I. Reynold M. Blight, Chair of the IDA, called the meeting to order at 9:05 a.m.

Board members in attendance:
Reynold M. Blight
Gautam Dutta
James E. Zaferis

Larry J. Kosmont
Beatrice Hsu

Also in attendance:
Michael J. Yuzon, CDD
Clifford Weiss, CDD
May M. Smith, CDD
Colin Chiu, City Attorney
Marilyn Garcia, City Attorney
Antonio Zepeda, CDD

Richard Meruelo, Meruelo Maddox Properties
Todd Nielsen, Meruelo Maddox Properties
Jason Honigberg, Drapes 4 Show, Inc.
Karen Honigberg, Drapes 4 Show, Inc.
Jack Hendershot, Drapes 4 Show, Inc.
Michael Banner, LALDC
Ron Lowe, LALDC
Bill Reynolds, Gardner, Underwood & Bacon
Don Backstrom, Backstrom McCarley Berry
Stuart Weiss, Wells Fargo Corporate Trust
Stella Debbi, Stewart Title
Russell Goings, First Southwest Co.

II. Welcome - Introductions

Introductions were made and Chair Blight welcomed everyone to the meeting.

III. Approval of the May and June Meeting Minutes

Meeting minutes for May and June were reviewed. No corrections or additions were noted.

MOTION: To approve and adopt the May 11th meeting minutes.
Moved by: Larry J. Kosmont. 2nd Gautam Dutta
Roll Call: AYES: 5; NOES: 0; ABSENT: 2; ABSTAIN: 0; Motion Passed

MOTION: To approve and adopt the June 14th meeting minutes.
Moved by: Gautam Dutta. 2nd Larry Kosmont
Roll Call: AYES: 5; NOES: 0; ABSENT: 2; ABSTAIN: 0; Motion Passed

IV. Treasurer’s Report

Sub-loans for Calko Steel and McGarry Street are in good standing through July 1st. The Westview School continues to be in the holding stage to be paid off. The IDA will begin FY 2007-2008 with a higher cash balance than the previous year; with actual cash on hand greater than the budget for FY 2007-2008.
MOTION: To approve and file the Treasurer’s reports.
Moved by: Larry J. Kosmont. 2nd Gautam Dutta
Roll Call: AYES: 5; NOES: 0; ABSENT: 2; ABSTAIN: 0; Motion Passed

V. **New Business** (Taken out of order)

A. **Discussion and Consideration of an EZB Reimbursement Resolution #08-01 for the Alameda North Parking Project**

Commissioner Kosmont recused himself from discussion of this item due to a conflict of interest. Commissioner Zaferis disclosed prior dealings with the borrower, but has no active or anticipated involvement and was cleared to proceed.

Staff summarized the project for the Board, and recommended an approval of a tax-exempt Empowerment Zone Facility Bonds reimbursement resolution benefitting the Alameda North Parking LLC in an amount not to exceed $60M.

The project consists of financing a seven-story parking structure that will provide parking for employees of American Apparel, MTA drivers, area tenants; and serve as a staging area for eighty to one hundred MTA buses. Proposed project design includes retail space that will ease blighted conditions in the proximity of the property.

The Board supported borrower’s request for IDA’s presence at its MTA meeting, and will inform Mayor and Council Office of today’s action.

MOTION: To approve and adopt an EZB Reimbursement Resolution #08-01 for the Alameda North Parking Project.
Moved by: Beatrice Hsu. 2nd Gautam Dutta
Roll Call: AYES: 4; NOES: 0; ABSENT: 2; ABSTAIN: 1; Motion Passed

B. **Discussion and Consideration of an IDB Reimbursement Resolution #08-02 for the Drapes 4 Show Project**

Staff recommended an approval of a $2M industrial development bond reimbursement resolution benefiting Drapes 4 Show, Inc., or a related entity.

The borrower wishes to relocate from Calabasas into the City of Los Angeles in order to expand its operations in the manufacturing of textile goods. Bond proceeds will be used for acquisition of real estate, leasehold improvements, relocation, furniture, fixtures and equipment.

MOTION: To approve and adopt an IDB Reimbursement Resolution #08-02 for the Drapes 4 Show Project.
Moved by: James E. Zaferis. 2nd Beatrice Hsu
Roll Call: AYES: 5; NOES: 0; ABSENT: 2; ABSTAIN: 0; Motion Passed
VI. **Unfinished Business**

A. **Marketing Update**

The IDA website was visited over 6,000 times during June 2007. The IDA website will be updated with biographical information on the recently appointed commissioner.

Key meetings and other activities as outlined on the report were highlighted.

B. **Project Status**

*Windward School:* Bond documents have been executed. Bonds will be priced on Wednesday, July 18, and close on Thursday, July 19.

*The Westview School:* Transmittal will go before HCED on Tuesday, July 17.

*Good Samaritan Hospital:* CSCDA request. CD1 has asked for additional information. Staff is waiting for request to be placed on HCED’s calendar.

*Asian American Drug Abuse Program:* Staff will proceed with project once borrower supplies an information packet.

*Hillview Mental Health Center, Inc.:* Mental health facility wishes to refund a 2002 CSCDA issue and to establish a debt reserve fund.

*Stephen S. Wise Temple Middle School:* Bonds will close in August or September. Staff has received pertinent information and will prepare transmittal for the Mayor and Council.

*Cathedral High School of Los Angeles:* Staff will work with borrower on application and assist with Council approval.

*Salsbury Industries:* Borrower is determining gap with CRA; will proceed with bond and sub-loan request when site control is in place.

*Green Farms, Inc.:* Borrower wishes to acquire a four-acre parcel in Boyle Heights to expand operations. Staff will continue to monitor this request.

*Madison/Graham ColorGraphics:* New owner wishes to resurrect this bond request. Staff will teleconference with owner to discuss next steps.
C. **Legislative Committee Report**

Senate Bill 943 and HR Bill 2578 were introduced in the Senate and House of representatives on May 20 and June 6 respectively. These bills will extend and expand the benefits for businesses operating in the Empowerment Zone, Enterprise Communities, and Renewal Communities. On July 6, 2007, CDD submitted a Bill Response Report to the Chief Legislative Analyst’s Office to gain a formal supportive position toward these bills. The Mayor’s Office has been alerted to support these bills.

D. **CDD update on Pending Committee Transmittals**

The Westview School and the FY 2007-2008 Budget transmittals will go before HCED on July 17. Staff is awaiting the Good Samaritan Hospital request to be scheduled for HCED. CD 1 has requested additional information.

VI. **New Business**

C. **Discussion and Consideration of Electing IDA Officers and Committee Assignments**

The Commissioners unanimously voted Mr. Reynold M. Blight as IDA Chair; and Mr. Larry J. Kosmont as Vice Chair.

Chair Blight proceeded to assemble the Marketing Committee (Messrs. Kosmont and Zaferis) and Legislative Committee (Mr. Dutta and Ms. Hsu).

D. **Discussion and Consideration of Holding an IDA Workshop for Board Members**

Chair Blight directed staff to poll date for an IDA workshop in mid August. The workshop will focus on 1. A business plan/emphasis in marketing, policies and politics; 2. The process i.e. streamlining; 3. Strategic planning to review current policy and issues. Retreat should be three hours total with one hour for an IDA 101.

E. **Discussion and Consideration of Amending Agreements for Financial Advisory Services**

Primary and alternate FA contracts expired on June 30, 2007. Staff is working with our Contracts Unit and City Attorney to extend the contracts through June 30, 2008. Financial advisory services will be engaged on a rotational basis.
F. Update on Councilmember Perry’s Motion Re: City Process for Conducting TEFRA Hearings for CSCDA Conduit Financings

The Ad Hoc Committee (Blight, Kosmont, Dutta) recommended that the IDA formalize a policy and strategy, respond with a letter to Council members Perry, Parks, the broader Council Offices and the Mayor’s Office on the IDA’s strategy, policy, and position on the proposed motion for conducting TEFRA hearings for CSCDA.

The Ad Hoc Committee desires a commitment by the IDA, its staff, the Mayor, and City Council to expedite CSCDA TEFRA requests through the system. Issues and problems that arise in the process need to be addressed expeditiously so that projects are not stalled and timing issues do not arise.

Members of the IDA Board should strategically visit with certain City officials, the Mayor’s Office, and HCED to present a better response to the issue of process cited in the motion. The goal is to attain citywide acknowledgment of IDA’s process, and to seek streamlining so that the IDA can defend itself from criticism stemming from requests that are mired or lost in the system.

VII. Next Meeting

The next regularly held IDA Board meeting is scheduled for Thursday, September 13, 2007.

VIII. Public Comments

No public comments.

IX. Adjournment

Meeting was adjourned at 11:05 a.m.