

MINUTES OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

For the meeting held telephonically on
Wednesday, January 27, 2021 at 2:00 p.m.

Due to the COVID-19 “Stay Home” order imposed in Sacramento County, IBank modified its Board meeting procedures in accordance with Governor Newsom’s Executive Order N-29-20 by waiving specified public access and notice requirements under the Bagley-Keene Open Meeting Act.

Consistent with the Executive Order, this meeting was conducted by publicly accessible electronic and telephonic means only. There was no physical meeting accessible to the public and none of the locations from which Board Members participated were open to the public.

Jaymie Lutz acted as the moderator of this call and Chair Dee Dee Myers, Director of the Governor’s Office of Business and Economic Development, started by providing technical instructions to participants regarding participation and public comment.

Chair Myers called the meeting of the California Infrastructure and Economic Development Bank (IBank) Board to order at approximately 2:00 p.m.

1. Call to Order and Roll Call

The following Board members attended by electronic means:

Chair, Dee Dee Myers, Director of the Governor’s Office of Business and Economic Development,
Augustin Jimenez for the Secretary of the California State Transportation Agency,
Amy Jarvis for the Department of Finance,
Matthew Saha for the State Treasurer, and
Marc Steinorth, Governor’s Appointee

IBank staff members attended by electronic means:

Scott Wu, Jaymie Lutz, William Pahland, Jr. and Stefan Spich

Information Item

2. Executive Director’s Report

Scott Wu, IBank’s Executive Director, delivered the Executive Director’s Report.

Mr. Wu began by welcoming everyone to the first IBank board meeting of 2021. He then welcomed IBank’s new Chief Deputy Executive Director and Chief Operating Officer, Clint Kellum. He discussed Mr. Kellum’s background at the Department of Finance, his work on budget and legislative matters, and his love of golf. Mr. Wu also congratulated IBank’s new Deputy Director of External Affairs, Gabrielle Stevenson, on her promotion. He complimented her strong work for IBank over the past 2 years and remarked on her colorful prior jobs as a local sports reporter, and manager of a drag racing venue in Texas.

Mr. Wu noted that in prior Executive Director Reports he had often referenced the long arc of history bending towards justice, but that the route is circuitous and littered with detours.

He continued that the history of this day, January 27, is emblematic of that progress and digression. On this day:

- 48 years ago, the Paris Peace Accords ended the Vietnam War, by far the longest U.S. military conflict to that point, but we are now involved in the 19-year Afghan war, 2 years longer than Vietnam.
- 4 years ago, Executive Orders established a Muslim travel ban and the suspension of refugee admissions, but this past week, the travel ban was rescinded and the new administration set a refugee resettlement target at the highest level in 3 decades, helping to restore the nation's moral authority.
- 76 years ago, the concentration camps at Auschwitz-Birkenau were liberated, yet the scourge of nationalist extremism and racial supremacy is alive and resurgent.
- In 1880, Thomas Edison received a patent for the incandescent lamp that would light the world, yet 3 weeks ago today, we experienced the darkest day in the history of the US Capitol. A building symbolizing American democracy, built in 1800, and rebuilt by 1826 after being looted and burned down by the British in 1814, was breached on January 6th.

Mr. Wu remarked that President John Adams, presiding over our government's move to the new Capitol in Washington, D.C, famously noted that we are a nation of laws not of men, and the laws of this nation came to be in this glorious building. He continued that while the events of January 6th will remain with us forever, so will the impeachment proceedings that will be under way 2 weeks from today. Mr. Wu commented that the arc has experienced a pronounced bend upward this week and he encouraged everyone to keep pushing with everything they have.

Mr. Wu then noted a few IBank program updates. IBank's COVID-19 microloan guarantees had served its 1,000th small business – Alicia's Tamales Los Mayas. Her business started 20 years ago as Alicia made tamales at night which she sold door-to-door by day. By last year her team was selling tens of thousands, until the pandemic struck. Mr. Wu reported that Alicia shared that the loan couldn't have come at a more important time as it enabled her to stay in business and continue to serve her community.

Mr. Wu then provided a brief update on the Governor's January 8 budget announcement for the next fiscal year, and the exciting components for IBank and its customers, including:

- \$50M to recapitalize IBank's longstanding Small Business Loan Guarantee Program
- \$50M to the Small Business Finance Center for lending to the new California Rebuilding Fund and other initiatives targeting the most underserved small businesses
- \$50M to Climate Catalyst for climate-smart agriculture investments
- \$47M to Climate Catalyst for wildfire and forest resilience projects
- A collaboration with the California Energy Commission on the Governor's Zero-Emission Vehicle goals via bond financing and a revolving loan program

Mr. Wu concluded his report by remarking that 2021 is a year to recover and to rebuild for a brighter future and that IBank looks forward to working with the Board to continue bending that arc.

Chair Myers thanked Mr. Wu for his report and for demonstrating how IBank's programs work together with its greater mission and purpose.

Consent Item

3. Approve minutes from the meeting held December 16, 2020

Chair Myers opened up discussion of the previous meeting's minutes. Mr. Steinorth moved to approve the minutes, and Mr. Jimenez seconded the motion. After asking for and receiving no public comment, the Board unanimously approved the December 16, 2020 Meeting Minutes.

Action Items

- 4. Resolution No. 21-01 approving the issuance of fixed rate refunding revenue bonds in a public offering in an amount not to exceed \$150,000,000 to refund the outstanding IBank Revenue Bonds (Broad Museum Project), Series 2011A initially issued for the benefit of The Broad to finance eligible projects located in the City of Los Angeles.**

John Belmont, Public Finance Specialist, introduced Resolution 21-01 and introduced the representatives from The Broad: Joanne Heyler (Founding Director/Chief Curator), Kelly Beren (Assistant Treasurer), Shawn White (General Counsel), Julie Baker (CEO, Family Office Financial Services, LLC), and Rudy Salo, Jade Turner-Bond, Bond Counsel (Orrick), and Eric Wild, Underwriter (Morgan Stanley). Chair Myers welcomed the representatives and asked them to comment on the project.

Ms. Heyler introduced herself and thanked the IBank Board for their consideration. She noted she had nothing to add regarding the Staff Report or transaction documents but would be available for questions as needed.

Chair Myers then asked whether the Board had any questions and they did not.

Chair Myers then asked for public comment. Hearing none, Mr. Steinorth moved for approval of the resolution and Mr. Jimenez seconded. The Board voted unanimously to pass Resolution 21-01. Chair Myers congratulated The Broad's representatives.

- 5. Resolution No. 21-02 approving the application of the proceeds of bonds issued pursuant to Resolution No. 20-11 to finance a loan made to a public charter school in Los Angeles County.**

Fariba Khoie, IBank Bond Finance Manager, presented Resolution 21-02 and introduced Eugene Clark-Herrera (Orrick), the Equitable School Revolving Fund's (ESRF) Bond Counsel. Ms. Khoie noted that Resolution 20-11 had authorized an issuance of Bonds in par amount of up to \$70 million and the proceeds would be loaned to ESRF to make loans to eligible charter schools. The ESRF bonds were subsequently issued, but there remain unspent proceeds that ESRF desires to apply to reimbursement of a loan made to Equitas Academy 5 and 6, located in Los Angeles. Because those schools were not specifically listed in the Staff Report for Resolution 20-11, Resolution 21-02 would specifically authorize this use of proceeds.

Mr. Clark-Herrera then introduced himself and noted he had been Borrower's Bond Counsel on the original transaction. He confirmed Ms. Khoie's presentation of ESRF's request and noted he would be available to answer any questions. He concluded by thanking the Board for their consideration.

Chair Myers then asked whether the Board had any questions and they did not.

Chair Myers then asked for public comment. Hearing none, Mr. Jimenez moved for approval of the resolution and Mr. Steinorth seconded. The Board voted unanimously to pass Resolution 21-02.

Reporting/Non-Action Business

Public Comment and Adjournment

Chair Myers then asked for a final general public comment. Hearing none, Chair Myers declared the meeting adjourned at approximately 2:22 p.m.