

1. Meeting Agenda

Documents:

[MPFC180709_AGENDA.PDF](#)

2. Item 2B1

Approval of Minutes - September 26, 2016

Documents:

[MPFC180709_2B1.PDF](#)

3. Item 3A

Issuance of Certificates of Participation for purchase of: 9.65 acres located at 23575 Civic Center Way (APN 4458-022-011); 1.11 acres located at Civic Center Way and Webb Way (APN 4458-020-015); and 18.48 acres located at Pacific Coast Hwy and Heathercliff Rd (APN 4466-021-028)

Documents:

[MPFC180709_3A.PDF](#)

Malibu Public Financing Corporation
Special Meeting Agenda

Monday, July 9, 2018

4:00 P.M. – SPECIAL MEETING

**City Hall – Council Chambers
23825 Stuart Ranch Road**

Four p.m. Regular Session (or as soon thereafter as the City Council recesses its Special Meeting, which will convene at 4:00 p.m.)

Call to Order

Roll Call - Recording Secretary

Approval of Agenda

Report on Posting of Agenda – June 29, 2018

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 the minutes for the September 26, 2016 Malibu Public Financing Corporation Special meeting.

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

3. New Business

A. Issuance of Certificates of Participation for Purchase of 9.65 acres located at 23575 Civic Center Way (APN 4458-022-011) (commonly known as Sycamore Village or Ioki); purchase of 1.11 acres located at Civic Center Way and Webb Way (APN 4458-020-015) (commonly known as Island Parcel); and purchase of 18.48 acres located at Pacific Coast Highway and Heathercliff Road (APN 4466-021-028)

Recommended Action: Adopt Resolution No. MPFC 18-01 authorizing the execution and delivery of documents in connection with sale and delivery of Certificates of Participation 2018A (COPs) in a principal amount not to exceed \$26,000,000 and authorizing and directing certain actions in connection therewith in order to finance the acquisition of 9.65 acres located at 23575 Civic Center Way (APN 4458-022-011) (commonly known as Sycamore Village); purchase of 1.11 acres located at Civic Center Way and Webb Way (APN 4458-020-015) (Island Parcel); and purchase of 18.48 acres located at Pacific Coast Highway and Heathercliff Road (APN 4466-021-028) (Christmas Tree Lot).

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) and must be accompanied by all forms deferring time at the time of submission. 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.

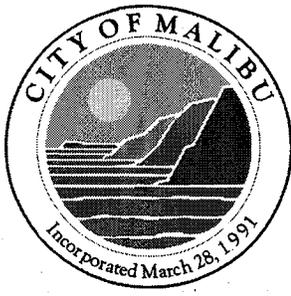
Financing Corporation meetings are aired live and replayed on City of Malibu Government Access Channel 3 and on the City's website at www.malibucity.org.

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 \$0.10 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 29th day of July 2018.


Kelsey Pettijohn, Secretary



Malibu Public Financing Corporation Agenda Report

To: President Mullen and the Honorable Members of the Board of Directors of the Malibu Public Financing Corporation

Prepared by: Heather Glaser, Secretary

Approved by: Reva Feldman, Treasurer 

Date prepared: June 26, 2018

Meeting date: July 9, 2018

Subject: Approval of Minutes

RECOMMENDED ACTION: Approve the minutes for the September 26, 2016 Malibu Public Financing Corporation Special meeting.

FISCAL IMPACT: None.

DISCUSSION: Staff has prepared, reviewed, and revised draft minutes for the September 26, 2016 Special meeting. Staff hereby submits the minutes for Corporation approval.

ATTACHMENT: September 26, 2016 Malibu Public Financing Corporation Special Meeting minutes

MINUTES
MALIBU PUBLIC FINANCING CORPORATION
SPECIAL MEETING
SEPTEMBER 26, 2016
COUNCIL CHAMBERS
6:30 P.M.

CALL TO ORDER

President La Monte called the meeting to order at 7:25 p.m.

ROLL CALL

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

PRESENT: President Lou La Monte; Vice President Skylar Peak; Directors Joan House, Laura Rosenthal and John Sibert

ALSO PRESENT: Reva Feldman, Treasurer; Christi Hogin, Attorney; Lisa Soghor, Assistant Treasurer; and Heather Glaser, Secretary

APPROVAL OF AGENDA

MOTION Councilmember House moved and Councilmember Rosenthal seconded a motion to approve the agenda. The motion carried unanimously.

REPORT ON POSTING OF AGENDA

Secretary Glaser reported that the agenda for the meeting was properly posted on September 16, 2016.

ITEM 1 PUBLIC COMMENTS

None.

ITEM 2 CONSENT CALENDAR

MOTION Rosenthal moved and house seconded a motion to approve the Consent Calendar. The motion carried unanimously.

The Consent Calendar consisted of the following items:

- 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.

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.

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 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).

Treasurer Feldman presented the staff report.

In response to Director House, Treasurer Feldman stated the call feature for the Certificates was not for another five years.

- MOTION Director Rosenthal moved and Director Sibert seconded a motion to 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). The motion carried unanimously.

ADJOURNMENT

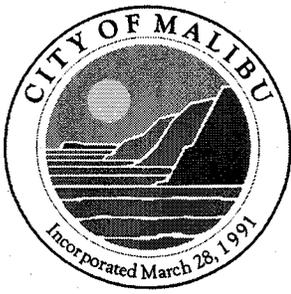
At 7:30 p.m., President La Monte adjourned the meeting.

Approved and adopted by the Malibu Public
Financing Corporation on July 9, 2018.

RICK MULLEN, President

ATTEST:

HEATHER GLASER, Secretary
(seal)



Council Agenda Report

To: President Mullen and the Honorable Members of the Board of Directors of the Malibu Public Financing Corporation

Prepared by: Reva Feldman, Treasurer 

Date prepared: June 28, 2018

Meeting date: July 9, 2018

Subject: Issuance of Certificates of Participation for Purchase of 9.65 acres located at 23575 Civic Center Way (APN 4458-022-011) (commonly known as Sycamore Village or loki); purchase of 1.11 acres located at Civic Center Way and Webb Way (APN 4458-020-015) (commonly known as Island Parcel); and purchase of 18.48 acres located at Pacific Coast Highway and Heathercliff Road (APN 4466-021-028)

RECOMMENDED ACTION: Adopt Resolution No. MPFC 18-01 authorizing the execution and delivery of documents in connection with sale and delivery of Certificates of Participation 2018A (COPs) in a principal amount not to exceed \$26,000,000 and authorizing and directing certain actions in connection therewith in order to finance the acquisition of 9.65 acres located at 23575 Civic Center Way (APN 4458-022-011) (commonly known as Sycamore Village); purchase of 1.11 acres located at Civic Center Way and Webb Way (APN 4458-020-015) (Island Parcel); and purchase of 18.48 acres located at Pacific Coast Highway and Heathercliff Road (APN 4466-021-028) (Christmas Tree Lot).

FISCAL IMPACT: There is no fiscal impact to the Financing Corporation as the obligation to make lease payments securing the Certificates of Participation will be that of the City. Please see City Staff Report for Item 1.A. for fiscal impacts related to the City and its General Fund.

DISCUSSION: On April 23, 2018, the Council approved a funding plan to purchase three vacant properties and directed the City Attorney to negotiate a purchase and sales agreement to effect the purchase of the three parcels which will be considered by the Council at a future meeting. The Council approved a purchase price of \$42,500,000 for all three parcels and directed staff to return to Council to approve the issuance of Certificates of Participation which will pay for a portion of the acquisition.

The Certificates of Participation will represent the right to receive undivided interests in Lease Payments made by the City to the Malibu Public Financing Corporation pursuant to a Lease/Purchase Agreement, as supplemented by the First Supplement to Lease/Purchase Agreement for the right to use and occupy City Hall, Trancas Field and the Sycamore Village lot. The Certificates of Participation are secured by the Lease Payments on a parity with City's existing 2016 Certificates of Participation. The First Supplement to the Lease/Purchase Agreement will add Trancas Field and the Sycamore Village lot to the real property subject to the Lease. Lease Payments are assigned by the Malibu Public Financing Corporation to US Bank, as trustee, pursuant to an Assignment Agreement, as supplemented by a First Supplement to Assignment Agreement. The Trustee pursuant to a Trust Agreement, as supplemented by a First Supplemental Trust Agreement by and among the Trustee, the City and the Malibu Public Financing Corporation is then directed to execute and deliver the Certificates to the Stifel, Nicolaus & Company, Incorporated, as underwriter, pursuant to a Certificate Purchase Agreement by an among the City, the Malibu Public Financing Corporation and Stifel Nicolaus. Stifel Nicolaus will market the Certificates of Participation to investors using the Preliminary Official Statement presented at this meeting.

As required under Section 5852.1 of the California Government Code (Code), set forth below are the good faith estimates as provided by Stifel:

- 1) The true interest cost of the Certificates of Participation is estimated at 4%, calculated as provided in Section 5852.1(a)(1)(A) of the Code.
- 2) The finance charge of the Certificates of Participation, including Underwriter's discount and all other fees and charges paid to third parties, is estimated at \$380,000.
- 3) Proceeds of the Certificates of Participation received by the City for the sale of the Certificates of Participation, including the estimated principal amount of the proposed Certificates of Participation of \$23,270,000 less the finance charges set forth in (b) above and an estimated amount of \$2,200,000 to be deposited into the interest account under the Trust Agreement to pay for debt service on the Certificates through November 1, 2020, is equal to \$22,143,775, which will be available to finance the project.
- 4) The total payment amount calculated as provided in Section 5852.1(a)(1)(D) of the Code is estimated at \$47,325,000.

The documents reference in Resolution No. MPFC 18-01 are attached to the July 9, 2018 City Council Agenda Item 1.A.

ATTACHMENTS: Resolution No. MFPC 18-01

RESOLUTION NO. MPFC 18-01

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 2018A IN A PRINCIPAL AMOUNT NOT TO EXCEED
\$26,000,000 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 (the "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 (the "City").
- B. The Corporation has previously assisted the City to finance the acquisition of certain real property and the refunding of certain outstanding debt obligations through the execution and delivery of the \$27,295,000 City of Malibu Certificates of Participation 2016A (the "2016 Certificates") pursuant to that certain Trust Agreement, dated as of October 1, 2016 (the "Original Trust Agreement"), by and among the City, the Corporation and U.S. Bank National Association, as trustee (the "Trustee").
- C. In order to facilitate the execution and delivery of the 2016 Certificates, the City leased to the Corporation the real property (the "Leased Premises") set forth in Exhibit A to that certain Site Lease, dated as of October 1, 2016 (the "Original Site Lease"), by and between the City and the Corporation, and the Corporation simultaneously leased back the Leased Premises to the City pursuant to that certain Lease/Purchase Agreement, dated as of October 1, 2016 (the "Original Lease"), by and between the City and the Corporation.
- D. The Original Trust Agreement and the Assignment Agreement, dated as of October 1, 2016 (the "Original Assignment Agreement"), by and between the Corporation and the Trustee, allow for the execution and delivery of Additional Certificates (as that term is defined in the Original Trust Agreement) to finance additional improvements for the City.
- E. The City desires to cause the Trustee to execute and deliver the City of Malibu Certificates of Participation 2018A, in the aggregate principal amount not to exceed \$26,000,000 (the "2018 Certificates"), which 2018 Certificates evidence fractional interests in certain lease payments to be made pursuant to the Lease (as defined below), in order to provide additional financing for the acquisition of

certain additional real property (the "Project"), consisting of: approximately 9.65 acres of vacant land identified as Los Angeles County Assessor's Parcel No. 4458-022-011, located generally at 23575 Civic Center Way in the City and commonly referred to as the "Sycamore Village Parcel;" approximately 1.11 acres of vacant land identified as Los Angeles County Assessor's Parcel No. 4458-020-015, located generally at the intersection of Civic Center Way and Webb Way in the City and commonly referred to as the "Island Parcel;" and approximately 18.48 acres of undeveloped land identified as Los Angeles County Assessor's Parcel No. 4466-021-028 located generally at the intersection of Pacific Coast Highway and Heathercliff Road in the City and commonly referred to as the "Christmas Tree Lot."

- F. To accomplish the sale, preparation, execution and delivery of the 2018 Certificates, the City desires to enter into that certain First Supplement to Site Lease (the "First Supplement to Site Lease"), by and between the City and the Corporation and that certain First Supplement to Lease/Purchase Agreement (the "First Supplement to Lease/Purchase Agreement" and together with the Original Lease, the "Lease"), by and between the City and the Corporation, in order to make certain amendments thereto, including adding additional real property to the Leased Premises, as described in the First Supplement to Lease/Purchase Agreement and the First Supplement to Site Lease, consisting of the Sycamore Village Parcel and the property commonly known as Trancas Field.
- G. To facilitate the execution and delivery of the 2018 Certificates, the City desires to enter into that certain First Supplemental Trust Agreement (the "First Supplemental Trust Agreement"), by and among the Corporation, the City and the Trustee and that certain First Supplement to Assignment Agreement (the "First Supplement to Assignment Agreement"), by and between the Corporation and the Trustee.

SECTION 2. 2018 Certificates. This Board of Directors hereby authorizes the preparation, sale and delivery of the 2018 Certificates in one or more series in a combined aggregate principal amount not to exceed \$26,000,000 in accordance with the terms and provisions of the First Supplemental Trust Agreement. The purposes for which the proceeds of the sale of the 2018 Certificates shall be expended are to finance: (i) the Project, (ii) capitalized interest on the 2018 Certificates, and (iii) costs of issuing the 2018 Certificates.

SECTION 3. 2018 Certificate Documents. The First Supplement to Site Lease, the First Supplement to Lease/Purchase Agreement, the First Supplemental Trust Agreement and the First Supplement to 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 Certificates. The form of the Certificate Purchase Agreement (the "Purchase Agreement") among the City, the Corporation and Stifel, Nicolaus & Company, Incorporated (the "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 combined aggregate principal amount of the 2018 Certificates does not exceed \$26,000,000, (b) the aggregate true interest cost of the 2018 Certificates does not exceed 5.0% per annum and (c) the Underwriter's discount for the purchase of the 2018 Certificates does not exceed 1.0% of the principal amount of the 2018 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 which they may deem necessary or advisable in order to consummate the sale and delivery of the 2018 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.

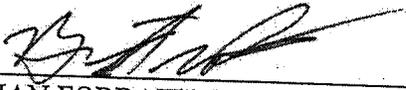
PASSED, APPROVED AND ADOPTED on this 9th day of July 2018.

RICK MULLEN, President

ATTEST:

HEATHER GLASER, Secretary

APPROVED AS TO FORM:



BRIAN FORBATH, Special Counsel