

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

## REGULAR MEETING \*\*\*TELECONFERENCE MEETING NOTICE and AGENDA\*\*\* LOCATIONS LISTED BELOW

10:30 A.M.  
Thursday, February 16, 2017  
Teleconference Phone Information  
(712) 775-7031 - Conference Code: 895081223

### Call to Order and Roll Call Statement of Disclosure

### Action Items

1. Approve Minutes from the Regular Meeting on January 5, 2017.
2. Approve Minutes from the Regular Meeting on January 12, 2017.
3. Approve Resolution No. 17-04 Authorizing the Issuance and Sale of California Enterprise Development Authority Insured Revenue Bonds (Casa De Las Campanas, Inc. Project), Series 2017, for the Purpose of Financing Facilities for the Benefit of Casa De Las Campanas, Inc., a California Nonprofit Public Benefit Corporation, and/or a Related or Successor Entity; Providing the Terms and Conditions for the Sale and Issuance of Said Bonds and Other Matters Relating Thereto and Authorizing the Execution of Certain Documents Herein Specified.
4. Approve Resolution No. 17-05 of the California Enterprise Development Authority with Respect to the Financing of Facilities for Spectra Color, Inc. and/or a Related Entity and Declaring its Intent to Reimburse Certain Expenditures from Proceeds of Indebtedness and Authorizing Related Actions.

### Public Comment

### Chair Report

### PACE Report

### Other Business

### Adjournment

Members of CEDA and members of the public may access this meeting at the following locations:

California Association for Local Economic Development (contact Helen Schaubmayer) 550 Bercut Drive, Suite G Sacramento, CA 95811	City of Vista (contact Kevin Ham or Reception) 200 Civic Center Dr. Vista, CA 92084	Economic Development Collaborative- Ventura County (contact Bruce Stenslie or Kelly Noble) 1601 Carmen Drive, #215 Camarillo, CA 93010
City of Santa Clarita (contact Jason Crawford or Marilyn Sourgose) 23920 Valencia Blvd., Suite 100 Santa Clarita, CA 91355	Fresno State (contact Mike Dozier or Reception) 550 East Shaw Ave., Suite 230 Fresno, CA 93710	Los Angeles County Economic Development Corporation (LAEDC) (contact Carrie Rogers or Linden Johnson) 444 S. Flower St., 37 <sup>th</sup> Floor Los Angeles, CA 90071

## **CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

Southern California Edison,  
Economic Development  
Services  
(contact Mike Nuby by phone:  
626-812-7351)  
6040-B N. Irwindale Ave.  
Irwindale, CA 91702

This agenda can be obtained at [www.ceda.caed.org](http://www.ceda.caed.org). The California Enterprise Development Authority complies with the Americans with Disabilities Act (ADA) by ensuring that the facilities are accessible to persons with disabilities and by providing this notice and information in alternative formats when requested. If you need further assistance, you may contact us before the meeting at (916) 448-8252, ext. 16.

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

## MINUTES

### Regular Meeting

\*\*\*TELECONFERENCE MEETING \*\*\*

### CEDA BOARD OF DIRECTORS

Thursday, January 5, 2017

#### Teleconference Locations

California Association for Local  
Economic Development  
550 Bercut Drive, Suite G  
Sacramento, CA 95811

City of Santa Clarita  
23920 Valencia Blvd., Suite 100  
Santa Clarita, CA 91355

City of Vista  
200 Civic Center Dr.  
Vista, CA 92084

Fresno State  
550 East Shaw Ave., Suite 230  
Fresno, CA 93710

Economic Development Collaborative-  
Ventura County  
1601 Carmen Drive, #215  
Camarillo, CA 93010

Los Angeles County  
Economic Development  
Corporation (LAEDC)  
444 S. Flower St., 37th Floor  
Los Angeles, CA 90071

Southern California Edison,  
Economic Development Services  
6040-B N. Irwindale Ave.  
Irwindale, CA 91702

#### Call to Order

Gurbax Sahota, Board Chair of the California Enterprise Development Authority, called the meeting to order at 10:32 am.

#### Roll Call

Members Present: Jason Crawford  
Kevin Ham  
Gurbax Sahota  
Carrie Rogers  
Bruce Stenslie

#### CALED Management/Staff

Present: Jillian Boyd  
Helen Schaubmayer

Public: Dan Bronfman  
Mike Dozier  
Mike Nuby  
David Schmelzinger  
Mark Pruner  
Maria DeBenedetti

#### Statement of Disclosure

None

#### Action Items

1. Approve Minutes from the Regular Meeting on December 15, 2016.

**Motion:** Board Member Kevin Ham made the motion to approve minutes from the Regular Meeting on December 15, 2016. Board Member Bruce Stenslie seconded the motion on the floor. The motion passed with the following roll call vote:

Jason Crawford	Aye
Kevin Ham	Aye
Gurbax Sahota	Aye
Carrie Rogers	Aye
Bruce Stenslie	Aye

2. Approve Resolution No. 17-01 Approving Associate Membership by the City of Alameda in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to the Associate Membership of the City in the Authority.

**Motion:** Board Member Jason Crawford made the motion to approve Resolution No. 17-01. Board Member Carrie Rogers seconded the motion on the floor. The motion passed with the following roll call vote:

Jason Crawford	Aye
Kevin Ham	Aye
Gurbax Sahota	Aye
Carrie Rogers	Aye
Bruce Stenslie	Aye

**Discussion:** Helen briefed the Board the approval for membership will allow CEDA to issue bonds and other financings within the City of Alameda. The City approved the CEDA membership on Tuesday, January 3<sup>rd</sup>.

3. Approve Resolution No. 17-02 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make a Loan for the Purpose of Financing and Refinancing the Cost of Acquisition, Construction, Improvement and Equipping of Certain Facilities for the Benefit of Bay Area Chinese Bible Church, Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

**Motion:** Board Member Kevin Ham made the motion to approve Resolution No. 17-02. Board Member Jason Crawford seconded the motion on the floor. The motion passed with the following roll call vote:

Jason Crawford	Aye
Kevin Ham	Aye
Gurbax Sahota	Aye
Carrie Rogers	Aye
Bruce Stenslie	Aye

**Discussion:** Helen briefed the Board that the Bay Area Chinese Bible Church was founded in 1956 and has grown to over 1,000 in attendance on Sundays serving Alameda and surrounding communities. Bay Area Chinese Bible Church requests the Authority to make a loan in the aggregate principal amount not to exceed \$12,000,000 for refinancing the cost of an approximately eight acre educational complex in Alameda, an approximately 35,926 square foot, two-story educational building, and an approximately 30,000 square foot, one-story building with a gymnasium, multi-purpose rooms, kitchen and nursery and pre-school. Additional funding will be used to finance & refinance and/or reimburse various capital projects. Dan Bronfman stated that the Church's building is LEED-certified and the gym will be used by multiple community groups.

**Public Comment**

**Chair Report**

**PACE Report**

**Other Business**

**Adjournment**

**Motion:** *Board Member Kevin Ham made the motion to adjourn the meeting. Board Member Bruce Stenslie seconded the motion on the floor. Board Chair Gurbax Sahota adjourned the meeting at 10:40 am by voice vote.*

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

## MINUTES

### Regular Meeting

\*\*\*TELECONFERENCE MEETING \*\*\*

### CEDA BOARD OF DIRECTORS

Thursday, January 12, 2017

#### Teleconference Locations

California Association for Local  
Economic Development  
550 Bercut Drive, Suite G  
Sacramento, CA 95811

City of Santa Clarita  
23920 Valencia Blvd., Suite 100  
Santa Clarita, CA 91355

City of Vista  
200 Civic Center Dr.  
Vista, CA 92084

Fresno State  
550 East Shaw Ave., Suite 230  
Fresno, CA 93710

Economic Development Collaborative-  
Ventura County  
1601 Carmen Drive, #215  
Camarillo, CA 93010

Los Angeles County  
Economic Development  
Corporation (LAEDC)  
444 S. Flower St., 37th Floor  
Los Angeles, CA 90071

Southern California Edison,  
Economic Development Services  
6040-B N. Irwindale Ave.  
Irwindale, CA 91702

#### Call to Order

Kevin Ham, Board Vice-Chair of the California Enterprise Development Authority, called the meeting to order at 10:32 am.

#### Roll Call

Members Present: Jason Crawford  
Kevin Ham  
Mike Dozier  
Mike Nuby  
Carrie Rogers  
Bruce Stenslie

#### CALED Management/Staff

Present: Helen Schaubmayer

Public: Sam Balisy  
Kirk Dowdell  
Kyle Kawakami  
Karen Ruan  
Kathleen Scatton  
Jeff Spinelli

#### Statement of Disclosure

None

**Action Items**

1. Approve Resolution No. 17-03 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make a Loan for the Purpose of Financing the Cost of Acquisition, Construction, Improvement and Equipping of Certain Facilities for the Benefit of Orange County Bar Foundation, Inc., Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

**Motion:** *Board Member Jason Crawford made the motion to approve Resolution No. 17-03. Board Member Mike Nuby seconded the motion on the floor. The motion passed with the following roll call vote:*

Jason Crawford	Aye
Kevin Ham	Aye
Mike Dozier	Aye
Mike Nuby	Aye
Carrie Rogers	Aye
Bruce Stenslie	Aye

**Discussion:** Helen briefed the Board the approval for membership will allow CEDA to issue bonds and other financings within the City of Alameda. The City approved the CEDA membership on Tuesday, January 3<sup>rd</sup>.

3. Approve Resolution No. 17-02 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make a Loan for the Purpose of Financing and Refinancing the Cost of Acquisition, Construction, Improvement and Equipping of Certain Facilities for the Benefit of Bay Area Chinese Bible Church, Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

**Motion:** *Board Member Kevin Ham made the motion to approve Resolution No. 17-02. Board Member Jason Crawford seconded the motion on the floor. The motion passed with the following roll call vote:*

Jason Crawford	Aye
Kevin Ham	Aye
Gurbax Sahota	Aye
Carrie Rogers	Aye
Bruce Stenslie	Aye

**Discussion:** Helen briefed the Board that since 1969, the Orange County Bar Foundation (OCBF) has operated a wide range of youth and family oriented programs and remained committed to its mission of keeping at-risk youth in school, healthy, and drug-free through education, counseling, mentoring, and family strengthening. The OCBF was initially established as the philanthropic arm of the Orange County Bar Association. OCBF requests the Authority to make a loan in the aggregate principal amount not to exceed \$2,000,000 to finance the cost of acquisition, construction, improvement, equipping and furnishing of an approximately 8,015 square foot, two-story commercial office building and parking. Kyle Kawakami from OCBF thanked the Board for approving this financing with a favorable cost structure. Kirk Dowdell and Jeff Spinelli also thanked the Board.

**Public Comment**  
**Chair Report**

**PACE Report**

**Other Business**

**Adjournment**

**Motion:** *Board Member Carrie Rogers made the motion to adjourn the meeting. Board Member Mike Dozier seconded the motion on the floor. Board Vice-Chair Kevin Ham adjourned the meeting at 10:40 am by voice vote.*



## Staff Report

<b>Action Requested</b>	Approve Resolution No. 17-04 Authorizing the Issuance and Sale of California Enterprise Development Authority Insured Revenue Bonds (Casa De Las Campanas, Inc. Project), Series 2017, for the Purpose of Financing Facilities for the Benefit of Casa De Las Campanas, Inc., a California Nonprofit Public Benefit Corporation, and/or a Related or Successor Entity; Providing the Terms and Conditions for the Sale and Issuance of Said Bonds and Other Matters Relating Thereto and Authorizing the Execution of Certain Documents Herein Specified.
<b>Borrower(s)</b>	Casa de las Campanas, Inc.
<b>Borrower Description</b>	<p>Casa de las Campanas, Inc. was organized in 1989 to provide multilevel housing, non-acute healthcare and related services to the elderly. Casa is a continuing care retirement facility which includes 375 units of independent living, a 33-unit assisted living unit, an 18-unit dementia/assisted living unit, and an adjacent 99-bed skilled nursing facility--all located in the Rancho Bernardo area of northern San Diego County. The organization is one of the highest rated retirement facilities in California with over 25 years of operational success. Web site: <a href="http://casadelascampanas.com/">http://casadelascampanas.com/</a></p> <p>Casa de las Campanas requests the Authority to issue its Insured Revenue Bonds (Casa de las Campanas, Inc. Project), Series 2017, in an aggregate principal amount not to exceed \$39,000,000 to finance the costs of acquisition, construction, installation, furnishing and equipping of improvements to the Borrower's continuing care retirement facility located in San Diego.</p>
<b>Public Benefits</b>	Casa de las Campanas provides multi-level housing, non-acute healthcare and related services to the elderly residents of the County. This lower cost financing will enable them to put the savings back into their operations.
<b>TEFRA Hearing</b>	A public hearing was completed by the County of San Diego on June 7, 2016.
<b>Eligibility and Policy Review</b>	<p>CEDA staff has reviewed the project. The proposed financing is eligible pursuant to state and federal law and addresses the objectives contained in CEDA's Bond Issuance Policies and Procedures</p> <ul style="list-style-type: none"> <li>■ The Borrower is capable of meeting the obligations incurred under the financing documents;</li> <li>■ The Payments to be made are adequate to pay the expenses of CEDA in connection with the financing and to pay debt service;</li> <li>■ Proposed financing is appropriate for the project.</li> </ul>
<b>Recommendation</b>	Staff recommends approval of Resolution No. 17-04 Authorizing the Issuance and Sale of California Enterprise Development Authority Insured Revenue Bonds (Casa De Las Campanas, Inc. Project), Series 2017, for the Purpose of Financing Facilities for the Benefit of Casa De Las Campanas, Inc., a California Nonprofit Public Benefit Corporation, and/or a Related or Successor Entity; Providing the Terms and Conditions for the Sale and Issuance of Said Bonds and Other Matters Relating Thereto and Authorizing the Execution of Certain Documents Herein Specified.

**RESOLUTION NO. 17-04**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY INSURED REVENUE BONDS (CASA DE LAS CAMPANAS, INC. PROJECT), SERIES 2017, FOR THE PURPOSE OF FINANCING FACILITIES FOR THE BENEFIT OF CASA DE LAS CAMPANAS, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, AND/OR A RELATED OR SUCCESSOR ENTITY; PROVIDING THE TERMS AND CONDITIONS FOR THE SALE AND ISSUANCE OF SAID BONDS AND OTHER MATTERS RELATING THERETO AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS HEREIN SPECIFIED**

**WHEREAS**, pursuant to the provisions of the Joint Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the "Act"), the cities of Eureka, Lancaster and Selma entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Enterprise Development Authority (the "Authority") was organized; and

**WHEREAS**, the Authority is authorized by the Agreement and the Act to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements, or to enter into loan agreements in order to promote economic development; and

**WHEREAS**, pursuant to the provisions of the Act and the Agreement, the public agencies which are the contracting parties comprising the membership of the Authority are authorized to jointly exercise any power common to such contracting parties, including, without limitation, the power to acquire and dispose of property, both real and personal; and

**WHEREAS**, the County of San Diego (the "County") is an associate member of the Authority and is authorized to acquire and dispose of property, both real and personal; and

**WHEREAS**, the Borrower has requested that the Authority issue its Insured Revenue Bonds (Casa de las Campanas, Inc. Project), Series 2017, in an aggregate principal amount not to exceed \$39,000,000 (the "Bonds") for the benefit of the Borrower pursuant to the Act to finance the costs of acquisition, construction, installation, furnishing and equipping of improvements to the Borrower's continuing care retirement facility located at 18655 West Bernardo Drive, San Diego, California 92127 (the "Facilities"); and

**WHEREAS**, in accordance with the requirements of Section 147(f) of the Code and the Act, the Board of Supervisors of the County adopted, on June 7, 2016, a resolution approving the issuance of the Bonds in order to finance the Facilities; and

**WHEREAS**, the Bonds will be issued pursuant to a Bond Indenture (the "Indenture") between the Authority and U.S. Bank National Association, as trustee (the "Trustee"); and

**WHEREAS**, the Authority will loan the proceeds of the Bonds to the Borrower and the Borrower will agree to repay the loan pursuant to a Loan Agreement (the “Loan Agreement”) by and between the Authority and the Borrower; and

**WHEREAS**, the Bonds will be insured by the Office of Statewide Health Planning and Development of the Health and Human Services Agency of the State of California (the “Office”) pursuant to the terms of a Contract of Insurance (the “Contract of Insurance” by and among the Authority, the Borrower and the Office; and

**WHEREAS**, there have been filed with the Secretary of the Authority the following documents:

(a) the proposed form of the Indenture, including the form of the Bonds as Exhibit A thereto, pursuant to which the Bonds will be issued and secured;

(b) the proposed form of the Loan Agreement pursuant to which the Borrower will agree to repay the loan;

(c) the proposed form of the Contract of Insurance pursuant to which the Office will insure the payment of principal and interest on the Bonds;

(d) the proposed form of a Regulatory Agreement (the “Regulatory Agreement”) by and among the Authority, the Borrower and the Office; and

(e) the proposed form of the Bond Purchase Agreement (the “Purchase Agreement”), by and between City National Bank, as purchaser (the “Purchaser”) and the Authority, and approved by the Borrower.

**WHEREAS**, the Facilities are expected to provide significant benefits to the residents of the County in providing multi-level housing, non-acute healthcare and related services to the elderly residents of the County; and

**WHEREAS**, the financing for the Borrower through the Authority will result in a more economical and efficient funding process because of the Authority’s expertise in conduit financings; and

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of the California Enterprise Development Authority, as follows:

**Section 1.** The Authority finds that it is in the public interest to assist the Borrower in financing the Project.

**Section 2.** the Authority hereby authorizes and approves (i) the issuance of the Bonds on a tax-exempt basis pursuant to and in accordance with the provisions of the Loan Agreement and the Indenture, in an aggregate principal amount not to exceed \$39,000,000, (ii) the insurance of the Bonds in accordance with the terms of the Contract of Insurance and the Regulatory Agreement, (iii) the sale of the Bonds in accordance with the terms of the Purchase Agreement to

the Purchaser, and (iv) the loan of the proceeds thereof to the Borrower pursuant to the provisions of the Loan Agreement.

The Bonds and the interest thereon shall be special, limited obligations of the Authority, and payment of the principal of, redemption premium, if any, and interest on, the Bonds shall be made solely from loan payments made by the Borrower under the Loan Agreement and certain moneys held under the Indenture, and the Bonds shall not be deemed to constitute a general obligation of the Authority or of any member of the Authority or an obligation or commitment by the Authority to expend any of its funds other than from certain funds received under the Loan Agreement.

**Section 3.** The proposed form of the Loan Agreement relating to the Bonds, between the Authority and the Borrower, on file with the Secretary of the Authority, is hereby approved. The Chair or the Vice Chair of the Board of Directors of the Authority (individually, an “Authorized Signatory” and, collectively, the “Authorized Signatories”), acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Loan Agreement in substantially the form filed with the Authority prior to this meeting, with such changes and insertions therein consistent with the stated terms of this Resolution as the Authorized Signatory executing the same, with the advice of the Authority Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 4.** The proposed form of the Indenture relating to the Bonds, between the Authority and the Trustee, on file with the Secretary of the Authority, is hereby approved. Any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver to the Trustee the Indenture in substantially the form filed with the Authority prior to this meeting, with such changes and insertions therein consistent with the stated terms of this Resolution as the Authorized Signatory executing the same, with the advice of the Authority Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dates, maturity dates, interest rates, interest payment dates, denominations, forms, registration privileges or requirements, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

**Section 5.** The proposed form of the Contract of Insurance relating to the Bonds, among the Authority, the Borrower and the Office, on file with the Secretary of the Authority, is hereby approved. Any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Contract of Insurance in substantially the form filed with the Authority prior to this meeting, with such changes and insertions therein consistent with the stated terms of this Resolution as such Authorized Signatory executing the same, with the advice of the Authority Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 6.** The proposed form of the Regulatory Agreement relating to the Bonds, among the Authority, the Borrower and the Office, on file with the Secretary of the Authority, is hereby approved. Any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Regulatory Agreement in substantially the form filed with the Authority prior to this meeting, with such changes and

insertions therein consistent with the stated terms of this Resolution as such Authorized Signatory executing the same, with the advice of the Authority Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof

**Section 7.** The proposed form of the Purchase Agreement relating to the Bonds, between the Purchaser and the Authority and approved by the Borrower, on file with the Secretary of the Authority, is hereby approved. Any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Purchase Agreement in substantially the form filed with the Authority prior to this meeting, with such changes and insertions therein consistent with the stated terms of this Resolution as such Authorized Signatory executing the same, with the advice of the Authority Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 8.** The Bonds shall be executed by the manual or facsimile signature of the Chair or the Vice Chair of the Board of Directors of the Authority and attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority in the form set forth in and otherwise in accordance with the Indenture.

**Section 9.** The Bonds, when so executed, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon and to deliver the Bonds, when duly executed and authenticated, to the Purchaser, in accordance with written instructions executed on behalf of the Authority by any Authorized Signatory, which instructions said Authorized Signatory is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the Purchaser in accordance with the Purchase Agreement, upon payment of the purchase price thereof.

**Section 10.** Each Authorized Signatory and other appropriate officers and agents of the Authority is each hereby authorized and directed to take any and all actions necessary or appropriate, not inconsistent with the terms of this Resolution and of the Indenture to effect the execution, authentication and delivery of the Bonds to the Purchaser, including, without limitation: giving the written order of the Authority for the authentication and delivery of the Bonds by the Trustee, furnishing of a tax regulatory agreement or certificate and other appropriate certificates, closing documents and other documents contemplated by this Resolution, the Indenture, the Loan Agreement, the Contract of Insurance, the Regulatory Agreement and the Purchase Agreement. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the documents and certificates contemplated by this Resolution.

**Section 11.** All approvals, consents, directions, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, including, without limitation, any of the foregoing which may be necessary or desirable in connection with any amendment of such documents, or any redemption, purchase or defeasance of the Bonds, may be given or taken by any Authorized Signatory, without further authorization by the Board of Directors of the Authority, and each Authorized Signatory is hereby authorized and directed to give any such approval, consent, direction, notice, order or request and to take any such action

which such Authorized Signatory, with the advice of bond counsel and legal counsel to the Authority, may deem necessary or desirable to further the purposes of this Resolution.

**Section 12.** All actions of the officers, directors, employees and agents of the Authority in conformity with the purpose and intent of this Resolution and in furtherance of the issuance and sale of the Bonds, as contemplated by this Resolution and the documents referred to herein, whether heretofore or hereafter taken, shall be and are hereby ratified, confirmed and approved.

**Section 13.** The provisions of this Resolution are hereby declared to be separable, and if any action, phrase or provision is for any reason declared to be invalid, such declaration does not affect the validity of the remainder of the sections, phrases and provisions.

**Section 14.** This Resolution shall take effect from and after its adoption. The provisions of this Resolution are hereby declared to be separable, and if any action, phrase or provision is for any reason declared to be invalid, such declaration does not affect the validity of the remainder of the sections, phrases and provisions.

PASSED AND ADOPTED this 16<sup>th</sup> day of February, 2017.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

By \_\_\_\_\_  
Gurbax Sahota, Chair

ATTEST:

By \_\_\_\_\_  
Helen Schaubmayer, Assistant Secretary

I, the undersigned, the duly appointed and qualified Assistant Secretary of the California Enterprise Development Authority, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said Authority at a duly called meeting of the Board of Directors of said Authority held in accordance with law on February 16, 2017.

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Helen Schaubmayer, Assistant Secretary



## Staff Report

<b>Action Requested</b>	Approve Resolution No. 17-05 of the California Enterprise Development Authority with Respect to the Financing of Facilities for Spectra Color, Inc. and/or a Related Entity and Declaring its Intent to Reimburse Certain Expenditures from Proceeds of Indebtedness and Authorizing Related Actions.
<b>Borrower</b>	Spectra Color, Inc.
<b>Borrower Description</b>	<p>Spectra Color is a full service, vertically integrated supplier of raw materials to the thermoplastics industry. Founded in 1976 and located in Corona (in unincorporated Riverside County), Spectra Color provides the plastics industry and a variety of manufacturers with high quality pre-colored resin compounds, pigments and additive products. The resins and products produced by Spectra Color are used by other businesses to produce components and parts using injection molding, blow molding, extrusion and rotational molding manufacturing technologies. Products are designed for the medical applications, toy manufacturing, packaging, consumer products and numerous other specific applications.</p> <p>The estimated \$7,000,000 tax-exempt loan proceeds will be used to fund the acquisition of two newly-constructed, adjoining industrial buildings located in Lake Elsinore. These buildings total approximately 57,400 square feet and are situated on 3.13 acres of land. In addition, proceeds may be used to fund additional improvements to the building, including, but not limited to, installation of a solar power generating system.</p>
<b>Public Benefits</b>	The proposed financing will enable the Borrower to acquire a larger building making a long-term commitment to have a permanent home in California and the opportunity to increase employment and production and recycling capacities.
<b>Eligibility and Policy Review</b>	<p>The project has been reviewed by CEDA staff. The proposed financing is eligible pursuant to state and federal law and addresses the objectives contained in CEDA's Bond Issuance Policies and Procedures</p> <ul style="list-style-type: none"> <li>■ The borrower is capable of meeting the obligations incurred under the bond documents;</li> <li>■ The payments to be made are adequate to pay the expenses of CEDA in connection with the financing and to make payments on the bonds;</li> <li>■ Proposed financing is appropriate for the project.</li> </ul>
<b>Recommendation</b>	Staff recommends approval of Resolution No. 17-05 of the California Enterprise Development Authority with Respect to the Financing of Facilities for Spectra Color, Inc. and/or a Related Entity and Declaring its Intent to Reimburse Certain Expenditures from Proceeds of Indebtedness and Authorizing Related Actions.

## RESOLUTION NO. 17-05

### **A RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY MAKING DETERMINATIONS WITH RESPECT TO THE FINANCING OF FACILITIES FOR SPECTRA COLOR, INC. AND/OR A RELATED ENTITY AND DECLARING ITS INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS AND AUTHORIZING RELATED ACTIONS**

WHEREAS, pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, (commencing with Section 6500) (the “Act”), the Cities of Selma, Lancaster and Eureka, have entered into a Joint Powers Agreement, dated as of June 1, 2006 (the “Agreement”) pursuant to which the California Enterprise Development Authority (the “Authority”) was organized; and

WHEREAS, the Authority is authorized by the Agreement and the Act to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements in order to promote economic development, including specifically bonds issued for the purposes contained in the California Industrial Development Financing Act (constituting Title 10 of the California Government Code) (the “Financing Act”) pursuant to Section 6547.7 of the Act; and

WHEREAS, Spectra Color, Inc. (the “Applicant”), is duly organized and existing under the laws of the State of California (the “State”), and is duly qualified to do business in the State, and, under its organizational documents, the Applicant is authorized to undertake the acquisition, construction, rehabilitation, equipping, furnishing and financing of buildings and facilities; and

WHEREAS, the Applicant has requested the Authority’s assistance, through the use of tax-exempt and taxable obligations (the “Obligations”), in financing for the benefit of the Applicant and/or a related entity (the “Borrower”) (a) the acquisition of the real property and improvements located at 29395 and 29405 Hunco Way, Lake Elsinore, California, consisting of two newly constructed, adjoining industrial buildings containing approximately 57,400 square feet on 3.13 acres of land, (b) the acquisition and installation of certain manufacturing fixtures and equipment, and (c) the payment of certain financing costs and costs of issuance in connection with the Obligations (collectively, the “Project”); and

WHEREAS, the Borrower expects to pay certain expenditures (the “Reimbursable Expenditures”) in connection with the Project prior to the issuance by the Authority of the Obligations for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, pursuant to Resolution 06-01 adopted by the Board of Directors on July 14, 2006, the Chair of the Board of Directors executed a reimbursement certificate, dated February 9, 2017 (the “Reimbursement Certificate”) for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations; and

WHEREAS, subject to the satisfaction of the conditions to the issuance of the Obligations set forth in this Resolution, the Authority reasonably expects that Obligations in an aggregate amount not expected to exceed \$7,000,000 will be issued to finance the costs of the Project and that certain of the proceeds of the Obligations will be used to reimburse the Reimbursable Expenditures;

**NOW, THEREFORE,** the Board of Directors of the California Enterprise Development Authority does resolve as follows:

**Section 1.** This Resolution is adopted for purposes of ratifying the execution of the Reimbursement Certificate and establishing compliance with the Act and the Financing Act. This Resolution does not bind the Authority to make any expenditure, incur any indebtedness, or proceed with the financing and refinancing of the Project.

**Section 2.** Based on the representations of the Borrower, the Board of Directors of the Authority hereby finds and determines:

a. That the use of the Project for manufacturing purposes is in accord with Section 91503 of the Financing Act;

b. That the use of the Project is likely to produce employment benefits by securing or increasing the number of employees of the Borrower and any other direct users of the Project or the compensation for such employment;

c. That the issuance of the Bonds by the Authority in the amount sufficient to finance and refinance all or a portion of the cost of the Project is likely to be a substantial factor in the accrual of each of such public benefits from the use of the Project; and

d. That the proposed financing and refinancing of the Project is otherwise in accord with the purposes and requirements of the Financing Act.

**Section 3.** The Board of Directors of the Authority hereby declares its reasonable official intent to use proceeds of the Obligations to finance the costs of the Project and to reimburse the Borrower for the Reimbursable Expenditures.

**Section 4.** In no event shall the Obligations constitute a pledge of the faith and credit of the State or any political corporation, subdivision or agency of the State, including the members of the Authority, and neither the State nor any political corporation, subdivision or agency of the State, including the members of the Authority, shall be liable to make any appropriation for the repayment of the Obligations. The Obligations shall constitute a special, limited obligation of the Authority payable solely from the revenues or other sources provided for in a loan agreement and proceedings to be provided for hereafter.

**Section 5.** The issuance of the Obligations is subject to the following conditions: (a) the Authority and the Borrower shall have first agreed to mutually acceptable terms for the Obligations and mutually acceptable terms and conditions of the loan agreement or other financing agreement, tax regulatory agreement and other related documents for the issuance of the Obligations, (b) all requisite governmental approvals shall have first been obtained, and (c) a

resolution approving the financing documents to which the Authority will be a party shall have been adopted by the Board of Directors of the Authority.

**Section 6.** The Chair of the Board of Directors is hereby requested and authorized to file such information with the California Industrial Development Financing Advisory Commission and the California Debt Limit Allocation Committee as may be required for the review and approval of the Project pursuant to the Financing Act.

**Section 7.** All actions heretofore taken by the officers, or their respective designees, employees and agents of the Authority in connection with the financing of the Project are hereby ratified and confirmed. The officers and their designees, employees and agents of the Authority are hereby authorized to take any and all actions in connection with the financing of the Project and as may be necessary and consistent with the purposes of this Resolution.

**Section 8.** This Resolution shall take effect from and after its adoption.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the California Enterprise Development Authority at its meeting thereof held February 16, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: \_\_\_\_\_  
Gurbax Sahota, Chair

ATTEST:

\_\_\_\_\_  
Helen Schaubmayer, Assistant Secretary

I, the undersigned, the duly appointed and qualified Assistant Secretary of the California Enterprise Development Authority, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said Authority at a duly called meeting of the Board of Directors of said Authority held in accordance with law on February 16, 2017.

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Helen Schaubmayer, Assistant  
Secretary