

MINUTES

CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY
MINUTES APRIL 27, 2000 -3:15 P.M.
915 CAPITOL MALL, ROOM 587
SACRAMENTO, CA 95814

The meeting was called to order at 3:15 p.m. by Barbara Lloyd, Chair.

Present: Barbara Lloyd for Philip Angelides, Chair
Cindi Aronberg for Kathleen Connell, Controller
Annette Porini for Timothy Gage
Kenneth Secor
J. Clark Kelso

Staff: Terry Partington, Deputy Executive Director
Robert Kittredge, PriceWaterhouseCoopers
Mimi Budd, Staff Counsel

The Chair declared a quorum present.

The minutes from the California Educational Facilities Authority's February 24, 2000 meeting were approved as corrected.

The Expenditure Report for CEFA/SLAF was presented as of February 29, 2000 and March 31, 2000. Terry Partington reported the fund balance for March 31, 2000 of \$6,774,284.75 for CEFA and \$6,702,014.96 for SLAF. He also presented the Authority's Quarterly Comprehensive Debt List Summary of Borrowers with \$50,000,000 Outstanding CEFA Debt as of March 31, 2000 totaling \$1,573,060,769.

Item #3

**University of San Francisco
Final Resolution No. 176**

Mary Bates stated that the University of San Francisco was requesting \$27,000,000 in bond financing to build a new residential facility and to reimburse the University of San Francisco for previously incurred architectural and engineering costs. Representing the University of San Francisco: Mr. Charles Cross, Associate Vice President/Controller, University of San Francisco; Mr. Richard Chisholm, Managing Director, Banc of America Securities; and Mr. Eric Tashman, Brown & Wood.

Staff recommended the Authority approve a resolution for an amount not to exceed \$27,000,000 for the University of San Francisco, subject to the bonds being rated at least "A" by a nationally recognized rating agency.

Kenneth Secor moved for adoption of the Resolution and Annette Porini seconded it. Motion adopted 5 aye.

Item #4

**Keck Graduate Institute of Applied Sciences
Final Resolution No. 177**

Ray Artinian stated that Keck Graduate Institute was requesting \$13,605,000 in bond financing to reimburse Keck Graduate Institute's costs of securing land and buildings for its new campus and to renovate buildings for educational uses and to secure land for future expansion. Representing the Institute: Ms. Bonnie

Busenberg, Director of Planning and Administration, Keck Graduate Institute of Applied Life Sciences; Mr. Richard DeProspero, Managing Director, Prager, McCarthy & Sealy; and Ms. Harriet Welch, Arter & Hadden.

Staff recommended the Authority approve a resolution in an amount not to exceed \$13,605,000 for Keck Graduate Institute, subject to a minimum "Baa3" rating by a nationally recognized rating agency and meeting the standard bond issuance provisions for Baa rated debt.

Clark Kelso moved for adoption of the Resolution and Kenneth Secor seconded it. Motion adopted 5 aye.

Item #5

**2000 Series A, B, & C
CEFA Revenue Bonds
Pooled College and University Projects
Final Resolution No. 178**

Representing all the participants in the 2000 Series A, B, & C CEFA Revenue Bonds Pool: Mr. Richard DeProspero, Managing Director, Prager, McCarthy & Sealy; and Ms. Harriet Welch, Arter & Hadden.

#5A - University of Redlands - 2000 Series A

Frank Moore stated that the University of Redlands was requesting \$10,390,000 in bond financing to improve student housing, renovate classroom and other instructional facilities, and to purchase related equipment. Representing the University of Redlands: Mr. Phillip L. Doolittle, Vice President for Finance and Administration.

Staff recommended the Authority approve a resolution in an amount not to exceed \$10,390,000 for the University of Redlands' portion of the Pool, subject to the 2000 Series A Pool being rated at least "A3" by a nationally recognized rating agency and meeting the standard bond issuance provisions for A rated debt.

#5B - University of La Verne - 2000 Series B

Greg Rogers stated that the University of La Verne was requesting \$17,755,000 in bond financing to be used to construct a student residence hall and fund the renovation and upgrading of several facility buildings that are outdated as well as restructure its Series 1993 CEFA Bonds. Representing the University of La Verne: Mr. Steven B. Grey, Chief Financial Officer.

Staff recommended the Authority approve a resolution in an amount not to exceed \$17,755,000 for the University of La Verne's portion of the Pool, subject to the 2000 Series B Pool being rated at least "Baa3" by a nationally recognized rating agency, certain bond covenants as described in the "Financing Structure" section of the staff report, and meeting the standard bond issuance provisions for Baa rated debt.

#5C - Western University of Health Sciences - 2000 Series B

Mary Bates stated that the Western University of Health Sciences was requesting \$4,240,000 in bond financing to renovate two existing campus buildings and to renovate an existing pedestrian walkway. Representing the Western University of Health Sciences: Mr. Stuart Wiener, Executive Vice President for Finance and Administration.

Staff recommended the Authority approve a resolution in an amount not to exceed \$4,240,000 for the Western University of Health Sciences' portion of the Pool, subject to the Series B Pool being rated at least "Baa3" by a nationally recognized rating agency, certain bond covenants as described in the "Financing Structure" section of the staff report, and meeting the standard bond issuance provisions for Baa rated debt.

#5D – California College of Arts and Crafts – 2000 Series C

Barry Scarff stated that the California College of Arts and Crafts was requesting \$11,370,000 in bond financing to construct and furnish student housing at two locations near the Oakland campus to mitigate a serious housing shortage. Representing the California College of Arts and Crafts: Mr. Steven Beal, Provost and Acting President.

Staff recommended the Authority approve a resolution in an amount not to exceed \$11,370,000 for the California College of Arts and Crafts' portion of the Pool, subject to the Series C Pool being rated at least "Baa3" by a nationally recognized rating agency, certain bond covenants as described in the "Financing Structure" section of the staff report, and meeting the standard bond issuance provisions for Baa rated debt.

Clark Kelso moved for adoption of Resolution 178 for the 2000 Series A, B & C CEFA Pool in amount not to exceed \$43,755,000. Kenneth Secor seconded it. Motion adopted 5 aye.

Item #6

**SB 1094 – Amending CEFA Act to provide for eligibility of cultural
Institutions and private foundations of public colleges
Special Resolution No. 2000-1**

Terry Partington stated that at the Board Off-Site Planning Meeting held on October 20, 1999, staff was directed to continue working on expanding certain services and programs for the Authority. Two of the items related to the inclusion of eligibility under the Act for Cultural institutions and private foundations of public colleges. SB 1094 has been sponsored by the Authority and the State Treasurer's Office to amend the Act to include these types of facilities and allow the Authority funds to assist eligible colleges with obtaining or providing rating agency evaluations and obtaining or providing liquidity or credit enhancement to strengthen the credit on potential bond issues.

Staff recommended support of the Board for this legislation and requested approval of the resolution.

Kenneth Secor moved for adoption of the Resolution and Clark Kelso seconded it. Motion adopted 4 aye, 1 abstention (Annette Porini).

Item #7

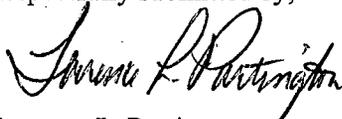
**Approval of Appointment of Acting Executive Director
Special Resolution No. 2000-2**

Barbara Lloyd stated that Terrence L. Partington has been selected by the State Treasurer to serve as Acting Executive Director for the Authority until a new Executive Director is hired and recommended the Board approve the resolution to designate Terrence L. Partington as Acting Executive Director and designated him with such power and authority as necessary to conduct the business of the Authority.

Annette Porini moved for adoption of the Resolution and Cindi Aronberg seconded it. Motion adopted 5 aye.

There being no further business, the meeting was adjourned.

Respectfully submitted by,



Terrence L. Partington
Acting Executive Director