

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

## REGULAR MEETING

\*\*\*TELECONFERENCE MEETING NOTICE and AGENDA\*\*\*

### LOCATIONS LISTED BELOW

10:30 A.M.

Thursday, March 2, 2023

### Zoom Call Information

<https://us02web.zoom.us/j/83090950409?pwd=0m-8petUUMOnlGjf9Cv-ucfTFWNKIK.1>

Meeting ID: 830 9095 0409

Passcode: 866446

One tap mobile

+16699006833,,83090950409#,,,,\*866446# US (San Jose)

+13462487799,,83090950409#,,,,\*866446# US (Houston)

### Call to Order and Roll Call

### Statement of Disclosure

### Action Items

1. Consent Agenda
  - a. Approve Minutes from the Regular Meeting on February 2, 2023.
2. Approve Resolution 23-05 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, Installation, Renovation, Expansion, Equipping and Furnishing of Certain Facilities for the Benefit of Cornerstone Housing for Adults With Disabilities, Providing the Terms and Conditions For Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
3. Approve Resolution 23-06 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, Installation, Renovation, Expansion, Equipping and Furnishing of Certain Facilities for the Benefit of Holocaust Museum LA, Providing the Terms and Conditions For Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
4. Approve Resolution 23-07 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make One or More Loans for the Purpose of Financing, Refinancing and/or Reimbursing the Cost of Acquiring, Developing, Constructing, Installing, Equipping and Furnishing Educational Facilities for the Benefit of NorthCreek Church and/or a Related or Successor Entity; Providing the Terms and Conditions For Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

### 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 ENTERPRISE DEVELOPMENT AUTHORITY

California Association for Local  
Economic Development  
(Contact Michelle Stephens)  
2150 River Plaza Dr., Suite 275  
Sacramento, CA 95833

Rural County Representatives of  
California (Contact Robert Burris)  
1215 K Street, Suite 1650  
Sacramento, CA 95814

Riverside County Office of Economic  
Development (contact Robert Moran)  
3403 10<sup>th</sup> Street, 4<sup>th</sup> Floor  
Riverside, CA 92501

City of Vista  
(Contact Larry Vaupel)  
200 Civic Center  
Vista, CA 92084

City of West Sacramento  
(Contact Aaron Laurel or  
Sandra Barcenas)  
1110 West Capitol Avenue, 3<sup>rd</sup> Floor  
West Sacramento, CA 95691

City of Corona  
(Contact Jessica Gonzales)  
400 S. Vicentia Avenue  
Corona, CA 92882

City of Temecula  
(Contact Christine Damko)  
41000 Main Street, 3<sup>rd</sup> Floor  
Economic Development Office  
Temecula, CA 92589

This agenda can be obtained at <https://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. 12.

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

## MINUTES

### Regular Meeting

\*\*\*ZOOM CALL\*\*\*

### CEDA BOARD OF DIRECTORS

Thursday, February 2, 2023

#### Zoom Call Location

<https://us02web.zoom.us/j/83090950409?pwd=0m-8petUUMOnlGjf9Cv-ucfTFWNKIK.1>

Meeting ID: 830 9095 0409

#### Call to Order

Gurbax Sahota, Chair of the California Enterprise Development Authority, called the meeting to order at 10:31 a.m.

#### Roll Call

Members Present:

Robert Burris (10:35 am)  
Christine Damko (10:35 am)  
Jessica Gonzales  
Robert Moran  
Gurbax Sahota

CALED Management/ Staff Present:

Laura Cole-Rowe  
Michelle Stephens

Public:

Steve Bajc, Chinese American International School  
Sam Balisy, Kutak Rock  
Bryant Jenkins, Chinese American International School  
Jessica Shaham, Kutak Rock  
John Wang, Chinese American International School

#### Statement of Disclosure

None

#### Action Items

1. Consent Agenda
  - a. Approve Minutes from the Regular Meeting on January 19, 2023.
  - b. Approve Resolution 23-03 of the California Enterprise Development Authority Authorizing Public Meetings to be held via Teleconferencing Pursuant to Government Code Section 54953(E) and Making Findings and Determinations Regarding the Same.

**Motion:** Board Member Jessica Gonzales made the motion to approve the Consent Agenda. Board Member Robert Moran seconded the motion on the floor.

*The motion passed with the following roll call vote:*

Jessica Gonzales	Yes
Robert Moran	Yes
Gurbax Sahota	Yes

## CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

2. Approve Resolution 23-04 of the California Enterprise Development Authority Authorizing and Approving a Master Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make One or More Loans In An Aggregate Amount Not To Exceed \$20,000,000 for the Purpose of Financing the Cost of Renovation, Construction, Installation, Equipping and/or Furnishing of Certain Educational and Related Facilities For the Benefit of Chinese American International School, Providing the Terms and Conditions For Such Master Loan Agreement and Other Matters Relating Thereto Herein Specified.

**Discussion:** Michelle Stephens gave the staff report. John Wang, Steve Bajc, Bryant Jenkins and Jessica Shaham commented on the project.

**Motion:** Board Member Robert Moran made the motion to approve Resolution 23-04. Board member Jessica Gonzales seconded the motion on the floor.

*The motion passed with the following roll call vote:*

Robert Burris	Yes
Christine Damko	Yes
Jessica Gonzales	Yes
Robert Moran	Yes
Gurbax Sahota	Yes

### **Public Comment**

None

### **Chair Report:**

Gurbax Sahota reported on the Industrial Development Bonds allocation meeting and stated that the \$30 M allocation was approved.

### **PACE Report**

Gurbax Sahota reported that the new originators' model for PACE commercial properties is in process.

### **Other Business**

None

### **Adjournment**

**Motion:** Jessica Gonzales made the motion to adjourn the meeting. Robert Burris seconded the motion on the floor. Chair Gurbax Sahota adjourned the meeting at 10:42 am after the roll call vote.

*The motion passed with the following roll call vote:*

Robert Burris	Yes
Christine Damko	Yes
Jessica Gonzales	Yes
Robert Moran	Yes
Gurbax Sahota	Yes

## Staff Report

<b>Action Requested</b>	Approve Resolution 23-05 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, Installation, Renovation, Expansion, Equipping and Furnishing of Certain Facilities for the Benefit of Cornerstone Housing for Adults With Disabilities, Providing the Terms and Conditions For Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
<b>Borrower(s)</b>	Cornerstone Housing for Adults with Disabilities
<b>Borrower Description</b>	<p>Cornerstone Housing, Inc., a California nonprofit corporation, will develop, own and operate a 64-unit apartment project, known as “The Village at Cornerstone”, which will provide independent housing and communal programming to adults with recognized disabilities to be located in close proximity to retail services, local transportation, houses of worship and available cultural activities.</p> <p>The Facilities will be owned, leased and/or operated by the Borrower and will serve as a home, resource and potential learning center for adults with disabilities who will be able to live independently and integrate into the wider community with a unique scaffolding of services and programs that support the residents' diverse needs.</p> <p>Cornerstone Housing for Adults with Disabilities has requested that the Authority issue revenue obligations in the maximum principal amount of up to \$50,000,000 for the cost of demolition, construction, installation, equipping and improvement of certain facilities of the Borrower which are located at 1410-12 S. Glenville Drive and 9224-40 W. Pico Boulevard, Los Angeles, California 90035 and the refinancing of existing taxable debt used to acquire the properties. The Facilities will be owned, leased, and/or operated by the Borrower and will be used in its mission to serve as a home, resource, and potential learning center for adults with disabilities who will be able to live independently and integrate into the wider community with a unique scaffolding of services and programs that support the residents' diverse needs.</p> <p>The Project will also include approximately 9400 square feet of retail/office space on the ground floor. The building will offer a portion of its units at a reduced rental rate to low-income adults. This unique project is one of only a small number of projects currently operating in the United States. This will be the first in in Los Angeles.</p>
<b>Public Benefits</b>	The tax-exempt financing will allow Cornerstone Housing for Adults with Disabilities, to realize savings that can be put into rehabilitating real property.
<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; and</li> <li>■ Proposed financing is appropriate for the project.</li> </ul>
<b>Recommendation</b>	Staff recommends approval of Resolution 23-05.

**RESOLUTION NO. 23-05**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION 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, INSTALLATION, RENOVATION, EXPANSION, EQUIPPING AND FURNISHING OF CERTAIN FACILITIES FOR THE BENEFIT OF CORNERSTONE HOUSING FOR ADULTS WITH DISABILITIES, PROVIDING THE TERMS AND CONDITIONS FOR SUCH LOAN AGREEMENT AND OTHER MATTERS RELATING THERETO HEREIN SPECIFIED**

**WHEREAS**, pursuant to the provisions of the Joint Exercise of 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 enter into loan agreements to, among other things, finance or refinance facilities owned and/or leased and operated by organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"); and

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

**WHEREAS**, the City of Los Angeles (the "City") is an associate member of the Authority and is authorized to acquire and dispose of property, both real and personal; and

**WHEREAS**, pursuant to the provisions of the Act, the Authority may, at its option, issue bonds, rather than certificates of participation, and enter into a loan agreement, financing agreement, or similar agreement for the purposes of promoting economic development; and

**WHEREAS**, Cornerstone Housing for Adults with Disabilities, a California nonprofit public benefit corporation (the "Borrower"), has submitted an application to the Authority requesting the Authority to make a loan (the "Borrower Loan") in the aggregate principal amount not to exceed \$50,000,000 to the Borrower for the purpose of financing and refinancing the acquisition, development, construction, installation, equipping and furnishing a 64-unit complex providing independent housing and communal programming to adults with recognized disabilities located at 1410 S. Glenville Drive, Los Angeles, California 90035 (the "Facilities"); and

**WHEREAS**, a portion of the proceeds of the Borrower Loan may also be used to pay certain costs of issuance and capitalized interest in connection with the Borrower Loan; and

**WHEREAS**, the Authority intends to use the proceeds of a tax-exempt loan from Farmers and Merchants Bank of Long Beach or its successor (the “Lender”), to the Authority (together, the “Authority Loan” and, together with the Borrower Loan, the “Loans”) to make the Borrower Loan; and

**WHEREAS**, there has been placed on file with the Authority prior to this meeting the following documents and agreements:

(a) A proposed form of the Loan Agreement (the “Loan Agreement”), by and among the Lender, the Authority and the Borrower; and

(b) A proposed form of Assignment Agreement (the “Assignment Agreement”), between the Authority and the Lender;

**WHEREAS**, pursuant to California Government Code Section 5852.1, certain information regarding the Loans, attached hereto as Attachment I, has been presented to the Authority by the Borrower based on a good faith estimates by the Lender; and

**WHEREAS**, the Facilities provide significant benefits to the residents of the City and surrounding community through the educational services provided by the Borrower and, based on representations of the Borrower, the financing of the Facilities through the Authority will result in demonstrable savings in effective interest rate; and

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

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

**Section 2.** The Authority hereby approves of the entering into the Authority Loan, the interest with respect to which will be excluded from gross income for federal income tax purposes and using the proceeds thereof to make the Borrower Loan pursuant to the terms and provisions of the Loan Agreement. The Authority understands that the payments under the Borrower Loan will be assigned to the Lender to satisfy the Authority’s payments under the Authority Loan. The payments to be made by the Authority to the Lender under the Authority Loan will be satisfied solely from payments made by the Borrower to the Lender (as assignee of Authority) under the Borrower Loan.

**Section 3.** The proposed form of the Loan Agreement, by and among the Lender, 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 (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 counsel to the Authority, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the Loan Agreement.

**Section 4.** The proposed form of the Assignment Agreement, by and between the Authority and the Lender, on file with the Secretary of the Authority, is hereby approved. Each 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 Assignment 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 counsel to the Authority, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the Assignment Agreement.

**Section 5.** The Authority approves the Authority Loan, the interest with respect to which will be excluded from gross income for federal income tax purposes, and the making of the Borrower Loan to the Borrower in an amount not to exceed \$50,000,000 in accordance with the terms of and to be secured by the Loan Agreement. Repayment of the principal of, premium, if any, and the interest on, the Authority Loan shall be made solely from the revenues to be received by the Authority from the Borrower Loan pursuant to the Loan Agreement, and the Authority Loan shall not be deemed to constitute a debt or liability of the State of California or any political subdivision thereof. The Authority Loan shall bear interest at the rate or rates set forth in the Loan Agreement.

**Section 6.** All assignments, consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the borrowing of amounts from the Lender and the making of the Borrower Loan to the Borrower, any of the foregoing which may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Facilities, any assignment by Lender to an affiliate of Lender, accredited investor or qualified institutional buyer or any prepayment of the Borrower Loan, may be given or taken by an Authorized Signatory without further authorization by this Board of Directors of the Authority, and such officers are hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officers may deem necessary or desirable to further the purposes of this Resolution.

**Section 7.** All actions heretofore taken by the officials and agents of the Authority with respect to the Authority Loan and the Borrower Loan are hereby approved, confirmed and ratified, and the officials of the Authority and their authorized designees are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all certificates, agreements and documents, including, without limitation, a tax certificate and agreement, which they or the Authority's counsel or the Lender's counsel may deem necessary or advisable in order to consummate the Borrower Loan and the Authority Loan and otherwise to effectuate the purposes of this Resolution, and the Secretary or Assistant Secretary of the Authority is authorized to attest the execution of such certificates, agreements and documents.

**Section 8.** 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 9.** Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed or delivered until the City has held the requisite hearing and has approved the issuance of the Authority Loan pursuant to Section 147(f) of the Code.

**Section 10.** This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this March 2<sup>nd</sup>, 2023.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

Attest:

By \_\_\_\_\_  
Michelle Stephens, 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 March 2, 2023.

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Michelle Stephens, Assistant Secretary

ATTACHMENT I  
PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, Cornerstone Housing for Adults with Disabilities, a California nonprofit public benefit corporation (the “Borrower”), has provided the following required information to the California Enterprise Development Authority (the “Authority”), as conduit financing provider, prior to the Authority’s regular meeting on March 2, 2023 (the “Meeting”) of its Board of Directors (the “Board”) at which Meeting, the Board will consider the authorization of conduit revenue obligations in the aggregate principal amount not to exceed \$50,000,000 (the “Obligations”).

1. Farmers and Merchants Bank of Long Beach, as private placement lender, engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows, which estimates assume an aggregate principal amount of \$35,000,000 and costs of issuance and lender program fee paid from equity in the amount of approximately \$525,000, based on current expectations of the Borrower and lender:
  - A. The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Obligations (to the nearest ten-thousandth of one percent): 3.9704%
  - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$525,000 (which includes the bank loan fee)
  - C. The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$35,000,000 (not including finance charges not paid with proceeds of the Obligations)
  - D. The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$46,149,344
2. The good faith estimates provided above were based on the information which was presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of the issuance of the Obligations. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

## Staff Report

<b>Action Requested</b>	Approve Resolution 23-06 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, Installation, Renovation, Expansion, Equipping and Furnishing of Certain Facilities for the Benefit of Holocaust Museum LA, Providing the Terms and Conditions For Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
<b>Borrower(s)</b>	Holocaust Museum LA
<b>Borrower Description</b>	<p>Holocaust Museum LA was founded in 1961, and operates a museum dedicated to the survivors of the Holocaust on property leased from the City of Los Angeles. Through customized tours, artifact-rich exhibitions, creative educational programs, and intergenerational conversations with survivors, the museum teaches students and visitors to think critically about the lessons of the Holocaust and its social relevance today. It is the only cultural institution in Los Angeles with a sole focus on the horrific impact and the enormity of the Holocaust that is free for students from anywhere across the globe.</p> <p>On October 14, 2010, Holocaust Museum LA opened the doors to its permanent home in Pan Pacific Park. The museum building, designed by acclaimed architect Hagy Belzberg, has received many architectural awards. The number of visitors to the Museum has increased by over 400% since 2011. As a result, the Museum has been forced to turn away schools and tour groups.</p> <p>The expansion of the facility, located at 100 The Grove Drive, Los Angeles, CA 90036 from 28,000 to 50,000 square feet will increase the annual visitor capacity to 500,000 by 2030, including 150,000 students. It will expand educational programs and preserve Holocaust survivor testimonies through cutting-edge technology and also allow the display of new, temporary and traveling exhibits, in addition to curating exhibits from the Museum’s own collection. The expansion also includes new indoor and outdoor spaces that will double the Museum’s footprint in Pan Pacific Park. The new Learning Center Pavilion, adjacent to the existing building, will include a dedicated theater; a 200-seat theater for film screenings, concerts, conferences and public programs; outdoor reflective spaces; two classrooms for large student groups and programs for younger audiences; and 2,500 sq. ft. of special exhibit space. In addition, a new Boxcar Pavilion built to house an authentic boxcar found outside of Majdanek death camp in Poland will be constructed on top of the existing building.</p>
<b>Public Benefits</b>	The tax-exempt financing will allow Holocaust Museum LA to realize savings that can be put into rehabilitating real property.
<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; and</li> <li>■ Proposed financing is appropriate for the project.</li> </ul>
<b>Recommendation</b>	Staff recommends approval of Resolution 23-06.

**RESOLUTION NO. 23-06**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION 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, INSTALLATION, RENOVATION, EXPANSION, EQUIPPING AND FURNISHING OF CERTAIN FACILITIES FOR THE BENEFIT OF HOLOCAUST MUSEUM LA, PROVIDING THE TERMS AND CONDITIONS FOR SUCH LOAN AGREEMENT AND OTHER MATTERS RELATING THERETO HEREIN SPECIFIED**

**WHEREAS**, pursuant to the provisions of the Joint Exercise of 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 enter into loan agreements to, among other things, finance or refinance facilities owned and/or leased and operated by organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"); and

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

**WHEREAS**, the City of Los Angeles (the "City") is an associate member of the Authority and is authorized to acquire and dispose of property, both real and personal; and

**WHEREAS**, pursuant to the provisions of the Act, the Authority may, at its option, issue bonds, rather than certificates of participation, and enter into a loan agreement, financing agreement, or similar agreement for the purposes of promoting economic development; and

**WHEREAS**, Holocaust Museum LA, a California nonprofit public benefit corporation (the "Borrower"), has submitted an application to the Authority requesting the Authority to make a loan (the "Borrower Loan") in the aggregate principal amount not to exceed \$50,000,000 to the Borrower for the purpose of financing and refinancing the acquisition, construction, installation, renovation, expansion, equipping and furnishing of certain museum and ancillary facilities of the Borrower's located at 100 The Grove Drive, Los Angeles, California 90036, including, but not limited to, a new learning center pavilion, a theater, classrooms, special exhibit space, and a new Boxcar Pavilion, and other improvements (the "Facilities"); and

**WHEREAS**, a portion of the proceeds of the Borrower Loan may also be used to pay certain costs of issuance and capitalized interest in connection with the Borrower Loan; and

**WHEREAS**, the Authority intends to use the proceeds of a tax-exempt loan from Farmers and Merchants Bank of Long Beach or its successor (the “Lender”), to the Authority (together, the “Authority Loan” and, together with the Borrower Loan, the “Loans”) to make the Borrower Loan; and

**WHEREAS**, there has been placed on file with the Authority prior to this meeting the following documents and agreements:

(a) A proposed form of the Loan Agreement (the “Loan Agreement”), by and among the Lender, the Authority and the Borrower; and

(b) A proposed form of Assignment Agreement (the “Assignment Agreement”), between the Authority and the Lender;

**WHEREAS**, pursuant to California Government Code Section 5852.1, certain information regarding the Loans, attached hereto as Attachment I, has been presented to the Authority by the Borrower based on a good faith estimates by the Lender; and

**WHEREAS**, the Facilities provide significant benefits to the residents of the City and surrounding community through the educational services provided by the Borrower and, based on representations of the Borrower, the financing of the Facilities through the Authority will result in demonstrable savings in effective interest rate; and

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

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

**Section 2.** The Authority hereby approves of the entering into the Authority Loan, the interest with respect to which will be excluded from gross income for federal income tax purposes and using the proceeds thereof to make the Borrower Loan pursuant to the terms and provisions of the Loan Agreement. The Authority understands that the payments under the Borrower Loan will be assigned to the Lender to satisfy the Authority’s payments under the Authority Loan. The payments to be made by the Authority to the Lender under the Authority Loan will be satisfied solely from payments made by the Borrower to the Lender (as assignee of Authority) under the Borrower Loan.

**Section 3.** The proposed form of the Loan Agreement, by and among the Lender, 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 (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 counsel to the Authority, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the Loan Agreement.

**Section 4.** The proposed form of the Assignment Agreement, by and between the Authority and the Lender, on file with the Secretary of the Authority, is hereby approved. Each 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 Assignment 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 counsel to the Authority, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the Assignment Agreement.

**Section 5.** The Authority approves the Authority Loan, the interest with respect to which will be excluded from gross income for federal income tax purposes, and the making of the Borrower Loan to the Borrower in an amount not to exceed \$50,000,000 in accordance with the terms of and to be secured by the Loan Agreement. Repayment of the principal of, premium, if any, and the interest on, the Authority Loan shall be made solely from the revenues to be received by the Authority from the Borrower Loan pursuant to the Loan Agreement, and the Authority Loan shall not be deemed to constitute a debt or liability of the State of California or any political subdivision thereof. The Authority Loan shall bear interest at the rate or rates set forth in the Loan Agreement.

**Section 6.** All assignments, consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the borrowing of amounts from the Lender and the making of the Borrower Loan to the Borrower, any of the foregoing which may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Facilities, any assignment by Lender to an affiliate of Lender, accredited investor or qualified institutional buyer or any prepayment of the Borrower Loan, may be given or taken by an Authorized Signatory without further authorization by this Board of Directors of the Authority, and such officers are hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officers may deem necessary or desirable to further the purposes of this Resolution.

**Section 7.** All actions heretofore taken by the officials and agents of the Authority with respect to the Authority Loan and the Borrower Loan are hereby approved, confirmed and ratified, and the officials of the Authority and their authorized designees are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all certificates, agreements and documents, including, without limitation, a tax certificate and agreement, which they or the Authority's counsel or the Lender's counsel may deem necessary or advisable in order to consummate the Borrower Loan and the Authority Loan and otherwise to effectuate the purposes of this Resolution, and the Secretary or Assistant Secretary of the Authority is authorized to attest the execution of such certificates, agreements and documents.

**Section 8.** 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 9.** Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed or delivered until the City has held the requisite hearing and has approved the issuance of the Authority Loan pursuant to Section 147(f) of the Code.

**Section 10.** This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this March 2<sup>nd</sup>, 2023.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

Attest:

By \_\_\_\_\_  
Michelle Stephens, 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 March 2, 2023.

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Michelle Stephens, Assistant Secretary

ATTACHMENT I  
PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, Holocaust Museum LA, a California nonprofit public benefit corporation (the “Borrower”), has provided the following required information to the California Enterprise Development Authority (the “Authority”), as conduit financing provider, prior to the Authority’s regular meeting on March 2, 2023 (the “Meeting”) of its Board of Directors (the “Board”) at which Meeting, the Board will consider the authorization of conduit revenue obligations in the aggregate principal amount not to exceed \$50,000,000 (the “Obligations”).

1. Farmers and Merchants Bank of Long Beach, as private placement lender, engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows, which estimates assume an aggregate principal amount of \$37,352,000 and costs of issuance and lender program fee paid from equity in the amount of approximately \$522,421, based on current expectations of the Borrower and lender:
  - A. The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Obligations (to the nearest ten-thousandth of one percent): 4.3711%
  - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$522,421 (which includes the bank loan fee)
  - C. The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$37,242,631 (not including finance charges not paid with proceeds of the Obligations)
  - D. The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$49,854,422
2. The good faith estimates provided above were based on the information which was presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of the issuance of the Obligations. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

## Staff Report

<b>Action Requested</b>	Approve Resolution 23-07 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make One or More Loans for the Purpose of Financing, Refinancing and/or Reimbursing the Cost of Acquiring, Developing, Constructing, Installing, Equipping and Furnishing Educational Facilities for the Benefit of Northcreek Church and/or a Related or Successor Entity; Providing the Terms and Conditions For Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
<b>Borrower(s)</b>	NorthCreek Church
<b>Borrower Description</b>	<p>NorthCreek Church is a teaching church committed to the proclamation and application of the Word of God. Their preschool opened its doors in 1970 and has grown to annually educate approximately 200 young children while focusing on biblical application. NorthCreek Church opened an elementary school and in 1999 NorthCreek Academy formed their first kindergarten classes. In 2000, the Academy added the first through fifth grades. Their final addition of the junior high program took place in 2001. Approximately 400 K-8 students attend the Academy.</p> <p>NorthCreek Academy is accredited by the Association of Christian Schools International (ACSI) and by WASC (Western Association of Schools and Colleges). WASC is an accrediting commission for schools and is based in the USA. WASC accreditation is given to schools that meet high standards of educational practice.</p> <p>NorthCreek Church is requesting the Authority to make one or more loans in the aggregate principal amount not to exceed \$20,000,000 for the purpose of financing, refinancing and/or reimbursing for the construction, acquisition, installation, renovation, rehabilitation and equipping of their educational facilities located at 2303 Ygnacio Valley Road, Walnut Creek, California, 94598, including a gymnasium, library, meeting rooms and other related facilities and paying certain costs of issuance in connection with such financing.</p>
<b>Public Benefits</b>	The tax-exempt financing will allow NorthCreek Church to realize savings that can be put into rehabilitating real property.
<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; and</li> <li>■ Proposed financing is appropriate for the project.</li> </ul>
<b>Recommendation</b>	Staff recommends approval of Resolution 23-07.

**RESOLUTION NO. 23-07**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AUTHORIZING AND APPROVING A LOAN AGREEMENT PURSUANT TO WHICH THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY WILL MAKE ONE OR MORE LOANS FOR THE PURPOSE OF FINANCING, REFINANCING AND/OR REIMBURSING THE COST OF ACQUIRING, DEVELOPING, CONSTRUCTING, INSTALLING, EQUIPPING AND FURNISHING EDUCATIONAL FACILITIES FOR THE BENEFIT OF NORTHCREEK CHURCH AND/OR A RELATED OR SUCCESSOR ENTITY; PROVIDING THE TERMS AND CONDITIONS FOR SUCH LOAN AGREEMENT AND OTHER MATTERS RELATING THERETO HEREIN SPECIFIED**

**WHEREAS**, pursuant to the provisions of the Joint Exercise of 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 enter into financing agreements to, among other things, finance or refinance facilities owned and/or leased and operated by organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”); and

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

**WHEREAS**, the City of Walnut Creek (the “City”) is an associate member of the Authority and is authorized to acquire and dispose of property, both real and personal; and

**WHEREAS**, pursuant to the provisions of the Act, the Authority may, at its option, issue bonds, rather than certificates of participation, and enter into a loan agreement, financing agreement or similar agreement for the purposes of promoting economic development; and

**WHEREAS** NorthCreek Church, a California nonprofit religious corporation (the “Borrower”), has submitted an application to the Authority requesting the Authority to make one or more loans (collectively, the “Borrower Loans”) in the aggregate principal amount not to exceed \$20,000,000 to the Borrower for the purpose of (i) financing, refinancing and/or reimbursing the Borrower for the construction, acquisition, installation, renovation, rehabilitation and equipping of the Borrower’s educational facilities located at 2303 Ygnacio Valley Road, Walnut Creek, California, 94598, including a gymnasium, library, meeting rooms and other related facilities (the “Facilities”), and (ii) paying certain costs of issuance in connection with such financing; and

**WHEREAS**, the Authority intends to use the proceeds of one or more tax-exempt loans from Umpqua Bank, an Oregon state-chartered banking corporation (the “Lender”), to the Authority (collectively, the “Authority Loans”) to make the Borrower Loans; and

**WHEREAS**, there have been placed on file with the Authority prior to this meeting the following documents and agreements:

(a) A proposed form of Loan Agreement (the “Loan Agreement”), by and among the Lender, the Authority and the Borrower; and

(b) A proposed form of Assignment Agreement (the “Assignment Agreement”), by and between the Authority and the Lender; and

**WHEREAS**, pursuant to California Government Code Section 5852.1, certain information regarding the Loans, attached hereto as Attachment I, has been presented to the Authority by the Borrower based on a good faith estimates by the Lender; and

**WHEREAS**, the Facilities provides significant benefits to the residents of the City and surrounding community through the educational services provided by the Borrower and, based on representations of the Borrower, the financing of the Facilities through the Authority will result in demonstrable savings in effective interest rate;

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

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

**Section 2.** The Authority hereby approves of the entering into the Authority Loans, the interest with respect to which will be excluded from gross income for federal income tax purposes, and using the proceeds thereof to make the Borrower Loans pursuant to the terms and provisions of the Loan Agreement. The Authority understands that the payments under the Borrower Loans will be assigned to the Lender to satisfy the Authority’s payments under the Authority Loans. The payments to be made by the Authority to the Lender under the Authority Loans will be satisfied solely from payments made by the Borrower to the Lender (as assignee of the Authority) under the Borrower Loans.

**Section 3.** The proposed form of the Loan Agreement, by and among the Lender, 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 (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 counsel to the Authority, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the Loan Agreement.

**Section 4.** The proposed form of the Assignment Agreement, by and between the Authority and the Lender, on file with the Secretary of the Authority, is hereby approved. Each 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 Assignment 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 counsel to the Authority, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the Assignment Agreement.

**Section 5.** The Authority approves the Authority Loans, the interest with respect to which will be excluded from gross income for federal income tax purposes, and the making of the Borrower Loans to the Borrower in an amount not to exceed \$20,000,000 in accordance with the terms of and to be secured by the Loan Agreement. Repayment of the principal of, premium, if any, and the interest on, the Authority Loans shall be made solely from the revenues to be received by the Authority from the Borrower Loans pursuant to the Loan Agreement, and the Authority Loans shall not be deemed to constitute a debt or liability of the State of California or any political subdivision thereof. The Authority Loans shall bear interest at the rate or rates set forth in the Loan Agreement.

**Section 6.** All assignments, consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the borrowing of amounts from the Lender and the making of the Borrower Loans to the Borrower, any of the foregoing which may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Facilities, any assignment by the Lender to an affiliate of the Lender, accredited investor or qualified institutional buyer or any prepayment of the Borrower Loans, may be given or taken by an Authorized Signatory without further authorization by this Board of Directors of the Authority, and such officers are hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officers may deem necessary or desirable to further the purposes of this Resolution.

**Section 7.** All actions heretofore taken by the officials and agents of the Authority with respect to the Authority Loans and the Borrower Loans are hereby approved, confirmed and ratified, and the officials of the Authority and their authorized designees are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all certificates, agreements and documents, including, without limitation, a tax certificate and agreement, which they or the Authority's counsel or the Lender's counsel may deem necessary or advisable in order to consummate the Borrower Loans and the Authority Loans and otherwise to effectuate the purposes of this Resolution, and the Secretary or Assistant Secretary of the Authority is authorized to attest the execution of such certificates, agreements and documents.

**Section 8.** 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 9.** This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 2<sup>nd</sup> day of March, 2023.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

Attest:

By \_\_\_\_\_  
Michelle Stephens, 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 March 2, 2023.

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Michelle Stephens, Assistant Secretary

## Attachment I

### PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, NorthCreek Church, a California nonprofit religious corporation (the “Borrower”), has provided the following required information to the California Enterprise Development Authority (the “Authority”), as conduit financing provider, prior to the Authority’s regular meeting on March 2, 2023 (the “Meeting”) of its Board of Directors (the “Board”) at which Meeting, the Board will consider the authorization of conduit revenue obligations in the aggregate principal amount not to exceed \$20,000,000 (the “Obligations”).

1. Umpqua Bank, an Oregon banking corporation, as private placement lender, engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows:
  - A. The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Obligations (to the nearest ten-thousandth of one percent): 4.81523%.
  - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$175,000.
  - C. The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$19,825,000.00.
  - D. The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$37,822,029.81.
2. The good faith estimates provided above were based on the information which was presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at

the time of the issuance of the Obligations. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.