

**City of Emeryville**  
**Finance Advisory Committee Meeting Minutes**  
**September 23, 2013, 5:30pm**

**Members Present:**

William C Reuter, Chairperson  
Nora Davis, Council Member  
Jac Asher, Council Member  
Stephen Cutty, SEIU 1021  
Fran Quittel, Resident

**Staff Present:**

Sabrina Landreth, City Manager  
Debra Auker, Director of Administrative Services  
Michelle Strawson O'Hara, Accounting Supervisor

**Excused:**

Benay Curtis-Bauer, Business Rep

- I. **Call to Order:** The meeting was called to order at 5:30 p.m.
- II. **Public Comments:** Resident Ken Bukowski confirmed that Finance Committee member Elizabeth Altieri passed away and suggested closing the meeting in her honor.
- III. **Minutes from August 19, 2013 Meeting:** Approved
- IV. **Agenda Items:**
  - A. **Refinancing Outstanding Civic Center Bonds** – James Fabian of Fieldman, Rolapp & Associates and Bond Council Brian Quint (from Quint & Thimmig, LLP) presented their recommendation to refinance the City of Emeryville Public Financing Authority Lease Revenue Bonds, 1998 Series A through a process of requesting proposals/bids from direct purchase investors. They explained that refinancing would save the City an estimated \$1.1 million total over the next 15 years.
    - Member Fran Quittel asked about the payment savings/year through 2028. Mr. Fabian estimated the savings to be approximately \$75k/year. Member Quittel questioned the debt balance and whether it is \$5.6 million or \$7 million. Mr. Fabian explained that the \$7 million represented the original bond issuance in 1998 and with the principal repayments to date; this balance is now \$5.6 million. Member Quittel also asked about any refinancing fees. Mr. Fabian estimated the fees for a private placement loan to be approximately \$80k. These costs have already been deducted to arrive at the \$75k savings/year. The net present value of these savings is approximately \$395k. The savings with making a public placement would be significantly less at about \$160k.
    - Member Jac Asher questioned whether there would be an impact on the City's credit rating. Mr. Quint explained that there would be no impact and furthermore, the City would be reducing its debt service would be seen as a positive (i.e. no new debt).
    - Member Quittel questioned whether there would be any downside to moving forward with the refinancing. Both Mr. Fabian and Mr. Quint confirmed that there would not be.
    - Mr. Quint confirmed that staff would have a firm interest rate from the proposing bank before going to Council for approval.
    - Member Nora Davis requested that we be sure to include local banks from the Bay Area when requesting proposals/bids.
    - Member Quittel asked whether we would owe anything to the presenters (Fieldman, Rolapp, & Associates and/or Quint & Thimmig, LLP) if the City chose not to move forward. Mr. Quint explained that we would not since they work on a contingent basis.

- The committee approved proceeding with the process of requesting proposals/bids from direct purchase investors to be brought forward for Council approval.

**B. Discussion of Emeryville Center of Community Life (ECCL)** – Director Debra Auker provided an update of the ECCL Project as described in the September 3, 2013 City Council staff report. Ms. Auker confirmed the City received a Finding of Completion letter from the State and that is it unlikely that the Department of Finance won't approve it.

- Member Fran Quittel requested that security expenses be shown as a separate line item, specifically for evening events or those outside of school hours. Ms. Auker mentioned that she spoke with Chief Ken James and he explained that the Police Department would respond as it currently does to any security issues. She also explained that there would be a separate security office and that the renters of the space would be responsible for additional security costs. Member Davis suggested adding this topic to the next Public Safety Committee meeting and have Chief James speak to it.
- Member Asher reiterated her concerns over the costs the City is proposing to invest in this project.
- Member William Reuter asked about the status of the bike path. Ms. Auker and Ms. Landreth responded that the extra costs would be approximately \$750k and that this would be a Phase II project as approved by the Planning Commission.
- Ms. Auker confirmed that the ECCL is scheduled to be approved in November 2013.

**C. Update on Redevelopment Dissolution Actions** – Director Auker provided a verbal report on the current activities related to redevelopment dissolution:

- The January through June 2013 ROPS was completed and would be presented to the Oversight Board for approval on Thursday, September 26.
- The City received the Notice of Completion from the Department of Finance.
- There is currently \$16.4 million held in escrow.
- Member Reuter requested a hard copy of the ROPS be left at the front desk for him to pick up.

V. **Staff Comments:** None.

VI. **Committee Member Comments:** Member Quittel requested that simple documents and or tables/charts be used as a tool for assessing any financial decisions moving forward. Member Reuter requested a regular report on the City's debt/interest. Quarterly or annual reports would be fine.

VII. **Adjournment:** The meeting was adjourned at 6:30 p.m.