

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 3.16  
(ID # 25782)**

**MEETING DATE:**

**FROM :** HOUSING AND WORKFORCE SOLUTIONS

Tuesday, September 10, 2024

**SUBJECT:** HOUSING AND WORKFORCE SOLUTIONS (HWS): Adopt Resolution No. 2024-198, Approving the County of Riverside to Enter into an Associate Membership Agreement with the Independent Cities Finance Authority and Providing Other Matters Properly Relating Thereto, and Authorizing the Chair of the Board to Execute on Behalf of the County the Associate Membership Agreement with the Independent Cities Finance Authority; All Districts. [\$0] [CEQA Exempt per Section 15061] (Clerk of the Board to File the Notice of Exemption)

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3);
2. Adopt Resolution No. 2024-198, Approving the County of Riverside to Enter into an Associate Membership Agreement with the Independent Cities Finance Authority and Providing Other Matters Properly Relating Thereto;
3. Approve and authorize the Chair of the Board of Supervisors to execute on behalf of the County the Associate Membership Agreement by and between the Independent Cities Finance Authority and the County of Riverside (ICFA Agreement);
4. Authorize the Director of Housing and Workforce Solutions (HWS), or designee, to take all necessary steps to implement Resolution No. 2024-198, including, but not limited to, signing subsequent essential and relevant documents, subject to approval by County Counsel; and
5. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk and the State Clearinghouse at the Office of Planning and Research (OPR) within five (5) business days of approval.

**ACTION:**Policy

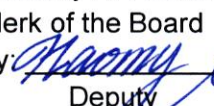
  
Heidi Marshall, Director 8/28/2024

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Gutierrez, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: September 10, 2024  
xc: HWS, Recorder/State Clearinghouse, ORP

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: N/A</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	24/25

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The Independent Cities Finance Authority (ICFA) is a joint powers authority (JPA) whose purpose is to undertake the financing and/or refinancing of capital projects and insurance, liability or retirement programs. Federal and state laws enable cities and counties to join together under cooperative agreements to form joint powers agencies to issue tax-exempt and taxable bonds to fund projects that provide a public benefit and serve the needs of residents within the jurisdictions of the participating members and associate members. All cities and counties in California have the ability to act as an issuer of conduit revenue bonds, but many jurisdictions utilize joint powers authorities primarily for economies of scale, to access specialized transaction knowledge and resources, and to avoid using valuable local staff time on these types of transactions.

ICFA was created in 1988 pursuant to a joint exercise of powers agreement to promote economic, cultural, and community development opportunities that create temporary and permanent jobs, affordable housing, community infrastructure and improve the overall quality of life in local communities. To date, seven public agencies have become members of ICFA including the City of Baldwin Park, City of Compton, City of Huntington Park, City of Lynwood, City of San Fernando, City of South Gate, and City of Vernon. Moreover, seventy-two public agencies have become associate members of ICFA including other Counties, such as San Bernardino County, San Diego County, and San Mateo County.

ICFA was formed to assist local governments, non-profit organizations, and businesses with the issuance of taxable and tax-exempt financing aimed at improving the standard of living in California. ICFA's representatives and its Board of Directors of ICFA have considerable experience in bond financing. Federal law requires a public hearing before the Board of Supervisors prior to any bond issuance by ICFA for projects under the County's jurisdiction. If the Board does not approve the project, ICFA cannot issue bonds. For ICFA to have jurisdiction to issue bonds for any future project, it is necessary for the County to become a member of ICFA. The Joint Exercise of Powers Agreement explicitly provides that ICFA is a public entity, separate and apart from the member executing the agreement, and the debts, liabilities, and obligations of ICFA do not constitute debts, liabilities, or obligations of the member executing the agreement. The Joint Exercise of Powers Agreement also expressly provides that any member may withdraw from the agreement upon written notice to the Board of Directors of ICFA.



**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

ICFA does not charge any membership fees. Any bonds issued by ICFA are special and limited obligations only of ICFA, payable solely through the payment of principal and interest from the borrowers who utilize the program. Neither the faith or credit, nor taxing power of the County, any member of ICFA, the state or any political subdivision, is pledged to the repayment of the bonds issued through the JPA. ICFA will be financially self-sustaining, and the members will have no obligation for ICFA's expenses. The County will in no way become exposed to any financial liability by reason of its membership in ICFA. In addition, participation by the County in the ICFA will not impact the County's appropriations limits and will not constitute any type of indebtedness by the County. When bonds are issued by the ICFA for the proposed activity, HWS will inform the County Executive Office (EO) and the EO will determine if Board of Supervisors Policy B-24 (Debt Management) will apply.

County Counsel has reviewed and approved the attached ICFA Agreement as to form. Staff recommends that the Board of Supervisors adopt Resolution No. 2024-189, and approve and execute the ICFA Agreement.

**Impact on Residents and Businesses**

Approving this item will have a positive impact on the citizens and businesses in the County of Riverside. ICFA empowers its members to promote economic, cultural, and community development opportunities that create temporary and permanent jobs, affordable housing, community infrastructure, and improve public health, safety, and general welfare.

**Additional Fiscal Information**

No impact upon the County's General Fund; participation by the County in ICFA will not impact the County's appropriations limits and will not constitute any type of indebtedness by the County.

**Attachments:**

- Resolution No. 2024-198
- ICFA Associate Membership Agreement
- Joint Exercise of Powers Agreement
- Notice of Exemption

  
Erlanna Lontajo, Principal Management Analyst 8/4/2024

  
Aaron Gettis, Chief of Deputy County Counsel 8/28/2024



**Notice of Exemption**

**To:**

Office of Planning and Research  
For U.S Mail: Street Address:  
P.O. Box 3044 1400 Tenth St.  
Sacramento, CA 95812-3044 Sacramento, CA 95814

**From:**

Public  
Agency: County of Riverside  
Address: 4080 Lemon Street, Suite 400  
Riverside, CA 92501  
Contact: Annjanette Aguilar  
Phone: (760) 863-2541

County Clerk

County of: Riverside  
2724 Gateway Drive  
P.O. Box 751  
Address: Riverside, CA 92502-0751

Lead Agency (if different from above):  
Address: \_\_\_\_\_  
Contact: Juan Garcia  
Phone: +19519558126

**SUBJECT: Filing of Notice of Determination in Compliance with Section 21108 or 21152 of the public Resources Code.**

State Clearinghouse Number (if submitted to State Clearinghouse): \_\_\_\_\_

Project Title: Approving Associate Membership Agreement with the Independent Cities Finance Authority

Project Location (include county): County of Riverside, State of California

Project Description: The Department of Housing and Workforce Solutions is proposing the County of Riverside become an Associate Member of the Independent Cities Finance Authority, as provided in the Associate Membership Agreement. Approving this item will have a positive impact on the citizens and businesses in the County of Riverside. ICFA empowers its members to promote economic, cultural, and community development opportunities that create temporary and permanent jobs, affordable housing, community infrastructure, and improve public health, safety and general welfare.

Project Sponsor: County of Riverside

This is to advise that the County of Riverside Board of Supervisors approved the above project on

Lead agency or  Responsible Agency

September 10, 2024 and has made the following determinations regarding the above described project:  
(tentative date)

Find that approving Associate Membership Agreement, and entering into an agreement with the Independent Cities Finance Authority does not constitute a project under California Environmental Quality Act (CEQA) and Section 15061(b)(3) of the CEQA Guidelines in that the activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Signature: (Public Agency) [Signature] Title: Deputy Director

Juan Garcia

Date: 8/28/24 Date received for filing at OPR: \_\_\_\_\_

**FILED / POSTED**

County of Riverside  
Peter Aldana  
Assessor-County Clerk-Recorder

E-202400982  
09/11/2024 10:56 AM Fee: \$ 50.00  
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09/10/2024 3.16

Removed: \_\_\_\_\_ By: \_\_\_\_\_ Deputy



**BOARD OF SUPERVISORS**

**COUNTY OF RIVERSIDE**

**RESOLUTION NO. 2024-198  
APPROVING THE COUNTY OF RIVERSIDE TO ENTER INTO AN ASSOCIATE  
MEMBERSHIP AGREEMENT WITH THE INDEPENDENT CITIES FINANCE  
AUTHORITY AND PROVIDING OTHER MATTERS PROPERLY RELATING  
THERE TO**

**WHEREAS**, certain public entities in the State of California (collectively, the “Members”) have entered into that certain Joint Powers Agreement Creating the Independent Cities Finance Authority (the “Joint Powers Agreement”), establishing the Independent Cities Finance Authority (the “Authority”) and prescribing its purposes and powers, and providing, among other things, for associate members of the Authority (an “Associate Member”);

**WHEREAS**, the Authority has been formed for the purpose, among others, of assisting its Members and Associate Members in the raising of capital to finance the capital improvement needs of Local Agencies (as defined in the Joint Powers Agreement), to provide for home mortgage financing with respect to those Members or Associate Members that are public entities in the State of California, to provide financing in connection with the improvement, construction, acquisition, creation, rehabilitation, and preservation of affordable housing within the boundaries of the Members and Associate Members, and to provide financing in accordance with the provisions of applicable law in connection with other projects and programs that are in the public interest and which benefit Members and Associate Members including making loans to tax-exempt organizations from the proceeds of mortgage revenue bonds to finance the acquisition of multi-family rental housing, including mobile home parks, under the provisions of Chapter 8 of Part 5 of Division 31 (commencing with Section 52100) of the Health and Safety Code;

**WHEREAS**, the County of Riverside (the “COUNTY”) desires to become an Associate Member of the Authority as provided in the Associate Membership Agreement, in the form on file with the Clerk of the Board of Supervisors of the County of Riverside (the “Board”):

**WHEREAS**, the Board is the governing body of the COUNTY;

**NOW THEREFORE, BE IT RESOLVED, FOUND, DETERMINED, AND ORDERED** by the Board of Supervisors of the County of Riverside (“Board”), in regular session

RESOLUTION NUMBER NO. 2024-198  
ICFA MEMBERSHIP

FORM APPROVED COUNTY COUNSEL  
BY  AMRIT P. DHILLON  
DATE 8/27/2024

1 assembled on September 10, 2024 in the meeting room of the Board of Supervisors located on the  
2 1<sup>st</sup> floor of the County Administrative Center, 4080 Lemon Street, Riverside, California as follows:

3 Section 1. The above recitals are true and correct.

4 Section 2. Approval of Associate Membership Agreement. The Board hereby approves  
5 the COUNTY's membership in the Authority as an Associate Member and authorizes the Chair of  
6 the Board of Supervisors to execute and the Clerk of the Board to attest to the Associate  
7 Membership Agreement, in substantially the form on file with the Clerk of the Board, pursuant to  
8 which the COUNTY shall become an Associate Member of the Authority.

9 Section 3. Official Actions. The Board, Clerk of the Board, County Counsel, the  
10 COUNTY's executive staff, or their designees, are hereby authorized and directed to take all actions  
11 and do all things necessary or desirable hereunder with respect to the Associate Membership  
12 Agreement, including but not limited to, the execution and delivery of any and all agreements,  
13 certificates, instruments and other documents which they, or any of them, may deem necessary or  
14 desirable and not inconsistent with the purposes of this Resolution.

15 Section 4. This Resolution shall take effect immediately upon its adoption.  
16  
17

18 ROLL CALL:

19 Ayes: Jeffries, Washington, Spiegel, Perez, and Gutierrez

20 Nays: None

21 Absent: None  
22

23 The foregoing is certified to be a true copy of a resolution duly adopted by said  
24 Board of Supervisors on the date therein set forth.

25 KIMBERLY A. RECTOR, Clerk of said Board

26 By:   
27 Deputy

28  
RESOLUTION NUMBER NO. 2024-198  
ICFA MEMBERSHIP

09/10/2024 3.16

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**ASSOCIATE MEMBERSHIP AGREEMENT**  
**by and between the**  
**INDEPENDENT CITIES FINANCE AUTHORITY**  
**and the**  
**COUNTY OF RIVERSIDE**

This ASSOCIATE MEMBERSHIP AGREEMENT, dated as of September 17, 2024, is by and between the INDEPENDENT CITIES FINANCE AUTHORITY, a joint powers agency (the “**Authority**”) and the COUNTY OF RIVERSIDE, a public body corporate and politic of the State of California (the “**COUNTY**”);

**WITNESSETH:**

WHEREAS, certain public agencies of the State of California (collectively, the “**Members**”) have entered into a Joint Powers Agreement Creating the Independent Cities Finance Authority (the “**Joint Powers Agreement**”), establishing the Authority and prescribing its purposes and powers, and providing, among other things, for associate members of the Authority (an “**Associate Member**”);

WHEREAS, the Authority has been formed for the purpose, among others, of assisting its Members and Associate Members in the raising of capital to finance the capital improvement needs of Local Agencies (as defined in the Joint Powers Agreement), to provide for home mortgage financing with respect to those Members or Associate Members that are public entities in the State of California, to provide financing in connection with the improvement, construction, acquisition, creation, rehabilitation and preservation of affordable housing within the boundaries of the Members and Associate Members, and to provide financing in accordance with the provisions of applicable law in connection with other projects and programs that are in the public interest and which benefit Members and Associate Members including without limitation making loans to tax-exempt organizations from the proceeds of mortgage revenue bonds to finance the acquisition of multi-family rental housing, including mobile home parks, under the provisions of Chapter 8 of Part 5 of Division 31 (commencing with Section 52100) of the Health and Safety Code (the “**Nonprofit Financing Law**”);

WHEREAS, the COUNTY desires to become an Associate Member of the Authority;

WHEREAS, the Board of Directors of the Authority has determined that the COUNTY should become an Associate Member of the Authority;

NOW, THEREFORE, in consideration of the above premises and of the mutual promises herein contained, the Authority and the COUNTY do hereby agree as follows:

*Section 1. Associate Member Status.* The COUNTY is hereby made an Associate Member of the Authority for all purposes of the Joint Powers Agreement and the Bylaws of the Authority, the provisions of which are hereby incorporated herein by reference. From and after

the date of execution and delivery of this Associate Membership Agreement by the COUNTY and the Authority, the COUNTY shall be and remain an Associate Member of the Authority.

*Section 2. Restrictions and Rights of the COUNTY.* The COUNTY shall not have the right, as an Associate Member of the Authority, to vote on any action taken by the Board of Directors or by the Authority. In addition, no officer, employee or representative of the COUNTY shall have any right to become an officer or director of the Authority.

*Section 3. No Obligations of the COUNTY.* The debts, liabilities, and obligations of the Authority shall not be the debts, liabilities, and obligations of the COUNTY, nor shall the COUNTY be obliged to make any contributions to the Authority in the form of membership assessments and fees.

*Section 4. Execution.* Execution of this Associate Membership Agreement shall satisfy the requirements of Article 27 of the Joint Powers Agreement for participation by the COUNTY in all programs and other undertakings of the Authority, including, without limitation, any Home Mortgage Financing Program (as defined in the Joint Powers Agreement), any financing under the Nonprofit Financing Law, any undertaking to finance the acquisition, construction, installation and/or equipping of public capital improvements, and any other financing program.

*Section 5. Indemnification by Owner.* The Authority shall ensure that the legal documents relating to any bonds issued to finance projects within the jurisdiction of the COUNTY shall provide that the owner of any such project shall indemnify, hold harmless, and defend the COUNTY or Authority, and each of its officers, officials, employees, and agents from any and all loss, liability, fines, penalties, forfeitures, costs, expenses, and damages (whether imposed by statute, contract, tort or strict liability) incurred by the COUNTY or Authority and from any and all claims, demands, and actions in law or equity (including attorneys' fees and litigation expenses) arising from the owner's operation, maintenance, or ownership of the projects being financed.



IN WITNESS WHEREOF, the parties hereto have caused this Associate Membership Agreement to be executed and attested by their proper officers thereunto duly authorized, on the day and year first set forth above.

**INDEPENDENT CITIES FINANCE  
AUTHORITY**

By: \_\_\_\_\_

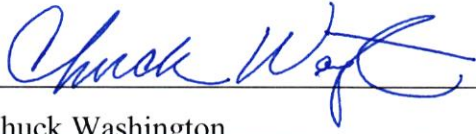
Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Secretary

THE COUNTY OF RIVERSIDE

By: 

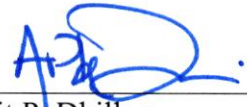
Name: Chuck Washington

Title: Chair, Board of Supervisors

Attest:  
Kimberly Rector  
Clerk of the Board

  
Deputy

APPROVED AS TO FORM:  
Minh C. Tran  
County Counsel

  
Amrit P. Dhillon  
Deputy County Counsel



## JOINT POWERS AGREEMENT

### CREATING THE INDEPENDENT CITIES FINANCE AUTHORITY

This Joint Powers Agreement (the "Agreement") is entered into by and among the public agencies (hereinafter referred to as "Members" and set forth in Appendix A attached hereto and *incorporated herein by this reference*), organized and existing under the Constitution and laws of the respective states in which such agencies are domiciled.

#### RECITALS

WHEREAS, Articles 1 and 2, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 et seq.) permits two or more public agencies by agreement to exercise jointly powers common to the contracting parties; and

WHEREAS, the public agencies executing this Agreement desire to join together for the purpose of assisting public agencies to finance the acquisition, construction, installation and/or equipping of public capital improvements and to encourage and promote other joint and cooperative endeavors among such public agencies for their mutual benefit;

NOW, THEREFORE, the parties agree as follows:

#### ARTICLE 1

##### DEFINITIONS

"Associate Member" shall mean any Local Agency that shall have duly executed and delivered to the Authority an Associate Membership Agreement in the form and as further provided in the Bylaws of the Authority.

"Authority" shall mean the Independent Cities Lease Finance Authority created by this Agreement.

"Board of Directors" or "Board" shall mean the governing body of the Authority.

"Executive Committee" shall mean the Executive Committee of the Board of Directors of the Authority.

"Fiscal Year" shall mean that period of twelve months which is established by the Board of Directors or the Bylaws as the fiscal year of the Authority.

"Government Code" shall mean the California Government Code, as amended.

"Home Mortgage Financing Program" shall mean a program for financing home mortgages undertaken by the Authority pursuant to the provisions of Part 5 of Division 31

(commencing with Section 52000) of the California Health and Safety Code with respect to those Members or Associate Members that are either a city or a county of the State of California.

"Joint Powers Law" shall mean Articles 1 and 2, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code.

"Legislative Body" shall mean the legislative board of each Public Agency and Local Agency that are either Members or Associate Members, respectively, of the Authority.

"Local Agency" shall have the meaning set forth in Section 6585(f) of the Government Code, as may hereafter be amended from time to time.

"Member" shall mean any Public Agency which has executed this Agreement and has become a member of the Authority.

"Public Agency" shall mean public agency as defined in Government Code Section 6500, as may hereafter be amended from time to time.

Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neuter gender shall be construed to include each other gender when appropriate and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

## ARTICLE 2

### PURPOSES

This Agreement is entered into by the Members in order that they may jointly develop programs to assist in the raising of capital to finance the capital improvement needs of Local Agencies, provide for home mortgage financing with respect to those Members or Associate Members that are either a city or a county of the State of California, provide financing in connection with the improvement, construction, acquisition, creation, rehabilitation and preservation of affordable housing within the boundaries of the Members and Associate Members, and provide financing in accordance with the provisions of applicable law in connection with other projects and programs that are in the public interest and which benefit Members and Associate Members including, without limitation, making loans to tax-exempt organizations from the proceeds of mortgage revenue bonds to finance the acquisition of multi-family rental housing, including mobilehome parks, under the provisions of Chapter 8 of Part 5 of Division 31 (commencing with Section 52100) of the Health and Safety Code (the "Nonprofit Financing Law"). This Agreement is also entered into by the Members in order to provide a forum for discussion and study of problems common to the Members and to assist in the development and implementation of solutions to such problems.



### ARTICLE 3

#### PARTIES TO AGREEMENT

Each Member, as a party to this Agreement, certifies that it intends to and does contract with all other Members as parties to this Agreement and, with such other Public Agencies as may later be added as parties to this Agreement. Each Member also certifies that the withdrawal of any party from this Agreement pursuant to Article 17 shall not affect this Agreement or the Members' obligations hereunder.

### ARTICLE 4

#### TERM

This Agreement shall become effective when executed and returned to the Authority by at least four Members. The Authority shall promptly notify all Members in writing of such effective date. This Agreement shall continue in effect until terminated as provided herein; provided that the termination of this Agreement with respect to an individual Member upon its withdrawal from membership in the Authority shall not operate to terminate this Agreement with respect to the remaining Members.

### ARTICLE 5

#### CREATION OF THE AUTHORITY

Pursuant to the Joint Powers Law, there is hereby created a public entity separate and apart from the parties hereto, to be known as the "Independent Cities Finance Authority" with such powers as are hereinafter set forth.

### ARTICLE 6

#### POWERS OF THE AUTHORITY

(a) Powers. The Authority shall have all of the powers common to its Members and all additional powers set forth in the Joint Powers Law and other statutes applicable to the joint powers authority created hereby, and is hereby authorized to do all acts necessary for the exercise of said powers. Such powers include, but are not limited to, the following:

- (1) To make and enter into contracts.
- (2) To incur debts, liabilities, and obligations and to encumber real or personal property.
- (3) To acquire, hold, or dispose of real or personal property, contributions and donations of real or personal property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities.

- (4) To sue and be sued in its own name, and to settle any claim against it.
- (5) To receive and use contributions and advances from Members as provided in Government Code Section 6504, including contributions or advances of personnel, equipment or property.
- (6) To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code Section 6509.5
- (7) To acquire, construct, manage, maintain or operate title to real or personal property or rights or any interest therein.
- (8) To employ agents and employees.
- (9) To receive, collect and disburse moneys.
- (10) To finance the acquisition, construction or installation of real or personal property for the benefit of one or more Local Agencies through the sale of its revenue bonds, certificates of participation or other obligations and to enter into any agreement or instrument in connection with the execution, issuance, sale or delivery of such bonds, certificates of participation or other obligations.
- (11) To lease, sell, convey or otherwise transfer title or rights to or an interest in real or personal property, including, but not limited to, property financed by the Authority for the benefit of its Members or other Local Agencies, and to enter into any agreement or instrument in connection with any such lease, sale, conveyance or transfer.
- (12) To exercise all powers of entities, such as the Authority, created under the Joint Powers Law including, but not limited to, those powers enumerated under the Marks-Roos Local Bond Pooling Act of 1985, as amended.
- (13) To exercise other reasonable and necessary powers in furtherance or support of any purpose of the Authority or power granted by the Joint Powers Law, this Agreement or the Bylaws of the Authority.

(b) Restrictions on Powers. Pursuant to and to the extent required by Government Code Section 6509, the Authority shall be restricted in the exercise of its powers in the same manner as the City of Hawthorne is restricted in its exercise of similar powers; provided that, if the City of Hawthorne shall cease to be a Member, then the Authority shall be restricted in the exercise of its power in the same manner as the City of Baldwin Park. If the City of Baldwin Park shall cease to be a Member, then the Authority shall be restricted in the exercise of its powers in the same manner as the City of South Gate.

(c) In addition to the other powers provided herein, this Agreement is entered into for the express purpose of the joint exercise of powers under Part 5 of Division 31 (commencing with Section 52000) of the California Health and Safety Code.

(d) In addition to the other powers provided herein, the Authority shall have any and all powers authorized by law to each of the parties hereto and separately to the public entity herein created relating to (i) economic development, including, without limitation, the promotion of opportunities for the creation and retention of employment, the stimulation of economic activity, and the increase of the tax base, within the jurisdictions of such parties; (ii) the issuance of bonds, notes or other evidences of indebtedness for the financing or refinancing of K-12 educational facilities to be utilized by a non-profit organization; and (iii) the issuance of assessment district bonds and bonds issued pursuant to the Mello-Roos Community Facilities Act of 1982.

## ARTICLE 7

### BOARD OF DIRECTORS

(a) **Composition of Board.** The Authority shall be governed by the Board of Directors, which shall be composed of one director representing each Member. The Legislative Body of each Member shall appoint a member of such Legislative Body Council as a director to represent such Member on the Board of Directors. Such director shall serve at the pleasure of such Legislative Body. The Legislative Body of each Member shall also appoint one or two alternate directors who shall have the authority to attend, participate in and vote at any meeting of the Board when the director is absent. Each alternate director shall be an official or staff person of the Member which such alternate director represents. Any vacancy in a director or alternate director position shall be filled by the appointing Member's Legislative Body, subject to the provisions of this Article. Immediately upon admission of a new Member pursuant to Article 16, such Member shall be entitled and required to appoint a director and one or two alternate directors.

(b) **Termination of Status as Director.** A director and/or alternate director shall be removed from the Board of Directors upon the occurrence of any one of the following events: (1) the Authority receives written notice from the appointing Member of the removal of the director or alternate director, together with a certified copy of the resolution of the Legislative Body of the Member effecting such removal; (2) the withdrawal of the Member from this Agreement; (3) the death or resignation of the director or alternate director; (4) the Authority receives written notice from the Member that the director or alternate director is no longer qualified as provided in the first paragraph of this Article.

(c) **Compensation.** Directors and their alternates are entitled to compensation as specified in the Bylaws. The Board of Directors may authorize reimbursement of expenses incurred by directors or their alternates.

(d) **Powers of Board.** The Board of Directors shall have the following powers and functions.

(1) Except as otherwise provided in this Agreement, the Board shall exercise all powers and conduct all business of the Authority, either directly or by delegation to other bodies or persons.

(2) The Board may form an Executive Committee, as provided in Article 10. If an Executive Committee is established by the Board, the Executive Committee may exercise all powers or duties of the Board relating to the execution, issuance, sale or delivery of bonds, certificates of participation or other obligations of the Authority and the entering into by the Authority of all agreements, leases, indentures, conveyances, security documents and other instruments relating thereto or relating to the financing of capital improvements for the Members or other Local Agencies. If an Executive Committee is established by the Board, the Board may delegate to the Executive Committee and the Executive Committee may discharge any additional powers or duties of the Board except adoption of the Authority's annual budget. Any additional powers and duties so delegated shall be specified in a resolution adopted by the Board.

(3) The Board may form, as provided in Article 11, such other committees as it deems appropriate to conduct the business of the Authority or it may delegate such power to the Executive Committee in the Bylaws or by resolution of the Board. The membership of any such other committee may consist in whole or in part of persons who are not members of the Board; provided that the Board and the Executive Committee may delegate decision-making powers and duties only to a committee a majority of the members of which are Board members. Any committee a majority of the members of which are not Board members may function only in an advisory capacity.

(4) The Board shall elect the officers of the Authority and shall appoint or employ necessary staff in accordance with Articles 9 and 12.

(5) The Board shall cause to be prepared, and shall review, modify as necessary, and adopt the annual operating budget of the Authority. Adoption of the budget may not be delegated.

(6) The Board shall receive, review and act upon periodic reports and audits of the funds of the Authority, as required under Articles 13 and 14 of this Agreement.

(7) The Board shall have such other powers and duties as are reasonably necessary to carry out the purposes of the Authority.

## ARTICLE 8

### MEETINGS OF THE BOARD OF DIRECTORS

(a) Regular Meetings. The Board of Directors shall hold at least one regular meeting each year. The Board of Directors shall fix by resolution or in the Bylaws the date



upon which, and the hour and place at which, each regular meeting is to be held. The Board or President may call special meetings.

(b) **Ralph M. Brown Act.** Each meeting of the Board of Directors, including without limitation regular, adjourned regular, and special meetings shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act, Section 54950 et seq. of the Government Code.

(c) **Minutes.** The Authority shall have minutes of regular, adjourned regular, and special meetings kept by the Secretary. As soon as practicable after each meeting, the Secretary shall forward to each Board member a copy of the minutes of such meeting.

(d) **Quorum.** A majority of the members of the Board is a quorum for the transaction of business. However, less than a quorum may adjourn from time to time. A vote of the majority of a quorum at a meeting is sufficient to take action.

(e) **Voting.** Each member of the Board shall have one vote.

## ARTICLE 9

### OFFICERS

The Board shall elect a President and Vice President from among the directors at its first meeting. Thereafter, except as may be otherwise provided in the Bylaws of the Authority, the Board shall elect a new President and Vice President, in each succeeding alternating fiscal year. Each officer shall assume the duties of his office upon election. If either the President or Vice President ceases to be a member of the Board, the resulting vacancy shall be filled at the next meeting of the Board held after the vacancy occurs or at a special meeting of the Board called to fill such vacancy. In the absence or inability of the President to act, the Vice President shall act as President. The President shall preside at and conduct all meetings of the Board. The Board may appoint such other officers as it considers necessary.

## ARTICLE 10

### EXECUTIVE COMMITTEE

The Board may establish an Executive Committee of the Board which shall consist solely of members selected from the membership of the Board. If an Executive Committee is established by the Board, the terms of office of the members of the Executive Committee shall be as provided in the Bylaws of the Authority. If an Executive Committee is established by the Board the Executive Committee shall conduct the business of the Authority between meetings of the Board, exercising all those powers as provided for in Section (d)(2) of Article 7, or as otherwise delegated to it by the Board.

## ARTICLE 11

### COMMITTEES

The Board may establish committees, as it deems appropriate to conduct the business of the Authority or it may, in the Bylaws or by resolution, delegate such power to the Executive Committee. Members of Committees shall be appointed by the Board or the Executive Committee, as the case may be. Each Committee shall have those duties as determined by the Board or the Executive Committee, as the case may be, or as otherwise set forth in the Bylaws. Each Committee shall meet on the call of its chairperson, and shall report to the Executive Committee and the Board as directed by the Board or the Executive Committee, as the case may be.

## ARTICLE 12

### STAFF

(a) Principal Staff. The following staff members shall be appointed by and serve at the pleasure of the Board of Directors:

(1) Program Administrator. The Program Administrator shall administer the affairs of the Authority, subject to the general supervision and policy direction of the Board and the Executive Committee; shall coordinate the activities of all consultants and staff of the Authority; shall be responsible for required filings by the Authority with the State of California; shall prepare all meeting notices, minutes and required correspondence of the Authority and shall maintain the records of the Authority; shall assist Local Agencies in the preparing and filing of applications for participation in the financing programs of the Authority and shall expedite the processing of such applications; and shall perform such other duties as are assigned by the Board and Executive Committee.

(2) Treasurer. The duties of the Treasurer are set forth in Articles 13 and 14 of this Agreement. The Treasurer shall be appointed by the Board of Directors and shall be eligible to serve as Treasurer as provided in the Joint Powers Law.

(3) Auditor. The Auditor shall be a Certified Public Accountant licensed to practice in the State of California. The Auditor will conduct annual audits of the Authority.

(b) Other Staff. The Board, Executive Committee or Program Administrator shall provide for the appointment of such other staff as may be necessary for the administration of the Authority.

(c) Compensation. The Program Administrator, the Treasurer, the Auditor and any other members of the staff or employees of the Authority shall be compensated in such manner as shall be approved by the Board as permitted by applicable law.

## ARTICLE 13

### ACCOUNTS AND RECORDS

(a) Annual Budget. The Authority shall adopt an operating budget pursuant to Article 7 of this Agreement. The Treasurer, in cooperation with the Program Administrator, shall prepare the annual or multi-year operating budget for review and approval by the Board of Directors as provided in Article 7 of this Agreement.

(b) Funds and Accounts. The Treasurer of the Authority or the Program Administrator shall establish and maintain such funds and accounts as may be required by good accounting practices and by the Board. Books and records of the Authority in the hands of the Treasurer or Program Administrator shall be open to inspection at all reasonable times by authorized representatives of the Members.

The Authority shall adhere to the standard of strict accountability for funds set forth in the Joint Powers Law.

(c) Auditor's Report. The Auditor, within one hundred and twenty (120) days after the close of each Fiscal Year, shall give a complete written report of all financial activities for such Fiscal Year to the Board and to each Member.

(d) Annual Audit. If then required by the Joint Powers Law, the Authority shall either make or contract with a certified public accountant to make an annual Fiscal Year audit of all accounts and records of the Authority, conforming in all respects with the requirements of the Joint Powers Law. A report of the audit shall be filed, if then required by law, as a public record with each of the Members and with the county auditor of the county or counties in which each of the Members is located. Costs of the audit shall be considered a general expense of the Authority.

## ARTICLE 14

### RESPONSIBILITIES FOR FUNDS AND PROPERTY

(a) Custody of Authority Funds. The Treasurer shall have the custody of and disburse the Authority's funds. Proceeds of bonds, certificates of participation or other similar obligations of the Authority may be deposited with an indenture trustee, agent or other depository and shall not be considered the Authority's funds for purposes of this Article. The Treasurer may delegate disbursing authority to such persons as may be authorized by the Board or the Executive Committee to perform that function, subject to the requirements of (b) below.

(b) Duties of Treasurer. The Treasurer shall perform all functions then required to be performed by the Treasurer under the Joint Powers Law. The Treasurer shall review the financial statements and the annual audit of the Authority.

(c) Authority Property. Pursuant to Government Code Section 6505.1, the Program Administrator, the Treasurer, and such other persons as the Board may designate shall have charge of, handle, and have access to the property of the Authority. The Authority shall secure and pay for a fidelity bond or bonds, in an amount or amounts and in form specified by the Board of Directors, covering all officers and staff of the Authority who are authorized to hold or disburse funds of the Authority and all officers and staff who are authorized to have charge of, handle and have access to property of the Authority.

## ARTICLE 15

### MEMBER RESPONSIBILITIES

Each Member shall have the following responsibilities:

(a) To appoint its director and alternate director to or remove its director and alternate director from the Board as set forth in Article 7.

(b) To consider proposed amendments to this Agreement as set forth in Article 23.

(c) To make contributions in the form of annual membership assessments and fees, if any, determined by the Board for the purpose of defraying the costs of providing the annual benefits accruing directly to each party from this Agreement.

(d) If a Member shall give written notice to the Authority of its election to relinquish its status as a Member and instead become an Associate Member or if a Member shall fail to be represented at three (3) or more successive meetings of the Board of Directors, then such Member shall be deemed to be an Associate Member upon action of the Board of Directors duly adopted to such effect. Promptly following any such action by the Board of Directors, such Member shall promptly deliver to the Authority an executed Associate Membership Agreement in the form and as further provided in the Bylaws. Such Associate Member status shall not relieve such Member from its obligations under any outstanding agreements relating to the Authority's bonds, certificates of participation or other obligations except in accordance with such agreements.

## ARTICLE 16

### NEW MEMBERS

With the approval of the Board any qualified Public Agency may become a party to this Agreement. A Public Agency requesting membership shall apply by presenting to the Authority a resolution of the Legislative Body of such Public Agency evidencing its approval of this Agreement. The date that the applying city will become a Member will be determined by the Board.



## ARTICLE 17

### WITHDRAWAL

A Member or an Associate Member may withdraw from membership in the Authority upon thirty (30) days advance written notice to the Authority. No such withdrawal, however, shall relieve such Member or such Associate Member from its obligations under any outstanding agreements relating to the Authority's bonds, certificates of participation or other obligations except in accordance with such agreements.

## ARTICLE 18

### OBLIGATIONS OF AUTHORITY

The debts, liabilities and obligations of the Authority shall not be the debts, liabilities and obligations of the Members. Any Member may separately contract for, or assume responsibility for, specific debts, liabilities or obligations of the Authority.

## ARTICLE 19

### TERMINATION AND DISTRIBUTION OF ASSETS

This Agreement may be terminated at any time that no bonds, certificates of participation or other similar obligations of the Authority are outstanding with the approval of two-thirds of the Members. Upon termination of this Agreement, all assets of the Authority shall, after payment of all unpaid costs, expenses and charges incurred under this Agreement, be distributed among the parties hereto in accordance with the respective contributions of each of said parties.

## ARTICLE 20

### LIABILITY OF BOARD OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS

The members of the Board of Directors, officers and committee members of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. They shall not be liable for any mistake of judgment or any other action made, taken or omitted by them in good faith, nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care, nor for loss incurred through investment of Authority funds, or failure to invest.

No director, officer or committee member shall be responsible for any action taken or omitted by any other director, officer or committee member. No director, officer or committee member shall be required to give a bond or other security to guarantee the faithful performance of his or her duties pursuant to this Agreement.

The funds of the Authority shall be used to defend, indemnify and hold harmless the Authority for any director, officer or committee member for their actions taken within the scope of the authority of the Authority. Nothing herein shall limit the right of the Authority to purchase insurance to provide such coverage as hereinafter set forth.

#### ARTICLE 21

##### BYLAWS

The Board may adopt Bylaws consistent with this Agreement which shall provide for the administration and management of the Authority. The provisions of the Bylaws, as modified from time to time, shall establish the operating procedures and standards for the Authority.

#### ARTICLE 22

##### NOTICES

The Authority shall address notices, billings and other communications to a Member as directed by such Member. Each Member shall provide the Authority with the address to which communications are to be sent. Members shall address notices and other communications to the Authority, at the office address of the Authority as set forth in the Bylaws.

#### ARTICLE 23

##### AMENDMENT

This Agreement may be amended at any time by vote of the Members, acting through their Legislative Bodies. Any amendment of this Agreement shall become effective upon receipt by the Authority of notice of the approval of such amendment by a majority of the Legislative Bodies of the Members.

#### ARTICLE 24

##### SEVERABILITY

Should any portion, term, condition, or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions, and provisions shall not be affected thereby.

ARTICLE 25

PROHIBITION AGAINST ASSIGNMENT

No Member may assign any right, claim or interest it may have under this Agreement, and no creditor, assignee or third party beneficiary of any Member shall have any right, claim or title to any part, share, interest, fund or asset of the Authority.

ARTICLE 26

AGREEMENT COMPLETE

This Agreement constitutes the full and complete agreement of the parties.

ARTICLE 27

ASSOCIATE MEMBERS

Any Public Agency may, with the approval of the Board of Directors, become an Associate Member of the Authority by executing and delivering to the Authority an Associate Membership Agreement in form and as further provided in the Bylaws. An Associate Member shall not be entitled to representation on the Board of Directors or to vote on any matter coming before the Board of Directors or the Authority. However, an Associate Member shall be entitled to participate in all programs and other undertakings of the Authority, including, without limitation, any Home Mortgage Financing Program, any financing under the Nonprofit Financing Law, any undertaking to finance the acquisition, construction, installation and/or equipping of public capital improvements, and any other financing program.

ARTICLE 28

FILING WITH SECRETARY OF STATE

The Program Administrator of the Authority shall file a notice of this Agreement with the office of the California Secretary of State within thirty (30) days of its effective date, as required by Government Code Section 6503.5 and within seventy (70) days of its effective date as required by Government Code Section 53051.

IN WITNESS WHEREOF, the undersigned party hereto has executed this Agreement on the date indicated below.

DATE: \_

CITY OF

By:

Its

Seal:

ATTEST:

- Amendment No. 1 - Authorized for distribution to member cities for approval on May 21, 1998
- Amendment No. 2 - Authorized for distribution to member cities for approval on May 21, 1998
- Amendment No. 3 - Authorized for distribution to member cities for approval on October 9, 2002
- Amendment No. 4 - Authorized for distribution to member cities for approval on June 9, 2004
- Amendment No. 5 - Authorized for distribution to member cities for approval on August 31, 2005
- Amendment No. 6 - Authorized for distribution to member cities for approval on June 21, 2006
- Amendment No. 7 - Authorized for distribution to member cities for approval on January 9, 2008

\*\*\*\*\*

- Amendment No. 1 - Effective upon two-thirds of Legislative Bodies of member cities taking official action (August 20, 1998)
- Amendment No. 2 - Effective upon two-thirds of Legislative Bodies of member cities taking official action (August 20, 1998)
- Amendment No. 3 - Effective upon two-thirds of Legislative Bodies of member cities taking official action (February 27, 2003)
- Amendment No. 4 - Effective upon two-thirds of Legislative Bodies of member cities taking official action (October 27, 2004)
- Amendment No. 5 - Effective upon two-thirds of Legislative Bodies of member cities taking official action (May 3, 2006)
- Amendment No. 6 - Effective upon two-thirds of Legislative Bodies of member cities taking official action (March 27, 2007)
- Amendment No. 7 - Effective upon two-thirds of Legislative Bodies of member cities taking official action (May 21, 2008)



## APPENDIX A

### MEMBERS

Baldwin Park  
Compton  
Hawthorne  
Hermosa Beach  
Huntington Park

Lynwood  
San Fernando  
South Gate  
Vernon

### ASSOCIATE MEMBERS

Alhambra  
Apple Valley  
Azusa  
Barstow  
Bell  
Bellflower  
Brea  
Carson  
Chino  
Claremont  
Colton  
Commerce  
Covina  
Downey  
Duarte  
El Monte  
Fairfield  
Fontana  
Fresno  
Gardena  
Garden Grove  
Glendale  
Glendora  
Hawaiian Gardens  
Indio  
Inglewood  
La Habra  
La Puente  
Lakewood  
Lancaster

Lawndale  
Long Beach  
Los Angeles  
Monrovia  
Montebello  
Monterey Park  
Morgan Hill  
Norwalk  
Palmdale  
Paramount  
Pico Rivera  
Pomona  
Rancho Cucamonga  
Rialto  
Riverside  
Rohnert Park  
Salinas  
San Bernardino  
San Bernardino County  
San Diego County  
San Juan Capistrano  
San Mateo County  
Santa Clarita  
Santa Rosa  
Signal Hill  
Vista  
West Covina  
Whittier  
Yucaipa

**BYLAWS  
OF THE  
INDEPENDENT CITIES FINANCE AUTHORITY**

**ARTICLE I  
DEFINITIONS**

The definitions of terms used in these Bylaws shall be the same as those contained in the Joint Powers Agreement Creating The Independent Cities Finance Authority, hereinafter called the Agreement, unless otherwise expressly provided.

**ARTICLE II  
OFFICES**

The Authority's principal office for the transaction of business is located at Post Office Box 1750, Palmdale, California 93590-1750 (41900 Bonita Drive, Palmdale, California 93551). The Board of Directors may change the location of the principal office from time to time. The Board may establish one or more subordinate offices at any place or places where the Authority is qualified to do business.

**ARTICLE III  
MEETINGS OF THE BOARD OF DIRECTORS**

1. Regular Meetings
  - (a) Time Held

The Board of Directors shall hold at least one meeting per year. The regular annual meeting of the Board of Directors (the "Annual Meeting") should, if practicable, be scheduled at least one year prior to such meeting. Unless otherwise changed by a majority vote of the Board of Directors at a regular meeting, the Annual Meeting shall be held at 12:00 noon on the first Wednesday in June of each year. Should such day fall upon a legal holiday, the Annual Meeting of the Board shall be held on the next following business day.

Special meetings shall be held as called by the Board or President.

b) Business To Be Transacted

At each Annual Meeting of the Board, the Board shall review, modify if necessary, and adopt the annual or multi-year operating budget of the Authority and, in each alternating fiscal year, shall elect officers and, if an Executive Committee is established by the Board as provided in the Agreement, every second year shall elect Executive Committee members, as required by the Agreement and these Bylaws. If the budget is not adopted at the Annual Meeting, it shall be adopted at an adjourned regular meeting or special meeting call by the President or the Board. If Officers or Executive Committee Members are not elected at the annual meeting they shall be elected at an adjourned regular meeting or special meeting called by the President or the Board.

At any meetings, the Board may transact any other business within its powers, and receive reports of the operations and affairs of the Authority.

(c) Notice

Written notice of each regular meeting of the Board shall be delivered to each director and/or alternate director at least seven (7) days in advance of the meeting. The notice shall specify:

- (i) The place, date and hour of the meeting.
- (ii) Those matters which are intended to be presented for action by the Board.
- (iii) The general nature of any proposal for action by the Board concerning a change in the Agreement or these Bylaws, a change in the membership of the Authority, or any other matter substantially affecting the rights and obligations of the Members.
- (iv) If officers or Executive Committee members are to be elected, the names of the persons nominated for such positions at the time the notice is sent.

2. Special Meetings

A special meeting of the Board of Directors may be called at any time by the President of the Board, or by a majority of the directors on the Board subject to the requirements for 24-hour written notice to the directors and/or alternate directors and to requesting representatives of the media provided in Section 54956 of the Government Code. The notice of a special meeting shall specify the time and place of the meeting and the business to be transacted. No other business shall be considered at the meeting. A member of the Board may waive notice as provided in Section 54956 of the Government Code. Notice of the calling of any special meeting shall be posted as provided in said Section.



### 3. Place Of Meeting

Each regular or special meeting of the Board of Directors shall be held at a place within the State of California designated by the Board at its preceding meeting, or if no such designation is made, as designated by the Executive Committee or the President of the Board.

### 4. Adjourned Meetings

The Board of Directors may adjourn any regular or special meeting to a time and place specified in the order of adjournment, whether or not a quorum has been established. If a quorum is not established, no business other than adjournment may be transacted.

A copy of the order for adjournment shall be posted as required by Section 54955 of the Government Code. No other notice of an adjourned meeting shall be necessary, unless the adjournment is for a period of thirty (30) days or more, in which case notice of the adjourned meeting shall be given in the same manner as notice of the original meeting.

### 5. Ralph M. Brown Act

Notwithstanding anything herein to the contrary, all meetings of the Board of Directors shall be held in strict compliance with the Ralph M. Brown Act (Government Code Section 54950 *et seq.*), as amended and then in effect.

### 6. Alternate Director

The alternate director or directors appointed by a Member as its alternate representatives on the Board of Directors may, in the absence of the director, attend, vote and participate in any meeting of the Board of Directors as the representative of the Member.

## ARTICLE IV

### THE EXECUTIVE COMMITTEE

#### 1. Membership

If the Board of Directors of the Authority establishes an Executive Committee as provided in the Agreement, such Executive Committee shall consist of five (5) members of the Board of Directors of the Authority, one (1) of whom shall be the President and one (1) of whom shall be the Vice President of the Authority and the others of whom shall be appointed by the Board of Directors.

2. Terms Of Office

The terms of office of the members of the Executive Committee shall be for two (2) years.

3. Removal, Vacancies And Alternates

A vacancy in any position on the Executive Committee, because of death, resignation, removal, disqualification, or any other cause, shall be filled by election of the Board. Pending action by the Board, the remaining members of the Executive Committee may fill a vacancy on an interim basis, except in the case of a vacancy caused by removal, which may only be filled by the Board.

4. Alternate Director

The alternate director or directors appointed by a Member as its alternate representatives on the Board may, in the absence of the director of such Member who is a member of the Executive Committee, attend, vote and participate in any meeting of the Executive Committee in place of such director.

5. Meetings

The Executive Committee shall meet on the call of the President of the Board, at such times and places as are designated by that officer. The Executive Committee shall also meet on the call of a majority of its members, at such time and place as they may designate. Written notice of the time and place of an Executive Committee meeting, and of the business to be transacted, shall be delivered to each member of the Executive Committee and to requesting representatives of the media at least twenty-four (24) hours in advance as required by Section 54956 of the Government Code, and subject to the other provisions of that Section. No other business shall be considered at the meeting. A member of the Executive Committee may waive notice as provided in said Section 54956. Notice of the calling of the special meeting shall be posted as provided in said Section.

6. Quorum And Voting Requirements

A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business. All actions of the Executive Committee shall require the affirmative votes of a majority of the members present at a meeting duly held at which a quorum is present.

7. Adjourned Meetings

The Executive Committee may adjourn any meeting to a time and place specified in the order for adjournment, whether or not a quorum has been established. If a quorum is not established, no business other than adjournment may be transacted.

A copy of the order for adjournment shall be posted as required by Section 54955 of the Government Code. No other notice of an adjourned meeting shall be necessary, unless the adjournment is for a period of twenty-four (24) hours or more, in which case notice of the adjourned meeting shall be delivered to the members who were not present at the time of adjournment.

8. Ralph M. Brown Act

Notwithstanding anything herein to the contrary, all meetings of the Executive Committee shall be noticed and held in strict compliance with the Ralph M. Brown Act (Government Code Section 54950 *et seq.*), as amended and then in effect.

ARTICLE V

OFFICERS

1. Duties Of The President

The President shall preside at and conduct all meetings of the Board and shall chair the Executive Committee.

2. Duties Of Vice President

In the absence of the President, the Vice President shall perform all duties assigned to the President by the Agreement and these Bylaws or by the Board.

3. Terms Of Office

The terms of office of the President and Vice President shall be for two (2) years.

4. Removal And Vacancies

The Board of Directors may remove an officer at any time. A vacancy in any office, because of death, resignation, removal, disqualification, or any other cause, shall be filled by election of the Board.

ARTICLE VI

COMMITTEES

1. Establishment Of Committees

The Board of Directors or, if an Executive Committee is established by the Board of Directors as provided in the Agreement, the Executive Committee may appoint

any additional committees and determine the committees' structure, charge, size and membership. Committees may be established to consider any matter within the jurisdiction of the body establishing such committee. Each committee shall operate according to the policies adopted by the body establishing such committee and shall submit their reports and recommendations to the body establishing such committee. Committees shall meet on the call of their respective chairpersons, each of whom shall be a member of the Board of Directors and a member of such committee.

Each Committee shall meet on the call of its chairperson, at such times and places as are designated by the chairperson. Written notice of the time and place of a Committee meeting, and of the business to be transacted, shall be delivered to each member of the Committee and to requesting representatives of the media at least twenty-four (24) hours in advance as required by Section 54966 of the Government Code, and subject to the other provisions of that Section. No other business shall be considered at the meeting. A majority of the members of a Committee shall constitute a quorum for the transaction of business. All actions of the Committee shall require the affirmative votes of a majority of the members present at a meeting duly held at which a quorum is present. All Committee meetings shall be duly noticed and held in accordance with the requirements of the Ralph M. Brown Act (Government Code 54950 *et seq.*), as amended and then in effect.

## ARTICLE VII

### MISCELLANEOUS

#### 1. Execution Of Contracts

The Board of Directors or the Executive Committee may authorize any officer, staff member, or agent of the Authority to execute any contract in the name of and on behalf of the Authority, and such authorization may be general or specific in nature. Unless so authorized, no officers, staff member or agent shall have any power to bind the Authority by contract.

#### 2. Rules Of Procedure For Meetings

All meetings of the Board of Directors, Executive Committee, and other Committees or bodies of the Authority shall be conducted in accordance with *Robert's Rules Of Order*, provided that in the event of a conflict, such rules shall be superseded by the Agreement, these bylaws, and California law.

## ARTICLE VIII

### FINANCES

#### 1. Fiscal Year

The Fiscal Year of the Authority shall be from July 1 to June 30.

## 2. Budget

The Program Administrator shall prepare and submit to the Board of Directors at its Annual Meeting, a general budget for the next Fiscal Year of the Authority. The proposed general budget shall include annual membership fees and assessment schedules, if any, and a summary of revenue and expenditures, actual or projected, for the preceding, current and next Fiscal Years. If any dues or other assessment of members is proposed, written notice shall be given to all Members of the Board at least forty-five (45) days prior to the Annual Meeting of the Board of Directors at which the general budget will be submitted. If no member dues or assessments are proposed in the general budget, it shall be placed on the agenda and noticed in the same manner as all other agenda items. The Program Administrator shall manage all expenditures, subject to the control of the Board or, if established, the Executive Committee. The Board or, if established, the Executive Committee, shall have the power to transfer funds within the total detailed budget to meet unanticipated needs or changed circumstances. If the Executive Committee makes any such transfers, it shall be reported to the Board of Directors at its next succeeding meeting.

## ARTICLE IX

### COMPENSATION

Members of the Board and alternate members of the Board who are elected officials (Council Members or members of a Board of Supervisors) are entitled to \$150.00 per meeting, not to exceed \$600.00 in any fiscal year. Only one person from a member city can be paid for any given meeting.

## ARTICLE X

### AMENDMENTS

These Bylaws may be amended at any time by a majority vote of the Board of Directors. Following adoption of amendments, the Program Administrator shall prepare and distribute a revision of the Bylaws to all Members of the Authority.

## ARTICLE XI

### EFFECTIVE DATE

These Bylaws shall go into effect immediately upon adoption by majority vote of the Board of Directors.



ARTICLE XII

ASSOCIATE MEMBERSHIP

1. Any Public Agency may, with the approval of the Board of Directors, become an Associate Member of the Authority by delivery to the Authority of a duly executed Associate Membership Agreement substantially in the form attached hereto as Exhibit A and hereby made a part hereof.

2. An Associate Member shall be entitled to participate in all programs and other undertakings of the Authority, including, without limitation, any Home Mortgage Financing Program, any financing under the Nonprofit Financing Law (as defined in the Agreement), any undertaking to finance the acquisition, construction, installation and/or the equipping of public capital improvements, and any other financing program.

3. An Associate Member shall not be entitled to representation on the Board of Directors or to vote on any matter coming before the Board of Directors of the Authority.

4. Upon approval by the Board of Directors of a Public Agency as an Associate Member, the President, Vice President, the Program Administrator or any other Officer or staff member duly authorized by the Board of Directors for such purpose shall execute and deliver the applicable Associate Membership Agreement to the Associate Member.