

September 26, 2016 Special Meeting

1. Meeting Agenda

Documents:

[MPFC160926_AGENDA.PDF](#)

2. Item 2B1

Approval of Minutes - April 13, 2015

Documents:

[MPFC160926_ITEM 2B1.PDF](#)

3. Item 2B2

Organization of the Malibu Public Financing Corporation

Documents:

[MPFC160926_ITEM 2B2.PDF](#)

4. Item 3A

Approval of Lease/Purchase Agreement Between the City of Malibu and the Malibu Public Financing Corporation in Connection with Execution and Delivery of Certificates of Participation 2016

Documents:

[MPFC160926_ITEM 3A.PDF](#)

5. Adjournment - Reconvene Regular City Council Meeting

Upon adjournment of the Malibu Public Financing Corporation Special meeting, the City Council will reconvene its [REGULAR MEETING](#).

Malibu Public Financing Corporation
Special Meeting Agenda

Monday, September 26, 2016

6:30 P.M. – SPECIAL MEETING
City Hall – Council Chambers
23825 Stuart Ranch Road

Six-thirty p.m. **Regular Session** *(or as soon thereafter as the City Council recesses its Regular Meeting, which will convene at 6:30 p.m.)*

Call to Order

Roll Call - Recording Secretary

Approval of Agenda

Report on Posting of Agenda – September 16, 2016

1. Written and Oral Communications from the Public

Communications from the Public concerning matters which are not on the agenda but for which the Financing Corporation has subject matter jurisdiction. Financing Corporation may not act on these matters except to refer the matters to staff or schedule the matters for a future agenda.

2. Consent Calendar

A. Previously Discussed Items

None.

B. New Items

1. Approval of Minutes

Recommended Action: Approve Malibu Public Financing Corporation meeting minutes for the April 13, 2015 Special meeting.

Staff contact: Secretary Glaser, 456-2489 ext. 228

2. Organization of the Malibu Public Financing Corporation

Recommended Action: Adopt Resolution No. MPFC 16-01 modifying officer appointment to the Malibu Public Financing Corporation (MPFC) and amending Section 5 of Resolution No. MPFC 05-01.

Staff contact: Secretary Glaser, 456-2489 ext. 228

3. New Business

A. Approval of Lease/Purchase Agreement Between the City of Malibu and the Malibu Public Financing Corporation in Connection with Execution and Delivery of Certificates of Participation 2016

Recommended Action: Adopt Resolution No. MPFC 16-02 of the Board of Directors of the Malibu Public Financing Corporation (Corporation), approving a Lease/Purchase Agreement with the City and certain other documents, in connection with the execution and delivery of Certificates of Participation 2016 (Certificates) in order to refinance Taxable and Tax Exempt Certificates issued in 2009 in connection with the acquisition of City Hall, Taxable Certificates issued in 2010 for improvements to City Hall and to finance the acquisition of Trancas Field (collectively the Site).

Staff contact: Treasurer Feldman, 456-2489 ext. 226

Adjournment

Guide to the Malibu Public Financing Corporation Proceedings

The Oral Communication portion of the agenda is for members of the public to present items which are not listed on the agenda, but are under the subject matter jurisdiction of the Financing Corporation. No action may be taken under, except to direct staff unless the Financing Corporation, by a two-thirds vote, determines that there is a need to take immediate action and that need came to the attention of the City after the posting of the agenda. Although no action may be taken, the Financing Corporation and staff will follow up, at an appropriate time, on those items needing response. Each speaker is limited to three (3) minutes. Time may be surrendered by deferring one (1) minute to another speaker, not to exceed a total of eight (8) minutes. The speaker wishing to defer time must be present when the item is heard. In order to be recognized and present an item, each speaker must complete and submit to the Recording Secretary a Request to Speak form prior to the beginning of the item being announced by the President (forms are available outside the Council Chambers). Speakers are taken in the order slips are submitted.

Items in Consent Calendar Section A have already been considered by the Financing Corporation at a previous meeting where the public was invited to comment, after which a decision was made. These items are not subject to public discussion at this meeting because the vote taken at the previous meeting was final. Resolutions concerning decisions made at previous meetings are for the purpose of memorializing the decision to assure the accuracy of the findings, the prior vote, and any conditions imposed.

Items in Consent Calendar Section B have not been discussed previously by the Financing Corporation. If discussion is desired, an item may be removed from the Consent Calendar for individual consideration. Board Members may indicate a negative or abstaining vote on any individual item by so declaring prior to the vote on the motion to adopt the entire Consent Calendar. Items excluded from the Consent Calendar will be taken up by the Financing Corporation following the action on the Consent Calendar. The Financing Corporation first will take up the items for which public speaker requests have been submitted. Public speakers shall follow the rules as set forth under Oral Communication.

For Public Hearings involving zoning matters the appellant and applicant will be given 15 minutes each to present their position to the Financing Corporation, including rebuttal time. All other testimony shall follow the rules as set forth under Oral Communication.

Old Business items have appeared on previous agendas but have either been continued or tabled to this meeting with no final action having been taken. Public comment shall follow the rules as set forth under Oral Communication.

Items in New Business are items which are appearing for the first time for formal action. Public comment shall follow the rules as set forth under Oral Communication.

Financing Corporation Items are items which individual members of the Financing Corporation may bring up for action, to propose future agenda items or to suggest future staff assignments. No new items will be taken-up after 10:30 p.m. without a two-thirds vote of the Financing Corporation.

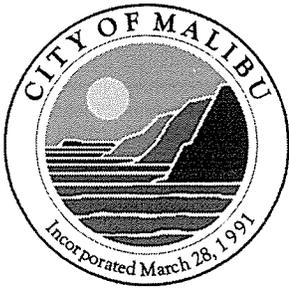
Financing Corporation meetings are aired live and replayed on City of Malibu Government Access Channel 3 and on the City's website at www.malibucity.org.

Copies of the staff reports or other written documentation relating to each item of business described above are on file in the office of the City Clerk, Malibu City Hall, 23825 Stuart Ranch Road, Malibu, California and are available for public inspection during regular office hours which are 7:30 a.m. to 5:30 p.m., Monday through Thursday and 7:30 a.m. to 4:30 p.m., Friday. Written materials distributed to the Financing Corporation within 72 hours of the Financing Corporation meeting are available for public inspection immediately upon distribution in the City Clerk's office at 23825 Stuart Ranch Road, Malibu, California (Government Code Section 54957.5.b.2). Copies of staff reports and written materials may be purchased for \$0.25 per page. Pursuant to State law, this agenda was posted at least 72 hours prior to the meeting.

The City Hall phone number is (310) 456-2489. To contact City Hall using a telecommunication device for the deaf (TDD), please call (800) 735-2929 and a California Relay Service operator will assist you. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Environmental Sustainability Director Craig George, (310) 456-2489, ext. 229. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.102-35.104 ADD Title II]. Requests for use of audio or video equipment during a Financing Corporation meeting should be directed to Alex Montano at (310) 456-2489 ext. 227 or amontano@malibucity.org. Material must be submitted by 12:00 p.m. on the meeting day.

I hereby certify under penalty of perjury, under the laws of the State of California that the foregoing agenda was posted in accordance with the applicable legal requirements. Dated this 16th day of September 2016.


Heather Glaser, Secretary



Malibu Public Financing Corporation Agenda Report

To: Honorable Board of the Malibu Public Financing Corporation

Prepared by: Heather Glaser, Secretary

Approved by: Reva Feldman, Treasurer 

Date prepared: September 9, 2015 Meeting date: September 26, 2016

Subject: Approval of Minutes

RECOMMENDED ACTION: Approve the minutes for the April 13, 2015 Malibu Public Financing Corporation Special meeting.

FISCAL IMPACT: None.

DISCUSSION: Staff has prepared, reviewed, and revised draft minutes for the April 13, 2015 Special meeting. Staff hereby submits the minutes for Corporation approval.

ATTACHMENTS: April 13, 2015 Malibu Public Financing Corporation Special Meeting minutes

MINUTES
MALIBU PUBLIC FINANCING CORPORATION
SPECIAL MEETING
APRIL 13, 2015
COUNCIL CHAMBERS
6:30 P.M.

CALL TO ORDER

Vice President Rosenthal called the meeting to order at 8:00 p.m.

ROLL CALL

The following persons were recorded in attendance by the Recording Secretary:

PRESENT: Vice President Laura Rosenthal; Directors Joan House, Lou La Monte and Skylar Peak (via teleconference)

ABSENT: President John Sibert

ALSO PRESENT: Jim Thorsen, Treasurer; Christi Hogin, Attorney; Reva Feldman, Assistant Treasurer; and Heather Glaser, Deputy Secretary

APPROVAL OF AGENDA

MOTION Director House moved and Director La Monte seconded a motion to approve the agenda. The question was called and the motion carried 4-0, President Sibert absent.

REPORT ON POSTING OF AGENDA

Deputy Secretary Glaser reported that the agenda for the meeting was properly posted on April 2, 2015.

ITEM 1 PUBLIC COMMENTS

None.

ITEM 2 CONSENT CALENDAR

MOTION Director House moved and Director La Monte seconded a motion to approve the Consent Calendar. The question was called and the motion carried 4-0, President Sibert absent.

The Consent Calendar consisted of the following items:

- A. Previously Discussed Items
None.
- B. New Items
 - 1. Approval of Minutes
Staff recommendation: Approve Malibu Public Financing Corporation meeting minutes for the April 22, 2013 Special meeting.

ITEM 3 NEW BUSINESS

- A. Approval of Lease/Purchase Agreement Between the City of Malibu and the Malibu Public Financing Corporation in Connection with Execution and Delivery of Certificates of Participation 2015
Recommended action: Adopt Resolution No. MPFC-15-01 of the Board of Directors of the Malibu Public Financing Corporation (Corporation), approving a Lease/Purchase Agreement with the City and certain other documents, in connection with the execution and delivery of Certificates of Participation 2015 (Certificates) to refinance Certificates issued in 2010 in connection with City Hall Improvements and in 2006 for the acquisition of Legacy Park (2006) (collectively the Site).

Assistant Treasurer Feldman presented the staff report. She stated the City had received a AAA credit rating.

Sara Brown, Stifel Nicolaus & Company, discussed the bonds that would be available for purchase.

John Mazza suggested considering whether a portion of the surplus could be held back and not refinanced. He stated the refinancing would cost \$1 million and suggested the process be reviewed.

Ryan Embree discussed the term of the bonds. He questioned the implications of lumping the City Hall and Legacy Park funds together.

Assistant Treasurer Feldman stated the total cost to refinance was between \$300,000 and \$350,000. She stated the preparation had to be done in order for Council to approve the draft documents.

Ms. Brown stated the existing term of the bond would be retained. She stated there was roughly \$3 million dollars in savings through the refinance under discussion.

Assistant Treasurer Feldman stated the debt service for City Hall and Legacy Park would be paid in the same manner as it was previously.

Director La Monte discussed the Administration and Finance Subcommittee meeting regarding refinancing of the certificates of participation. He discussed the importance of General Fund reserves.

MOTION Director La Monte moved and Director House seconded a motion to adopt Resolution No. MPFC-15-01 of the Board of Directors of the Malibu Public Financing Corporation (Corporation), approving a Lease/Purchase Agreement with the City and certain other documents, in connection with the execution and delivery of Certificates of Participation 2015 (Certificates) to refinance Certificates issued in 2010 in connection with City Hall Improvements and in 2006 for the acquisition of Legacy Park (2006) (collectively the Site).

In response to Director Peak, Assistant Treasurer Feldman stated the savings were \$140,000 per year.

Director House thanked Assistant Treasurer Feldman for her work.

Director Peak thanked Director House for directing staff to look into refinancing the certificates of participation.

Vice President Rosenthal thanked Director House for bringing up the matter.

Assistant Treasurer Feldman discussed the impact of the strong General Fund reserves on Standard and Poor's rating of the City.

The question was called and the motion carried 4-0, President Sibert absent.

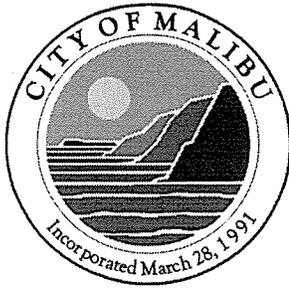
ADJOURN At 8:24 p.m., Vice President Rosenthal adjourned the meeting.

Approved and adopted by the Malibu Public
Financing Corporation on _____.

LOU LA MONTE, President

ATTEST:

HEATHER GLASER, Secretary
(seal)



Malibu Public Financing Corporation Agenda Report

To: Honorable Board of the Malibu Public Financing Corporation

Prepared by: Heather Glaser, Secretary

Approved by: Reva Feldman, Treasurer 

Date prepared: September 9, 2015 Meeting date: September 26, 2016

Subject: Organization of the Malibu Public Financing Corporation

RECOMMENDED ACTION: Adopt Resolution No. MPFC 16-01 modifying officer appointment to the Malibu Public Financing Corporation (MPFC) and amending Section 5 of Resolution No. MPFC 05-01.

FISCAL IMPACT: None.

DISCUSSION: On November 28, 2005, the Board of Directors adopted Bylaws for the Corporation and appointed specific officers of the Corporation by Resolution No. MPFC 05-01. The attached Resolution No. MPFC 16-01 would amend Section 5 of Resolution No. MPFC 05-01, making the list of officers of the Corporation consistent with Article IV of the Bylaws of the MPFC by naming the Mayor, Mayor Pro Tem, City Clerk, City Manager, and Assistant City Manager roles, rather than persons, officers of the Corporation.

ATTACHMENTS: Resolution No. MPFC 16-01

RESOLUTION NO. MPFC 06-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MALIBU PUBLIC FINANCING CORPORATION MODIFYING OFFICER APPOINTMENT TO THE MALIBU PUBLIC FINANCING CORPORATION AND AMENDING SECTION 5 OF RESOLUTION NO. MPFC 05-01

The Board of Directors of the Malibu Public Financing Corporation does hereby find, order and resolve as follows:

SECTION 1. Recitals.

- A. On November 28, 2005, the Board of Directors adopted Bylaws for the Corporation and appointed specific officers of the Corporation by Resolution No. MPFC 05-01.
- B. The Board of Directors is desirous of amending Section 5 of Resolution No. MPFC 05-01, or order to make the listing of officers of the Corporation consistent with Article IV of the Bylaws of the Malibu Public Financing Corporation.

SECTION 2. Section 5 of Resolution No. MPFC 05-01 is hereby amended to make the listing of officers of the Corporation consistent with Article IV of the Bylaws of the Malibu Public Financing Corporation as follows:

The persons serving from time-to-time in the roles indicated opposite their Corporation office titles are appointed to the offices of the Corporation, and each such person is to serve in accordance with the Bylaws of the Corporation:

<u>Role</u>	<u>Office Title</u>
Mayor.....	President
Mayor Pro Tem.....	Vice President
City Clerk.....	Secretary
City Manager.....	Treasurer
Assistant City Manager.....	Assistant Treasurer

PASSED, APPROVED, and ADOPTED on September 26, 2016.

LOU LA MONTE, President

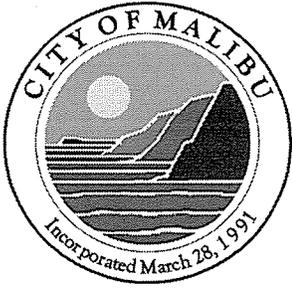
ATTEST:

HEATHER GLASER, Secretary
(Seal)

APPROVED AS TO FORM:



BRIAN FORBATH, Bond Counsel



Malibu Public Financing Corporation Agenda Report

To: Honorable Board of the Malibu Public Financing Corporation

Prepared by: Reva Feldman, Treasurer 

Date prepared: September 15, 2016 Meeting date: September 26, 2016

Subject: Approval of Lease/Purchase Agreement Between the City of Malibu and the Malibu Public Financing Corporation in Connection with Execution and Delivery of Certificates of Participation 2016

RECOMMENDED ACTION: Adopt Resolution No. MPFC 16-02 of the Board of Directors of the Malibu Public Financing Corporation (Corporation), approving a Lease/Purchase Agreement with the City and certain other documents, in connection with the execution and delivery of Certificates of Participation 2016 (Certificates) in order to refinance Taxable and Tax Exempt Certificates issued in 2009 in connection with the acquisition of City Hall, Taxable Certificates issued in 2010 for improvements to City Hall and to finance the acquisition of Trancas Field (collectively the Site).

FISCAL IMPACT: There is no fiscal impact on the Corporation.

DISCUSSION: In 2009, the City issued Taxable (2009A Series) and Tax Exempt (2009B Series) Certificates for the acquisition of City Hall. In 2010, the City issued Taxable (2010D Series) Certificates for the improvements to City Hall. These Certificates can be refinanced and will provide the City with an average annual savings of approximately \$170,000 over a period of years. The City is also acquiring approximately 35 acres of vacant land known as Trancas Field that will be financed through the issuance of Certificates.

The City desires to authorize the execution and delivery of the Certificates in an amount not to exceed \$32 million which will generate approximately \$25.3 million in proceeds. These proceeds will refinance the City Hall 2009A&B Series, the 2010D Series and provide proceeds to acquire Trancas Field. Certificate proceeds will also pay for the costs of issuing the Certificates.

The Certificates represent undivided fractional interests of the owners thereof in certain Lease Payments made by the City to the Malibu Public Financing Corporation (Corporation) for the use and occupancy of the Site pursuant to a Lease/Purchase Agreement. The Lease Payments are then assigned by the Corporation to a Trustee pursuant to an Assignment Agreement. Pursuant to a Trust Agreement by and among the City, the Corporation and the Trustee, the City authorizes and directs the Trustee to "certificate" the Lease Payments into the Certificates. The Certificates will then be sold by the City and the Corporation to Stifel Nicolaus & Company, Inc., the City's Bond Underwriter, pursuant to a Certificate Purchase Agreement. Stifel Nicolaus & Company, Inc. will then sell the Certificates to investors on behalf of the City.

The exact size of each the Certificates will be determined on the pricing date provided, however that the principal amount of the Certificates shall not exceed \$32 million.

In addition to the financing documents described above, adoption of Resolution No. MPFC 16-02 approves the forms of certain other documents on file with the Secretary of the Board and authorizes the President and the Treasurer to execute certain other documents and to take certain other actions necessary to complete the financing. In particular, adoption of Resolution No. MPFC 16-02 approves the form of the Preliminary Official Statement, which is the offering document or prospectus pursuant to which the Certificates are offered to investors. The Preliminary Official Statement contains certain financial and operating information related to the City and is drafted to comply with federal securities law. Resolution No. MPFC16-02 also approves the forms of the Site Lease, Lease/Purchase Agreement, Trust Agreement, Assignment Agreement and Certificate Purchase Agreement

The documents referenced in Resolution No. MPFC 16-02 are attached to the September 26, 2016 City Council Agenda Item 6.A.

ATTACHMENTS: Resolution No. MPFC 16-02

RESOLUTION NO. MPFC 16-02

RESOLUTION OF THE MALIBU PUBLIC FINANCING CORPORATION
APPROVING THE EXECUTION AND DELIVERY OF DOCUMENTS IN
CONNECTION WITH THE SALE AND DELIVERY OF THE CERTIFICATES
OF PARTICIPATION 2016A IN A PRINCIPAL AMOUNT NOT TO EXCEED
\$32,000,000 AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS IN
CONNECTION THEREWITH

The Board of Directors of the Malibu Public Financing Corporation does hereby find, order and resolve as follows:

SECTION 1. Recitals.

A. The Malibu Public Financing Corporation (Corporation) is a 501(c)(4) nonprofit public benefit corporation with the authority to assist in the financing of the acquisition of certain real property and the refinancing of the construction, reconstruction, modernization and equipping of certain capital improvements on behalf of the City of Malibu (City).

B. The Corporation has previously entered into certain lease/purchase agreements and site leases with the City pursuant to which it assisted the City in the execution and delivery of the City of Malibu Certificates of Participation 2009A (Tax Exempt), 2009B (Taxable) (City Hall Project) (2009 Certificates) and the City of Malibu Certificates of Participation 2010D (Taxable) (City Hall Project) (2010D Certificates) which were executed and delivered pursuant to a certain Trust Agreement, dated as of September 1, 2009, as supplemented by the First Supplemental Trust Agreement, dated as of March 1, 2010 (Original Trust Agreement), by and among the City, the Corporation and Deutsche Bank National Trust Company, as trustee.

C. The City desires to finance the acquisition of certain real property (Project) and to prepay the 2009 Certificates and the 2010D Certificates for debt service savings by causing the execution and delivery of the City of Malibu Certificates of Participation 2016A in the aggregate principal amount not to exceed \$32,000,000 (2016 Certificates), which 2016 Certificates evidence fractional interests in certain lease payments to be made pursuant to the Lease (as defined below).

D. The 2016 Certificates will evidence undivided and fractional interests in certain lease payments to be made by the City to the Corporation pursuant to a certain Site Lease (Site Lease) and a certain Lease/Purchase Agreement (Lease/Purchase Agreement), to be entered into by and between the City and the Corporation.

E. To facilitate the execution and delivery of the 2016 Certificates, the Corporation will assign the lease payments to Trustee pursuant to the (Assignment Agreement), by and between the Corporation and U.S. Bank National Association (Trustee), and the Trustee at the request of the City will execute the 2016 Certificates pursuant to the that certain Trust Agreement, (Trust Agreement), by and among the Corporation, the City and the Trustee.

SECTION 2. 2016 Certificates. This Board of Directors hereby authorizes the preparation, sale and delivery of the 2016 Certificates in one or more series in a combined aggregate principal amount not to exceed \$32,000,000 in accordance with the terms and provisions of the Trust Agreement. The purposes for which the proceeds of the sale of the 2016 Certificates shall be expended are: (i) to prepay the 2009 Certificates and the 2010D Certificates; (ii) to pay the acquisition price of the Project; and (iii) to pay the costs of the sale and delivery of the 2016 Certificates.

SECTION 3. 2016 Certificate Documents. The Site Lease, the Lease/Purchase Agreement, the Trust Agreement and the Assignment Agreement (collectively, the Agreements) presented at this meeting are approved. Each of the President, Vice President, Treasurer, Assistant Treasurer and Secretary of the Corporation, or the President's designee, are authorized and directed to execute and deliver the Agreements. The Agreements shall be executed in substantially the forms hereby approved, with such additions thereto and changes therein as are recommended or approved by counsel to the Corporation and approved by the officer or officers of the Corporation executing the Agreements, such approval to be conclusively evidenced by the execution and delivery thereof by one or more of the officers listed above.

SECTION 4. Sale of 2016 Certificates. The form of the Certificate Purchase Agreement (Purchase Agreement) among the City, the Corporation and Stifel, Nicolaus & Company, Incorporated (Underwriter) is approved. The President, Vice President and the Treasurer are each authorized to execute the Purchase Agreement in substantially said form, with such changes therein as the President, Vice President or the Treasurer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof by the Chair or the Treasurer, provided that (a) the aggregate principal amount of the 2016 Certificates does not exceed \$32,000,000, (b) the aggregate true interest cost of the 2016 Certificates does not exceed 4% per annum; and (c) the Underwriter's discount for the purchase of the 2016 Certificates does not exceed 1% of the principal amount of the 2016 Certificates.

SECTION 5. Other Actions. The President, Vice President, Treasurer, Assistant Treasurer, Secretary and other officers of the Corporation are authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents and agreements which they may deem necessary or advisable in order to consummate the sale and delivery of the 2016 Certificates, the acquisition of the Project by the City, the refinancing of the 2009 Certificates and the 2010 D Certificates, and the execution of the Agreements and otherwise effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

SECTION 6. Effect. This Resolution shall take effect from and after its date of adoption.

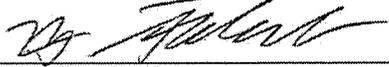
PASSED, APPROVED, and ADOPTED this 26th day of September 2016.

LOU LA MONTE, President

ATTEST:

HEATHER GLASER, Secretary

APPROVED AS TO FORM:



BRIAN FORBATH, Special Counsel