

MINUTES

**California Industrial Development  
Financing Advisory Commission  
915 Capitol Mall, Room 587  
Sacramento, California  
September 23, 2009**

**1. CALL TO ORDER & ROLL CALL**

Bettina Redway, Acting Chair, called the California Industrial Development Financing Advisory Commission (CIDFAC) meeting to order at 10:34 a.m.

Members Present: Bettina Redway for Chairman Bill Lockyer, State Treasurer  
Tom Sheehy for Michael C. Genest, Director, Department of Finance  
Ruth Holton-Hodson for John Chiang, State Controller  
Preston DuFauchard, California Corporations Commissioner, Department of Corporations  
Stanton Hazelroth for Dale Bonner, Agency Secretary, Business, Transportation and Housing Agency

Staff Present: Tom Dresslar, Executive Director  
Eileen Marxen, Deputy Executive Director

Quorum: The Acting Chair declared a quorum

**2. APPROVAL OF AUGUST 26, 2009 MEETING MINUTES**

Ms. Redway asked if there were any questions or comments from the Board or the public on the August 26, 2009 meeting minutes. There were none.

Mr. Sheehy moved approval of the August 26, 2009 meeting minutes. Upon a second of the motion, the item passed unanimously.

**3. EXECUTIVE DIRECTOR'S REPORT**

Mr. Dresslar reported that legislation to amend the state's Industrial Development Act in order to accommodate the expansion of the definition of manufacturing facility under federal law was among the bills that fell victim to political machinations the last night of the legislative session. He said that staff will attempt to get the bill heard in the special session scheduled for the week of October 13. He noted that there is no controversy surrounding the proposed legislation.

Mr. Sheehy asked about the status of the sale of Revenue Anticipation Notes (RANs).

Mr. Dresslar responded that 75.4 percent of the RANs have been sold to retail investors. Due to this strong retail demand, he said that prices will be set at the low end of the ranges quoted, 1.25% for May maturities and 1.50% for June maturities. He added that taxpayer's savings on interest has been calculated to be about \$15.5 million.

Ms. Redway asked if there were any further questions or comments on the Executive Director's Report from the Board or public. There were none.

#### **4. BUSINESS ITEMS**

##### **A. REQUEST FOR TAX-EXEMPT (TE) BOND ALLOCATION**

Staff introduced Richard Kreis, Kennfoods; Yoshiko Sato, Kennfoods; Walt Vennemeyer, Progressive Capital; and Paula Connors, California Infrastructure and Economic Development Bank.

Kennfoods, Inc. dba Latitude 1 is a processor of organic and conventional tree nuts such as cashews, macadamias, almonds, pecans, pistachios, and walnuts. Its customers include Pepperidge Farms, General Mills, Clif Bar, Dunkin Brands, and Coca-Cola. Bond proceeds will be used for the purchase and rehabilitation of land and two buildings. In addition, proceeds will be used for the purchase and installation of new equipment. Staff recommended approval of Allocation Resolution No. 09-001-006 for an amount equal to \$2,500,000 in tax-exempt IDB allocation for the Issuer on behalf of the Borrower for the Kennfoods USA, LLC dba Latitude 1 Project. Presented by Deanna Hamelin.

Mr. Sheehy asked the company's representatives what they supply to Coca Cola.

Ms. Sato responded that the company supplies the nuts for Odwalla Bars.

Mr. Sheehy then asked if Clif Bars were a large customer.

Mr. Kreis responded that they represent about 15 percent of the Company's business, and that they supply all the tree nuts for Clif Bars.

Ms. Redway asked if there were any questions or comments on this item from the Board or from the public. There were none.

Mr. Sheehy moved approval of the item. Upon a second, the motion passed unanimously.

#### **5. PUBLIC COMMENT**

Ms. Redway asked for public comments. There were none.

#### **6. ADJOURNMENT**

There being no further business, public comments or concerns, the meeting was adjourned at 10:41 a.m.

Respectfully submitted,



Tom Dresslar  
Executive Director