

CITY OF SANTA BARBARA
SANTA BARBARA FINANCING AUTHORITY MINUTES

Special Meeting
December 23, 2008
Council Chamber, 735 Anacapa Street

CALL TO ORDER

Chair Marty Blum called the joint meeting of the Authority and the City Council to order at 2:04 p.m.

ROLL CALL

Board members present: Iya G. Falcone, Dale Francisco, Roger L. Horton, Grant House, Helene Schneider, Chair Blum.

Agency members absent: Das Williams.

Staff present: Executive Director/Secretary James L. Armstrong, Authority Counsel Stephen P. Wiley, City Clerk Services Manager Cynthia M. Rodriguez.

PUBLIC COMMENT

No one wished to speak.

CONSENT CALENDAR

1. Subject: Minutes (13)

Recommendation: That the Financing Authority Board waive the reading and approve the minutes of the special meeting of June 8, 2004.

Motion:

Board members Falcone/Schneider to approve the recommendation.

Vote:

Unanimous voice vote (Abstentions: Chair Blum).

FINANCING AUTHORITY REPORTS

2. Subject: Airport Terminal Project Bond Issuance (240.03/16)

Recommendation: That Council and Board Members:

- A. Adopt, by reading of title only, A Resolution of the Board of Directors of the Santa Barbara Financing Authority Authorizing the Issuance of Not to Exceed \$65,000,000 of Santa Barbara Financing Authority Lease Revenue Bonds (Airport Project), Series 2009, Approving the Execution and Delivery of Various Related Documents in Connection with the Offering and Sale of Such Bonds and Other Matters Related Thereto; provided, however, that with respect to the Series 2009A Bonds, the true interest cost shall not exceed 8.0% per annum, and that with respect to the Series 2009B Bonds, the true interest cost shall not exceed 9.0% per annum;
- B. Adopt, by reading of title only, A Resolution of the City Council of the City of Santa Barbara Approving the Issuance by the Santa Barbara Financing Authority, in One or More Series, of Not to Exceed \$65,000,000 of Santa Barbara Financing Authority Lease Revenue Bonds (Airport Project), Series 2009, Approving the Execution and Delivery of Various Related Documents in Connection with the Offering and Sale of Such Bonds and Other Matters Related Thereto; provided, however, that with respect to the Series 2009A Bonds, the true interest cost shall not exceed 8.0% per annum and that with respect to the Series 2009B Bonds, the true interest cost shall not exceed 9.0% per annum;
- C. Approve and authorize the Airport Director to execute, subject to City Attorney review of the form of the agreement, an Amendment to Contract 22,644 with Jacob Consultancy, for the preparation of the Report of the Airport Consultant, Airport Feasibility Report, on the proposed issuance of debt for the Airline Terminal Improvement Project, increasing the contract by \$99,000 for a total not-to-exceed amount of \$225,000;
- D. Authorize the City Attorney to execute an agreement with Orrick, Herrington & Sutcliff, LLP, for Bond Counsel services in the amount of \$62,500 and Disclosure Counsel services in the amount of \$35,000, together with reimbursed expenses not to exceed \$5,000, for the Airport Revenue Bond Financing payable from bond proceeds at such time as the bonds are issued;
- E. Approve and authorize the Finance Director to execute, subject to City Attorney review of the form of the agreement, an agreement with KNN Public Finance for financial advisory services for the Airport Revenue Bond Financing in an amount not to exceed \$115,000, together with reimbursed expenses not to exceed \$5,000, payable from bond proceeds at such time as the bonds are issued; and

(Cont'd)

2. (Cont'd)

- F. Authorize the Airport Director to execute, in a form acceptable to the City Attorney, an amendment to the Airport Promissory Note dated July 1, 2008 in the amount of \$7,800,000 to extend the maturity date of said promissory note to June 30, 2009.

Documents:

- December 23, 2008, report from the Finance Director.
- Proposed Resolutions.
- Proposed agreements related to the bond financing.
- Affidavit of Publication.

The titles of the resolutions were read.

Speakers:

- Staff: Finance Director Robert Peirson, Principal Engineer Owen Thomas, Airport Director Karen Ramsdell.
- Members of the Public: Bond Counsel Bill Bothwell, Orrick, Herrington & Sutcliff, LLP.

Motion:

Board/Council members Falcone/Schneider to approve the recommendations; Financing Authority Resolution No. FA-006; City Council Resolution No. 08-115; City Council Agreement Nos. 22,644.1, 22,963 and 22,964.

Vote:

Unanimous roll call vote (Absent: Board/Council member Williams).

ADJOURNMENT

Chair Blum adjourned the meeting at 5:07 p.m.

MARTY BLUM
CHAIR

JAMES L. ARMSTRONG
SECRETARY