntington Park
 Indio
 Inglewood
 La Habra
 La Puente
 Lakewood
 Lancaster
 Lawndale
 Long Beach
 Los Angeles
 Lynwood
 Monrovia
 Montclair
 Montebello
 Monterey Park
 Morgan Hill
 Norwalk
 Oceanside
 Palmdale
 Palm Springs
 Paramount
 Pico Rivera
 Planada Community Services District
 Pomona
 Rancho Cucamonga
 Rialto
 Riverside
 Rohnert Park
 Salinas
 San Bernardino
 San Bernardino County
 San Diego County
 San Fernando
 San Juan Capistrano
 San Marcos
 San Mateo County
 Santa Clarita
 Santa Rosa
 Signal Hill
 South Gate
 Vernon
 Vista
 West Covina
 Whittier
 Yucaipa

BOARD MEMBERS

OFFICERS

Mike McCormick, President
 Vernon
 Stephen Ajobiewe, Treasurer
 Compton

DIRECTORS

Ricardo Pacheco, Baldwin Park
 Willie Jones, Compton
 City of Huntington Park
 Edwin Hernandez, Lynwood
 Sylvia Ballin, San Fernando
 Gil Hurtado, South Gate

Secretary/Executive Director

Debbie Smith
 General Legal Counsel
 Scott Campbell
 Best Best & Krieger, LLP



March 23, 2015

Honorable W. Michael McCormick, President
 And Members of the Board of Directors
 Independent Cities Finance Authority
 Post Office Box 6740
 Lancaster, California 93539-6740

Dear President McCormick and Members of the Board:

Within this section of the Independent Cities Finance Authority 's (ICFA) Financial Report For The Year Ended June 30, 2014 management provides a narrative discussion and analysis of the entity for the year reported on.

ICFA's net assets exceeded its liabilities at June 30, 2014 by \$639,974, a decline of \$125,278 (the net loss for the year). Revenues declined \$37,725. A major factor was the loss of the six mobile home parks controlled by Caritas Affordable Housing, Inc. refinanced by another group. In FY 2013, Caritas provided revenues of \$75,513 vs. \$46,202 in FY 2014. Operating expenses increased by \$101,171. Community outreach increased to \$37,000, which resulted in a \$12,000 increase. Professional fees increased substantially, partially due to catching up on fees owed from prior periods.

Major components of assets and liabilities between years are as follows:

ASSETS:	2014	2013	CHANGE
Cash and cash equivalents	\$337,644	\$520,344	(\$182,700)
Accrued interest receivable	68,458	52,124	16,334
Long-term loan (net)	272,014	216,059	55,955
LIABILITIES:			
Accounts Payable	38,142	16,029	(22,113)
Deferred Revenues	--	10,746	10,746
SIGNIFICANT INCOME:			
Program Fees	425,971	456,459	(30,488)
Investment Income	(17,114)	21,311	(38,425)
SIGNIFICANT EXPENSES:			
Management Fees	225,000	200,000	(25,000)
Advocacy	82,500	82,705	205
Community Outreach	37,000	25,000	(12,000)
Conferences	25,729	16,921	(8,808)
Auditing	47,293	17,700	(29,593)
Legal	59,115	36,123	(22,992)
Other Financial Services	24.332	--	(24.332)

Honorable W. Michael McCormick, President
And Members Of The Board of Directors
Independent Cities Finance Authority
March 23, 2015
Page Two

We look forward to improved operating results for the 2014-15 fiscal year. The loss of Caritas Affordable Housing, Inc. has had a major impact which was not completely made up for by new bond issues. The cash deficit of \$182,730 was more dramatic than the operating loss, but it should be noted that a little less than half is the \$90,000 loaned to Augusta Communities, LLC.

We continue to move forward toward becoming a force in the low and moderate income housing community.

Respectfully,

Deborah J. Smith
Executive Director

ds

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors

Independent Cities Finance Authority

We have audited the accompanying financial statements of the business type activities of the Independent Cities Finance Authority, as of and for the year ended June 30, 2014 which comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Independent Cities Finance Authority management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities, of the Independent Cities Finance Authority, as of June 30, 2014, and the changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required information. However, we did not audit the information and express no opinion on it.

Pasadena, California
April 3, 2015

Robert Eichel & Associates
650 Sierra Madre Villa Avenue
Pasadena, CA 91107-2067
626/351-3800; Fax 626/351-3804
E-mail: bobeichelcpa@aol.com

**INDEPENDENT CITIES FINANCE AUTHORITY
BALANCE SHEET
June 30, 2014**

ASSETS

Cash and cash equivalents (Note 2)	\$ 337,644
Accrued interest receivable	68,458
Long term loans secured by subordinated trust deeds, net Of present value discounts (Notes 4 & 5)	<u>272,014</u>
Total assets	<u>\$ 678,116</u>

LIABILITIES AND NET ASSETS

Accounts payable	\$ 38,142
Net assets	<u>639,974</u>
Total liabilities and net assets	<u>\$ 678,116</u>

The accompanying notes are an integral part of these financial statements

INDEPENDENT CITIES FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES TO NET ASSETS
June 30, 2014

Program fees	\$ 425,971
Operating expenses	
Management fees	225,000
Public Relations	24,802
Other Professional Services	
Auditing	47,293
Accounting	3,910
Community Outreach	37,000
Advocacy	82,500
Other financial services	24,332
Legal	59,115
Directors' fees	3,150
Conferences and related travel	25,729
Other	<u>1,304</u>
Total operating expenses	<u>534,135</u>
Net loss from operations	(108,164)
Investment loss	<u>(17,114)</u>
Net loss for year	(125,278)
Net assets beginning of the year	<u>765,252</u>
Net assets at the end of the year	<u><u>\$ 639,974</u></u>

The accompanying notes are an integral part of these financial statements

INDEPENDENT CITIES FINANCE AUTHORITY
STATEMENT OF CASH FLOWS
Year ended June 30, 2014

Cash flows from operating activities

Cash received from program fees	\$ 418,684
Cash paid to suppliers of services	<u>512,012</u>
Cash deficit from operating activities	(93,328)

Cash used by investing activities

Interest income	5,826
Less non-cash amortization of subordinated loan	<u>5,228</u>
	598

Non recourse loan to Augusta Communities	<u>(90,000)</u>
Cash deficiency from investing activities	<u>(89,402)</u>
Net cash deficit for the period	(182,730)

Cash and cash equivalents beginning of the year	<u>520,374</u>
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Cash and cash equivalents at the end of the year	<u>\$ 337,644</u>
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The accompanying notes are an integral part of these financial statements

INDEPENDENT CITIES FINANCE AUTHORITY
Notes to the Financial Statements
June 30, 2014

(1) Summary of Significant Accounting Policies

(a) The Reporting Entity

The Independent Cities Finance Authority (Authority) is a joint exercise of Powers authority originally set up in 1988 to provide lease financing of capital improvements by member cities. As the objectives of the Authority changed from facilities leasing for cities to affordable housing and other financing activities the original joint powers agreement was modified to provide for associate membership to cities in which projects were located. By 2007 the Authority was completely out of the equipment leasing business, as with having completed the 'Fresh Rate' program.

In fiscal year ended June 30, 2003, the Authority changed its focus to begin working with non-profit entities to provide affordable housing through mobile home parks. The principal strategy was to provide conduit financing for affordable housing mobile home projects. This strategy would provide for affordable housing while not obligating the Authority to the liabilities, servicing of substantial lease obligations nor payment of interest and principal on the bonded debt. In 2011/2012 the Authority expanded its activities to a community hospital, a charter school and bridge financing for a waste water treatment facility. There have been discussions about housing and down payment assistance. Approvals have been received from Federal agencies but the program is not yet in operation.

(b) Basis of Accounting

The Authority is accounted for as an enterprise fund (proprietary fund type). A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity. The activities of the enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses. Enterprise funds account for operations that provide services on a continuous basis and are substantially financed by revenues derived from user charges. The Authority utilizes the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as they are incurred.

INDEPENDENT CITIES FINANCE AUTHORITY
Notes to the Financial Statements
(Continued)

(1) Summary of Significant Accounting policies, (Continued)

(b) Basis of Accounting

The Authority applies all applicable GASB pronouncements in accounting and reporting for proprietary operations as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB's) of the Committee on Accounting Procedures of the American Institute of Certified Public Accountants.

(c) Classifications of Revenues and Expenses

Operating revenues consist of fees relating to the origination and continuance of the bond issues set up for the purpose of purchasing and equipping the mobile home parks by the non-profit agencies and more recently, other activities. In 2011 a fee of \$75,000 was received to offset costs involved in the reopening of the Downey Regional Medical center. The financing transaction was completed in February, 2012.

Expenses consist primarily of management, professional fees and more recently, marketing. Due to the inability of cities to obtain financing for low and moderate income housing during the recent economic slowdown, and ICFA's ability to do so , ICFA management entered into contracts for representation in both Sacramento and Los Angeles to assist in interfacing with governing bodies. New contracts were entered into for the current year. New for year ended June 30, 2013 was Community Outreach of \$25,000, expanded to \$39,000 in 2014.

(d) Cash and Cash Equivalents

Cash equivalents are defined as cash and short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of 3 months or less.

INDEPENDENT CITIES FINANCE AUTHORITY
Notes to the Financial Statements
(Continued)

(1) Summary of Significant Accounting Policies (Continued)

(e) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(f) Income Taxes

The Authority is not subject to income taxes pursuant to Section 115 of the Internal Revenue Code and the corresponding section of the California Revenue and Taxation Code.

(g) Name Changed

The Authority's name was changed from the Independent Cities Lease Finance Authority to the Independent Cities Finance Authority executed on May 21, 2008 to better reflect the nature of the Authority's operations. For the sake of clarity the changed name was used for audited financial presentations beginning in 2006.

(2) Cash and Cash Equivalents

Cash and investments as of June 30, 2014 are classified in the accompanying financial statements as follows:

Balance sheet:

Cash in bank:	\$ 94,938
Investments with Local Agencies Investment Fund (LAIF), an agency of the State of California:	<u>242,706</u>
	<u>\$337,644</u>

LAIF funds are readily available, interest rates are variable and credit risk is not classified. Bank deposits are insured by the Federal Deposit Insurance Corporation up to \$250,000.

INDEPENDENT CITIES FINANCE AUTHORITY
Notes to the Financial Statements
(Continued)

(3) Conduit Debt Issued and Related Mobile Home Parks

As noted in Note 1, beginning in 2003 a program was initiated for the issuance of conduit debt for the payment of purchase cost and development of locations to be used as low and moderate income mobile home parks. The Authority became the issuer, as previously mentioned, and had no financial or managerial responsibilities. In 2012 conduit debt was allocated to purchase and equip a regional hospital and for construction of a charter school.

Beginning in 2003 and continuing through 2014 the Authority entered into agreements with Millennium Housing Corporation and its affiliates, Millennium Housing of California and Coach of San Diego, Inc. to finance its acquisition of mobile home parks throughout California as follows:

- A) Westlake Mobile Home Park
Location: Fresno, California
Issuance of \$15,180,000 of Revenue Bonds in 2003, refunded and refinanced at \$16,700,000 in June 2007.
- B) El Granada Mobile Home Park, now called Pillar Ridge-refinanced in 2014
Location: Moss Beach, California
Issuance of \$29,865,000 of Revenue Bonds
- C) Marineland Mobile Home Park-transferred out in 2014
Location: Hermosa Beach, California
Issuance of \$7,270,000 of Revenue Bonds
- D) Hacienda Valley Mobile Estates -refinanced in 2014
Location: Morgan Hill, California
Issuance of \$12,235,000 of Revenue Bonds
- E) San Juan Mobile Estates
Location: San Juan Capistrano, California
Issuance of \$39,910,000 of Revenue Bonds
- F) Santa Rosa Leisure Mobile Home Park
Location: Santa Rosa, California
Issuance of \$10,270,000 of Revenue Bonds
- G) Lamplighter Salinas Mobile Home Park
Location: Salinas, California
Issuance of \$22,925,000 of Revenue Bonds

INDEPENDENT CITIES FINANCE AUTHORITY
Notes to the Financial Statements
(Continued)

- (3) Conduit Debt Issued and Related Mobile Home Parks (Continued)
- H) Castle Mobile Estates
Location: Capitola, California
Issuance of \$11,700,000 of Revenue Bonds
 - I) Rancho del Sol Mobile Home Park
Location at Yucaipa, California
Issuance of \$8,500,000 Revenue Bonds
 - J) Sahara Mobile Home Park
Location: Palm Springs, California
Issuance of \$16,000,000 of Revenue Bonds
 - K) Rancho Feliz Mobile Home Park
Location: Rohnert Park, California
 - L) Las Casitas de Sonoma
Location: Rohnert Park, California
Combined: \$25,000,000 of Revenue Bonds issued, both Rohnert Park locations
 - M) Millbrook Mobile Home Park
Location: Fresno, California
Issuance of \$7,500,000 of Revenue Bonds
 - N) Rancho Vallecitos Mobile Home Park
Location: San Marcos, California
Issuance of \$28,000,000 of Revenue Bonds
 - O) Vista de Santa Barbara Mobile Home Park
Location: Carpinteria, California
Issuance of \$8,430,000 of Revenue Bonds
 - P) 2 Mobile Home Parks Palomar East and Palomar West-approved in March 2015
Location: San Marcos, California
Issuance of \$ 38,500,000 of Revenue Bonds

In 2012 the Authority entered into an agreement with Augusta Communities, LLC to finance four mobile home parks in San Bernardino County, three in Montclair, one in Yucaipa. Together with an authorization for \$30,000,000 in Revenue Bonds, they are as follows:

INDEPENDENT CITIES FINANCE AUTHORITY
Notes to the Financial Statements
(Continued)

(3) Conduit Debt Issued and Related Mobile Home Parks (Continued)

Valley View Mobile Home Park-Yucaipa
Villa Montclair Mobile Home Park-Montclair
Monterey Manor Mobile Home Park-Montclair
Hacienda Mobile Home Park-Montclair

Outstanding conduit debt as of June 30, 2014:

Mobile Home Parks		
➤	Millennium group of companies	\$187,495,000
➤	Augusta Communities, LLC	\$ 20,010,000
Other:		
➤	Alliance Charter Schools	\$ 15,012,675
➤	Planada Community Service District Bridge Loan	<u>\$ 3,175,000</u>
	Total:	\$225,692,675

(4) Subordinated secured note to Millennium Housing Corporation, effective July 8, 2010

ICFA loaned to Millennium Housing Corporation \$250,000, interest at 6 percent, secured by a Trust deed subordinated to existing bonded indebtedness to assist in the cost of issuance of the bonds of the Lamplighter Salinas Mobile Home Park. Repayment of interest commenced August of 2014 with full repayment July 15, 2020.

The note has limited recourse and considering its subordinated position and its payment schedule, it has been discounted at prime rate back to 2010 with annual amortization. Because it was not discounted in year ended June 30, 2011, the transaction has been recorded in 2012 as a restatement of beginning net assets less year ended June 30, 2011 amortization.

INDEPENDENT CITIES FINANCE AUTHORITY
Notes to the Financial Statements
(Continued)

- (5) Effective November 1, 2013, Augusta Communities. LLC borrowed \$90,000.00 from the authority subject to a residual receipts Promissory Note, interest at 2 per cent per annum subject to partial assignment of gross receipts of a mobile home park in Yucaipa, California.

- (6) Under the provisions of an agreement to issue not to exceed \$30,000,000 of conduit revenue Bonds to reorganize the Downey Regional Medical Center, the Authority was paid \$75,000 to help defray the costs. The plan of Reorganization was approved by the U.S. Bankruptcy Court and the securities were issued early in 2012 at a principal amount considerably less than the \$30,000,000 authorized. Effective October 1, 2013 the bonds were redeemed at par. Outstanding balance at that time was \$20,370,000.

RESOLUTION NO. 2015-4

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
INDEPENDENT CITIES FINANCE AUTHORITY NAMING AND
APPOINTING CERTAIN OFFICERS AND STAFF.**

WHEREAS, the Independent Cities Finance Authority (the "Authority") has been duly organized and created pursuant to Articles 1 and 2, Chapter 5, Division 7, Title I of the California Government Code (Section 6500 et seq.) by the member cities set forth on Exhibit A attached hereto and incorporated herein by reference; and

WHEREAS, that certain Joint Powers Agreement (the "Joint Powers Agreement") creating the Authority approved and executed by the member cities set forth on Exhibit A hereto authorizes the Board of Directors of the Authority to elect Officers; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE INDEPENDENT CITIES FINANCE AUTHORITY AS FOLLOWS:

Section 1. Election of Officers. Pursuant to Article 9 of the Joint Powers Agreement, the members of this Board of Directors by the adoption of this Resolution hereby duly elect _____ of the City of _____ to serve as President of the Authority and _____ of the City of _____ to serve as Vice President of the Authority. The President and Vice President shall have all such powers as are set forth in the Joint Powers Agreement.

Section 2. Appointment of Staff. Pursuant to Article 12 of the Joint Powers Agreement, this Board of Directors hereby appoints _____ of the City of _____ as the Treasurer of the Authority with the duties and powers set forth in the Joint Powers Agreement. Pursuant to Article 12 of the Joint Powers Agreement this Board of Directors hereby further appoints Deborah J. Smith as Executive Director pursuant to the terms of the proposal letter of said firm. The Executive Director shall have the powers and duties set forth in the Joint Powers Agreement. This Board of Directors further authorizes Deborah J. Smith to execute documents on behalf of the Authority as Executive Director. The Executive Director shall further act as the Secretary of the Authority.

Section 3. Effective Date. This Resolution shall take effect on May 20, 2015.

PASSED, APPROVED AND ADOPTED THIS 20th day of May, 2015.

President of the Independent Cities Finance Authority

ATTEST:

By: _____
Executive Director of the Independent
Cities Finance Authority

I, Deborah J. Smith, Executive Director of the Independent Cities Finance Authority, do hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of said authority at the annual meeting of the Board of Directors of said Authority held on the 20th day of May, 2015 and that the same was passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Executive Director of the Independent
Cities Finance Authority

EXHIBIT A

<u>MEMBER CITY</u>	<u>MEMBER ON BOARD OF DIRECTORS</u>	<u>ALTERNATE ON BOARD OF DIRECTORS</u>
1. Baldwin Park	Ricardo Pacheco	---
2. Compton	Willie O. Jones	Stephen Ajobiewe
3. Huntington Park	_____	-----
4. Lynwood	Edwin Hernandez	Jose Solache
5. San Fernando	Sylvia Ballin	Norm Kimball
6. South Gate	Gil Hurtado	-----
7. Vernon	W. Michael McCormick	-----