



## AGENDA

Industrial Development  
Authority Regular Meeting

Tuesday, December 12, 2023

6:30 PM

Community Meeting Center,  
11300 Stanford Avenue, Garden Grove,  
CA 92840

**John R. O'Neill**  
Chair

**Kim B. Nguyen-Penaloza**  
Vice Chair

**George S. Brietigam**  
Member

**Cindy Tran**  
Member

**Joe DoVinh**  
Member

**Stephanie Klopfenstein**  
Member

**Steve Jones**  
Member

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**Meeting Assistance:** Any person requiring auxiliary aids and services, due to a disability, to address the City Council, should contact the City Clerk's Office 72 hours prior to the meeting to arrange for accommodations. Phone: (714) 741-5040.

**Agenda Item Descriptions:** Are intended to give a brief, general description of the item. The City Council may take legislative action deemed appropriate with respect to the item and is not limited to the recommended action indicated in staff reports or the agenda.

**Documents/Writings:** Any revised or additional documents/writings related to an item on the agenda distributed to all or a majority of the Council Members within 72 hours of a meeting, are made available for public inspection at the same time (1) in the City Clerk's Office at 11222 Acacia Parkway, Garden Grove, CA 92840, during normal business hours; (2) on the City's website as an attachment to the City Council meeting agenda; and (3) at the Council Chamber at the time of the meeting.

**Public Comments:** Members of the public who attend the meeting in-person and would like to address the City Council are requested to complete a pink speaker card indicating their name and address, and identifying the subject matter they wish to address. This card should be given to the City Clerk before the meeting begins. General comments are made during "Oral Communications" and should be limited to matters under consideration and/or what the City Council has jurisdiction over. Persons wishing to address the City Council regarding a Public Hearing matter will be called to the podium at the time the matter is being considered.

**Manner of Addressing the City Council:** After being called by the Mayor, you may approach the podium, it is requested that you state your name for the record, and proceed to address the City Council. All remarks and questions should be addressed to the City Council as a whole and not to individual Council Members or staff members. Any person making impertinent, slanderous, or profane remarks or who becomes boisterous while addressing the City Council shall be called to order by the Mayor. If such conduct continues, the Mayor may order the person barred from addressing the City Council any further during that meeting.

**Time Limitation:** When any group of persons wishes to address the City Council on the same

subject matter, the Mayor may request a spokesperson be chosen to represent the group, so as to avoid unnecessary repetition. At the City Council's discretion, a limit on the total amount of time for public comments during Oral Communications and/or a further limit on the time allotted to each speaker during Oral Communications may be set.

**PLEASE SILENCE YOUR CELL PHONES DURING THE MEETING.**

## AGENDA

### Open Session

#### ROLL CALL:

MEMBER BRIETIGAM, MEMBER TRAN, MEMBER DOVINH, MEMBER KLOPFENSTEIN, MEMBER JONES, VICE CHAIR NGUYEN-PENALOZA, CHAIR O'NEILL

1. ORAL COMMUNICATIONS (to be held simultaneously with other legislative bodies)

2. REORGANIZATION

2.a. Selection of Chair and Vice-Chair. *(Action Item)*

3. CONSENT ITEMS

*(Consent Items will be acted on simultaneously with one motion unless separate discussion and/or action is requested by an Industry Development Authority Member.)*

3.a. Receive and file the annual report for the Industrial Development Authority.  
*(Action Item)*

3.b. Receive and file minutes from the meeting held on December 13, 2022.  
*(Action Item)*

4. MATTERS FROM AUTHORITY MEMBERS

5. ADJOURNMENT

The next Regular Industrial Development Authority Meeting is scheduled for Tuesday, December 10, 2024, at 5:30 p.m. in the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, California 92840.

**City of Garden Grove**

**INTER-DEPARTMENT MEMORANDUM**

To:	Lisa L. Kim	From:	Ursula Luna-Reynosa
Dept.:	Director	Dept.:	Economic Development & Housing
Subject:	Receive and file the annual report for the Industrial Development Authority. ( <i>Action Item</i> )	Date:	12/12/2023

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**OBJECTIVE**

The purpose of this report is to provide the Garden Grove Industrial Development Authority (IDA) annual report of the activities of the California Debt Limit Allocation Committee (CDLAC) for 2023.

**BACKGROUND**

In 1982, the City of Garden Grove formed the IDA. Under the State of California guidelines, the IDA acts as the official local coordinating body for low-cost development bonds for industrial companies seeking expansion. The IDA's role is to assist industrial-related businesses by facilitating their request for tax-exempt Industrial Development Bonds (IDB).

Although the IDA can call a Special Meeting promptly to facilitate IDB financing, the IDA must meet yearly as stated in its By-Laws. At the annual meeting, the IDA reviews actions of the CDLAC, which administers the tax-exempt activity bond program for California and approves the issuance of IDB's as a partner with local government, and the actions of the California Debt and Investment Advisory Committee (CDIAC), which provides policy guidance with respect to public debt and investment activities.

**DISCUSSION**

The IDA can assist the issuance of tax-exempt bonds provided that the company uses the bond proceeds to:

- Foster job retention and expansion;
- Fund industrial, manufacturing, or agricultural projects that create tangible products for sale;
- Fund land, building construction, new equipment or furnishings; and
- Fund cost of architects, engineers, attorneys and permits.

The IDA program is an economic development tool offering industrial and manufacturing businesses alternative sources of financing for land acquisition, construction, rehabilitation, and infrastructure improvements for businesses in the city of Garden Grove. The IDA received no requests from Garden Grove businesses for IDB financing assistance in 2023.

#### FINANCIAL IMPACT

None. If an industrial company applied for IDB financing, the IDA would only act as a liaison in the State bond process; therefore, there is no financial impact to the City.

#### RECOMMENDATION

It is recommended that the Industrial Development Authority Members:

- Receive and file the 2023 update of the California Debt Limit Allocation Committee, the 2023 update of the California Debt and Investment Advisory Committee, and the 2023 Industrial Development Bond Project Program Summary.

By: Monica Covarrubias  
Sr. Project Manager

#### ATTACHMENTS:

Description	Upload Date	Type	File Name
2023 CDLAC Program Summary	11/16/2023	Backup Material	2023_CDLAC_Program_Summary.pdf
2023 CDIAC Program Summary	11/16/2023	Backup Material	2023_CDIAC_Program_Summary.pdf
2023 Industrial Development Bond Project Program Summary	11/16/2023	Backup Material	2023_Industrial_Development_Bond_Project_Program_Summary.pdf



[Home](#) -> [CDLAC](#) -> Current Program



## CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE



### Current Program

CDLAC administers the tax-exempt private activity bond program for California. Federal and state revenues are not utilized in this program. Bonds issued are purchased by the private sector and repayment is not an obligation of the state or of the federal government. The 2023 State Ceiling for qualified private activity bonds is \$4,683,521,040.

Agencies and organizations authorized to issue tax-exempt private activity bonds or mortgage credit certificates must receive an allocation from CDLAC.

Programs currently administered by CDLAC include the following:

#### Qualified Residential Rental Project Program (QRRP) Description

State and local governmental agencies and joint powers authorities can issue tax-exempt housing revenue bonds. These bonds assist developers of multifamily rental housing units to acquire land and construct new units or purchase and rehabilitate existing units. The tax-exempt bonds lower the interest rate paid by the developers. The developers in turn produce market rate and affordable rental housing for low and very low-income households by reducing rental rates to these individuals and families.

Bond authority for Rental Projects is awarded to four sub-pools: the New Construction Pool (Projects in which 100% of its units constitute new units to the market; or Projects that involve demo or rehab of existing units that increase the unit count by (i) 25% or (ii) 50% of the existing units, whichever is greater; or Adaptive Re-use of non-residential structures. The New Construction Pool includes set-asides for Homeless, Extremely Low Income/Very Low Income (ELI/VLI), State Funded: Mixed Income and Geographic Regions; the Mixed Income Pool (New Construction Projects that are either: (1) is not utilizing the Average Income test of Internal Revenue Code Section 42 (g)(1)(C) and which has 50% or fewer of its total units designated as Restricted Rental Units; or (2) is part of the California Housing Finance Agency Mixed- Income Program); and have 50% or fewer of total units designated as Restricted Rental Units); the Rural New Construction Project Pool (New Construction Projects located in a rural area as defined by California Health and Safety Code Section 50199.21 but shall not include a Preservation, Other Rehabilitation nor Mixed Income Project); Preservation Pool (Projects that: 1) have a pre-1999 HCD Loan (AB 1699 projects); or 2) a HUD approved replacement or rehab project (Section 18 Demolition/Disposition); or 3) At-Risk of converting to market rate units; or 4) is a HUD Rental Assistant Demonstration (RAD) Program; Other Rehabilitation Pool (Projects that are not eligible for treatment as a new construction or preservation project); and BIPOC ("Black, Indigenous and Other People of Color") Pool (Projects for which the sponsor entity is a BIPOC).

#### Industrial Development Bond Project Program Description

Small-Issue Industrial Development Bonds (IDBs) are tax-exempt private activity bonds that are issued through state and local governmental agencies to assist manufacturing facilities finance capital expenditures. Today, most IDBs support expansions of existing manufacturing. IDBs offer interest rate savings to small and midsize manufacturers in contrast to conventional loans. When used by manufacturers, IDBs serve to retain and create new jobs within their communities.

#### Other Exempt Facility Program Description

Exempt Facility Bonds are tax-exempt private activity bonds that are issued by state and local governmental agencies to finance solid waste disposal and waste recycling facilities. The tax-exempt bonds provide facility owners with low cost financing in the form of below market interest rate loans. The interest rate savings enable the project owners to maintain lower customer rates or minimize customer rate increases, while at the same time assisting the communities they serve meet their mandated requirements to protect and enhance the environment. Exempt facility projects also benefit the communities by creating new jobs.



## CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION

### About CDIAC

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#### Introduction

The California Debt and Investment Advisory Commission (CDIAC) provides information, education and technical assistance on debt issuance and public fund investments to local public agencies and other public finance professionals. The Commission was created in 1981 with the passage of Chapter 1088, Statutes of 1981 (Assembly Bill (AB) 1192, Costa). This legislation established the California Debt Advisory Commission as the State's clearinghouse for public debt issuance information and required it to assist state and local agencies with the monitoring, issuance and management of public debt. The Commission's name was changed to the California Debt and Investment Advisory Commission with the passage of Chapter 833, Statutes of 1996 (AB 1197, Takasugi), and its mission was expanded to cover public investments. Among other functions specified in statute, CDIAC:

- Collects information on all State and local debt issuance in California and serves as a statistical clearinghouse.
- Provides technical assistance and continuing education to state and local government officials on the practices and strategies for public debt issuance and investing public funds.
- Undertakes or commissions studies on methods to reduce the costs of debt and improve credit ratings.
- Publishes a monthly newsletter.
- Recommends legislative changes to improve the sale and servicing of state and local debt.
- Collects reports of annual fiscal status, bond reserve draws and bond defaults for Mello-Roos Community Facilities Districts and Marks-Roos Bond Pools
- Assists State financing authorities and commissions to carry out their responsibilities.

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#### The Commission Members

The Commission consists of nine members, including the State Treasurer, the Governor or the Director of Finance, the State Controller, two local government finance officials, two Assembly Members, and two Senators. The State Treasurer serves as the Chairperson and appoints the two local government officials. The Speaker of the Assembly appoints the Assembly representatives and the Senate Rules Committee appoints the Senate representatives. Appointed members serve four-year terms, or at the pleasure of their appointing power. The Commission directs the activities of the staff.

- [Commission Member Biographies](#)

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#### Commission Meetings

- [Meeting Agendas, Staff Reports, and Minutes](#)

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#### CDIAC Programs

In performance of its mission, CDIAC engages in a range of activities classified into three general program areas: data collection and analysis, policy research, and education.

##### Data Collection and Analysis

As the State's clearinghouse for public debt issuance information, CDIAC has compiled data on all public debt issued in California since January 1, 1982. All issuers of state and local government debt are required to report issue-specific information to CDIAC 30 days prior to the proposed sale date and again, no later than 21 days from the actual sale date. In addition, issuers of Mello-Roos and Marks-Roos debt are required to submit annual fiscal status reports to CDIAC. In total, CDIAC receives 2,500 to 4,000 individual reports annually, a range dependent on state and local issuance activity and municipal market conditions.

Data from these reports are maintained in the California Debt Issuance Database and forms the basis for the debt information and statistical analysis released by CDIAC. Details on the public debt that has been proposed for sale and debt that has been sold are published on a monthly basis in the Calendar of Debt Issuance within *Debt Line*, CDIAC's monthly newsletter. In addition, CDIAC uses the data it collects to prepare numerous reports of debt issuance trends and statistics during the year and at year-end.

## Policy Research

CDIAC works to improve the marketability of public debt issued in California and the safety and performance of municipal investment portfolios by undertaking or commissioning studies on various aspects of the debt and investment markets, providing guidance to state and local debt issuers and investment managers, and recommending legislative changes in matters affecting debt issuance and public funds investing.

CDIAC examines issues that are of current interest and have practical relevance to public finance officials. Typically, projects are designed to:

- Raise the general level of understanding among public issuers and investors of the key elements of debt issuance and public funds investing.
- Apprise issuers and investors of emerging trends in public finance.
- Inform local officials of financing and investing options.
- Preserve the integrity and viability of the public finance market by alerting policy makers to potential problem areas.

Research staff stays abreast of developments and events in the municipal and other financial markets and works in conjunction with the Executive Director, with input and advice from Commission members, to determine the topic areas of research and analysis. CDIAC's research draws on information from the California Debt Issuance Database, public and private experts throughout the municipal industry, public and private finance groups, periodicals and journals, and numerous public and private data sources. Research staff prepares their findings and recommendations in the forms of Issue Briefs, technical reports, guidelines, and articles for the Debt Line monthly newsletter.

## Education

Since 1984, CDIAC has organized educational seminars focusing on public finance matters and the debt issuance process. Public funds investment was added to the curriculum in 1996. Offered throughout the year at various locations in the State, CDIAC seminars are aimed at public finance officials and designed to:

- Introduce the basic debt and investment concepts to those new to these fields.
- Strengthen the expertise of the more experienced practitioners.
- Inform officials of current debt and investment topics arising from changing market conditions or policy considerations.
- Apprise officials of the most current best practices and guidelines for the management of public debt and investments.

CDIAC places a high priority on making its data and expertise available to public agencies in useful forms. Accessibility is the crux of its technical assistance program. In 2011, CDIAC began to make a wide array of educational programming available through webinars. The webinar format allows CDIAC to bring topical information to public agencies in a more timely and convenient fashion.

In addition to its own educational seminars and webinars, CDIAC has acted as co-sponsor of public finance-related conferences, symposia, and seminars conducted by private companies and statewide associations. These partnerships allow CDIAC to efficiently target its educational programming, increase contacts with experts from public and private sectors, and keep abreast of current matters affecting public finance.

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California State Treasurer  
**Fiona Ma, CPA**



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CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

## Industrial Development Bond Project Program

Designed to assist manufacturing facilities to finance capital expenditures.



### Contact Information

If you have any questions about the Industrial Development Bond Program, please [contact CDLAC](#).

### Quick Links

[Sign Up to Receive CDLAC Information](#)

Small-Issue Industrial Development Bonds (IDBs) are tax-exempt, private-activity bonds that are issued to provide financing for construction or expansion of manufacturing facilities, or the purchase of new equipment. Today, most IDBs support the expansion of existing manufacturing to retain and create jobs in communities. IDBs do this by offering interest rate savings to small and midsize manufacturers compared to conventional loans.

Please Note: On an annual basis, all CDLAC applicants are required to complete the [Annual Applicant Public Benefits and Ongoing Compliance Self-Certification Form](#) for each project within an existing bond regulatory period and/or CDLAC compliance period. Please contact CDLAC directly should you have any questions regarding this requirement.

- [Industrial Development Bond Application](#)
- [Report of Action Taken Form For Bonds](#)
- [Certification of Compliance II Non-QRRP Form](#)
- [Certificate of Completion Non-QRRP Form](#)

### Connect With Us

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**City of Garden Grove**

**INTER-DEPARTMENT MEMORANDUM**

To: Lisa L. Kim From: Teresa Pomeroy  
Dept.: Director Dept.: Secretary  
Subject: Receive and file minutes Date: 12/12/2023  
from the meeting held on  
December 13, 2022. (*Action  
Item*)

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Attached are the minutes from the meeting held on December 13, 2022,  
recommended to be received and filed as submitted or amended.

**ATTACHMENTS:**

<b>Description</b>	<b>Upload Date</b>	<b>Type</b>	<b>File Name</b>
Minutes	11/2/2023	Minutes	ida-min_12_13_2022.pdf



RECEIVE AND FILE THE ANNUAL REPORT OF THE INDUSTRIAL DEVELOPMENT  
AUTHORITY (F: I-128.1)

It was moved by Member Jones, seconded by Member Brietigam that:

The 2022 update of the California Debt Limit Allocation Committee, the 2022 update of the California Debt and Investment Advisory Committee, and the 2022 Industrial Development Bond Project Program Summary, be received and filed.

The motion carried by a 6-0-1 vote as follows:

Ayes: (6) Brietigam, Tran, DoVinh, Klopfenstein, Jones, O'Neill  
Noes: (0) None  
Absent: (1) K. Nguyen

RECEIVE AND FILE MINUTES FROM THE MEETING HELD ON DECEMBER 14, 2021  
(F: Vault)

It was moved by Member Jones, seconded by Member Brietigam that:

The minutes of the meeting held December 14, 2021, be received and filed.

The motion carried by a 6-0-1 vote as follows:

Ayes: (6) Brietigam, Tran, DoVinh, Klopfenstein, Jones, O'Neill  
Noes: (0) None  
Absent: (1) K. Nguyen

ADJOURNMENT

At 8:32 p.m., Chair O'Neill adjourned the meeting. The next Regular Industrial Development Authority Meeting will be held on Tuesday, December 12, 2023.

Lizabeth Vasquez  
Deputy Secretary