

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

REGULAR MEETING

TELECONFERENCE MEETING NOTICE and AGENDA

LOCATIONS LISTED BELOW

10:30 A.M.

Thursday, March 7, 2024

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 January 18, 2024.
 - b. Approve Minutes from February 1, 2024.
2. Approve the contribution to support CALED's Annual Conference.
3. Approve PACE Administrator contract.

Public Comment

Chair 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 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

City of Ontario
(Contact Jennifer Hiramoto)
303 E. B Street
Ontario, CA 91764

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, 3rd Floor
West Sacramento, CA 95691

Josh Metz
(Contact Josh Metz)
5753 Desoto Dr.
Santa Rosa, Ca 95409

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

Opportunity Stanislaus
(Contact Dave White)
1625 I Street
Modesto, CA 95354

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

TELECONFERENCE MEETING

CEDA BOARD OF DIRECTORS

Thursday, January 18, 2024

Zoom Call Location

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

Meeting ID: 830 9095 0409

Teleconference Locations

California Association for Local Economic Development (Contact Michelle Stephens) 2150 River Plaza Dr., Suite 275 Sacramento, CA 95833	City of Vista (Contact Larry Vaupel) 200 Civic Center Vista, CA 92084	City of Corona (Contact Jessica Gonzales) 400 S. Vicentia Avenue Corona, CA 92882
Rural County Representatives of California (Contact Robert Burris) 1215 K Street, Suite 1650 Sacramento, CA 95814	City of West Sacramento (Contact Aaron Laurel or Sandra Barcenas) 1110 West Capitol Avenue, 3 rd Floor West Sacramento, CA 95691	Opportunity Stanislaus (Contact Dave White) 1625 I Street Modesto, CA 95354
City of Ontario (Contact Jennifer Hiramoto) 303 E. B Street Ontario, CA 91764	Josh Metz (Contact Josh Metz) 5753 Desoto Dr. Santa Rosa, Ca 95409	

Call to Order

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

Roll Call

Members Present:

Robert Burris
Jessica Gonzales
Gurbax Sahota
David White

CALED Management/ Staff Present:

Michelle Stephens
Laura Cole-Rowe

Public:

Jaimee Boyd – Provident Resources Group
Thomas Bruder – Kutak Rock
Steve Hicks – Provident Resources Group
Larry Kosmont – Kosmont Financial
David Mnatsakanyan – Kutak Rock
Julio Morales – Kosmont Companies
Mrunal Shah – Best, Best & Krieger LLP
Lola Turlapati – Kosmont Companies

Statement of Disclosure

None

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

Action Items

1. Consent Agenda
 - a. Approve Minutes from December 7, 2023.
 - b. Approve Resolution 24-01 of the California Enterprise Development Authority Approving Associate Membership by the City of Pomona 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 Jessica Gonzales made the motion to approve the Consent Agenda. Board Member Robert Burris seconded the motion on the floor.

The motion passed with the following roll call vote:

Robert Burris	Yes
Jessica Gonzales	Yes
Gurbax Sahota	Yes
David White	Yes

2. Approve Resolution 24-02 of the California Enterprise Development Authority Authorizing the Issuance of Taxable and/or Tax Exempt Revenue Bonds In One or More Series in a Principal Amount Not To Exceed \$28,000,000 to Finance or Refinance the Acquisition, Improvement, Renovation, Furnishing and Equipping of Educational Facilities for the Benefit of the Curtis School Foundation, 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.

Discussion: Michelle Stephens gave the staff report.

Motion: Board Member David White made the motion to approve Resolution 24-02. Board Member Robert Burris seconded the motion on the floor.

The motion passed with the following roll call vote:

Robert Burris	Yes
Jessica Gonzales	Yes
Gurbax Sahota	Yes
David White	Yes

3. Approve Resolution 24-03 of the California Enterprise Development Authority Authorizing and Approving the Issuance of Its California Enterprise Development Authority Student Housing Revenue Bonds (Provident Group-Pomona Properties L.L.C. Project) Series 2024a and Its California Enterprise Development Authority Student Housing Revenue Bonds (Provident Group-Pomona Properties L.L.C. Project) Taxable Series 2024b and the Documents to be Executed By the Authority Relating Thereto and Other Matters Relating Thereto Herein Specified.

Discussion: Michelle Stephens gave the staff report. Discussion ensued.

Motion: Board Member Gurbax Sahota made the motion to approve Resolution 24-03. Board Member Jessica Gonzales seconded the motion on the floor.

The motion passed with the following roll call vote:

Robert Burris	Yes
Jessica Gonzales	Yes
Gurbax Sahota	Yes

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

David White Yes

Public Comment

None

Chair Report

Gurbax Sahota reported that the Dividend wrap up is moving forward. There is no meeting on January 25. The February 1 meeting will include the 2022/23 CEDA Audit and findings.

Other Business

BAND Team – Larry Kosmont gave a program update including marketing, public presentations, and the current economy. Julio Morales spoke about conversations that he’s had with interested parties. Discussion ensued.

Adjournment

Gurbax Sahota made the motion to adjourn the meeting. Jessica Gonzales seconded the motion on the floor. Chair Gurbax Sahota adjourned the meeting at 10:58 am after the roll call vote.

The motion passed with the following roll call vote:

Robert Burris	Yes
Jessica Gonzales	Yes
Gurbax Sahota	Yes
David White	Yes

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

MINUTES

Regular Meeting

TELECONFERENCE MEETING

CEDA BOARD OF DIRECTORS

Thursday, February 1, 2024

Zoom Call Location

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

Meeting ID: 830 9095 0409

Teleconference Locations

California Association for Local Economic Development (Contact Michelle Stephens) 2150 River Plaza Dr., Suite 275 Sacramento, CA 95833	City of Vista (Contact Larry Vaupel) 200 Civic Center Vista, CA 92084	City of Corona (Contact Jessica Gonzales) 400 S. Vicentia Avenue Corona, CA 92882
Rural County Representatives of California (Contact Robert Burris) 1215 K Street, Suite 1650 Sacramento, CA 95814	City of West Sacramento (Contact Aaron Laurel or Sandra Barcenas) 1110 West Capitol Avenue, 3 rd Floor West Sacramento, CA 95691	Opportunity Stanislaus (Contact Dave White) 1625 I Street Modesto, CA 95354
City of Ontario (Contact Jennifer Hiramoto) 303 E. B Street Ontario, CA 91764	Josh Metz (Contact Josh Metz) 5753 Desoto Dr. Santa Rosa, Ca 95409	

Call to Order

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

Roll Call

Members Present:

Robert Burris

Jessica Gonzales

Jennifer Hiramoto (10:37 am)

Gurbax Sahota

David White

CALED Management/ Staff Present:

Michelle Stephens

Laura Cole-Rowe

Public:

Mike Manduca, CPA, James Marta & Company, LLP

Statement of Disclosure

None

Action Items

1. Review and approve 2022/23 CEDA Audit and Audit Findings

Discussion: Mike Manduca, CPA, James Marta & Company, LLP went over a presentation of the 2022/23 CEDA Audit and Audit Findings. Discussion ensued.

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

Motion: Board Member David White made the motion to approve the 2022/23 CEDA Audit and Audit Findings. Board Member Jessica Gonzales seconded the motion on the floor.

The motion passed with the following roll call vote:

Robert Burris	Yes
Jessica Gonzales	Yes
Jennifer Hiramoto	Yes
Gurbax Sahota	Yes
David White	Yes

Public Comment

None

Chair Report

Gurbax Sahota reported that the Dividend wrap up is winding down. Michelle Stephens reported that currently there is no meeting on February 8, but there are some projects that should be coming up later this month.

Other Business

None

Adjournment

Jessica Gonzales made the motion to adjourn the meeting. Robert Burris seconded the motion on the floor. Chair Gurbax Sahota adjourned the meeting at 10:43 am after the roll call vote.

The motion passed with the following roll call vote:

Robert Burris	Yes
Jessica Gonzales	Yes
Jennifer Hiramoto	Yes
Gurbax Sahota	Yes
David White	Yes

Staff Report

Action Requested	Approve the contribution to support CALED’s Annual Conference.
Staff Discussion	<p>CEDA was created with the intent to give back to economic development. As such, the CEDA Board of Directors has the authority to contribute funds deemed as surplus to organizations for economic development purposes.</p> <p>The CALED Annual Conference is a regular opportunity for CEDA to both support economic development and promote the work it does in tax-exempt financing. This year, CEDA’s participation will continue to focus on our new pooled financing program - Bonds Assisting New Development (BAND). By sponsoring the Conference for \$20,000 as the Prosperity Partner, CEDA will receive the following deliverables:</p> <ul style="list-style-type: none"> • 8 Registrations • 8 Culinary Crawl registrations, but must reserve them by 03.21.24 • 8 VIP seats at Celebrating Success Lunch • Sponsor of the “Doing Business” space in the Sponsor Exhibitor area • Giveaway—CEDA branded notebook to all conference attendees • Inclusion on all conference materials & logo on nametag <p>We believe contributing to the CALED Annual Conference will promote CEDA and the work it does as well as support an important economic development training activity.</p> <p><i>This contribution was not included in the approved budget and requires a separate approval from the CEDA board.</i></p>
Eligibility and Policy Review	CEDA staff has reviewed the bylaws and Joint Powers Agreement. The request is part of Article VI; Section 6.4, which permits moneys held by the Authority and deemed surplus may be allocated as directed by the Board for economic development purposes.
Recommendation	Staff recommends approval of the contribution to support CALED’s Annual Conference.

PROGRAM ADMINISTRATION AGREEMENT
by and between

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY,
as the Authority

and

CLEANFUND, LLC,

Dated as of [DATE]

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EXHIBIT A SCOPE OF SERVICES

EXHIBIT B PROGRAM ADMINISTRATOR FEE SCHEDULE

EXHIBIT C INSURANCE REQUIREMENTS

PROGRAM ADMINISTRATION AGREEMENT

THIS PROGRAM ADMINISTRATION AGREEMENT (this “Agreement”) is made and entered into effective as of [Effective Date], by and between the **CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY** (the “Authority”), a California joint powers authority, and **CLEANFUND, LLC**, a Delaware special benefit company (the “Administrator”). The Authority and the Administrator are each referred to herein as a “Party” and, together, the “Parties”. The Exhibits to this Agreement are incorporated herein by reference.

WHEREAS, the Parties desire to work together to administer and operate the Authority’s proprietary Property Assessed Clean Energy (“PACE”) program (the “Program”); and

WHEREAS, the Parties desire to set forth their respective rights, duties and obligations with respect to the Program and their roles related thereto.

NOW, THEREFORE, in consideration of the payments, covenants, conditions and agreements contained in this Agreement, the Parties agree as follows:

Section 1. Services.

(a) The Authority hereby retains the Administrator to implement the Program and provide the Program administration services for the Authority within PACE jurisdictions. The specific services (the “Services”) to be provided are set forth in the Scope of Services attached hereto as Exhibit A (the “Scope of Services”). The Administrator hereby agrees to perform the Services in accordance with the terms of this Agreement.

(b) The Authority retains the right to appoint additional administrators for the Program. The Administrator has no rights to exclusivity in administering the Program unless agreed to in writing between the Parties.

(c) The Authority agrees to cooperate with the Administrator in enhancing and promoting the Program as the Board of Directors of the Authority may from time to time deem reasonable and appropriate.

(d) Notwithstanding anything contained in this Agreement to the contrary, this Agreement relates solely to the provision of the Services in the State of California and not any other jurisdiction.

Section 2. Cost of Services and the Administrator’s Compensation. The Administrator will provide the Services at no cost to the Authority and its member agencies. The Administrator will earn fees from the Program as described in Exhibit B, and such fees will be the Administrator’s compensation for its provision of the Services.

Section 3. Term and Termination of Agreement.

(a) The term of this Agreement shall commence on the effective date hereof and shall remain in effect until June 30, 2029 (the “Initial Term”). The term of this Agreement shall renew automatically for successive five-year terms (the Initial Term, collectively with any applicable

renewal terms, the “Term”) through June 30, 2034 unless terminated in accordance with Sections 3(b) or (c) below.

(b) After the Initial Term, either Party may notify the other of its intent to terminate this Agreement upon notice of at least 2 years and 3 months prior to the proposed date of termination. In such event, this Agreement will terminate at the date designated therefore in such notice and the Transition Period (as defined below) will commence 2 years prior to the termination of the then-current Term.

(c) This Agreement may be terminated by the Authority (i) upon the occurrence and during the continuance of an Event of Default by the Administrator as provided in Section 7 hereof, (ii) a breach by the Administrator of a written policy of the Authority that has a material detrimental effect on the Authority; provided that the Administrator had received prior written notice of such policy or (iii) any fraudulent, unlawful, grossly negligent, dishonest or willful misconduct engaged in by the Administrator. This Agreement may be terminated by the Administrator upon the occurrence and during the continuance of an Event of Default by the Authority as provided in Section 7.

(d) Following notice of termination of this Agreement, the Parties will use commercially reasonable efforts to affect a smooth termination of the Administrator’s Services under the Program, including a transition of the Administrator’s Services to the Authority or another program administrator in a professional manner during an initial transition period (the “Transition Period”) of 180 days following the date of the notice of termination. Following the Transition Period, the Administrator will continue to support the Authority with respect to projects administered by the Administrator pursuant to the Agreement until the end of the 2 year and 3- month period following the notice of termination in Section (b).

(e) A termination of this Agreement under any circumstances shall not affect any obligation to pay or entitlement to receive any amounts in accordance with this Agreement, any Master Assignment Agreements and related Supplemental Assignment Agreements, (together, the “Assignment Agreements”) or any Master Indenture and related Supplemental Indentures (together, the “Indentures”), including Cost of Issuance Fees, and the Administrator’s Fees (as such fees are further described in Exhibit B) (i) owing by either Party to the other or (ii) owing to the Administrator from administrative charges as contemplated by Exhibit B, the entitlement to which arose prior to the effective date of such termination, including, for the avoidance of doubt, all Program Fees to which the Administrator is entitled pursuant to Exhibit B with respect to Financing Instruments issued prior to the effective date of termination, including during any applicable Transition Period.

(f) The provisions of Sections 3 and 4 shall survive expiration or termination of this Agreement.

Section 4. Indemnification. The Administrator shall defend, indemnify and hold harmless the Authority, its officers, employees, representatives, and agents (each an “Indemnified Party”) from and against any and all actions, suits, proceedings, claims, demands, losses, costs and expenses, including legal costs and attorneys' fees, to which any Indemnified Party may become subject under any law (including federal or state securities laws) or at common law or otherwise,

arising out of this Agreement, the Program, the Assessments, the Assessment Districts, the Improvements or the financing and marketing thereof, except to the extent due to malfeasance or bad faith by the Authority. This Section shall survive the termination of this Agreement.

Section 5. Insurance. The Administrator shall maintain insurance as set forth in Exhibit C to this Agreement throughout the term of this Agreement.

Section 6. Confidentiality, Intellectual Property, Data Compilation and Records Maintenance.

(a) Except as otherwise set forth in this Agreement, all ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other documents and data provided by either Party to the other Party (including any copies or manuscripts of such information produced by a Party pursuant to this Agreement) or otherwise including any financial structure and financing approach in connection with the performance of this Agreement shall be held confidential by the other Party. Nothing furnished to either Party which is otherwise known to the receiving Party prior to such disclosure or is generally known, or has become known, to the related industry, and nothing that is subject to the California Public Records Act, shall be deemed confidential. Notwithstanding the above, any documents prepared for the Program that are intended to be provided to the public shall not be subject to the limitations of this Section.

(b) The Authority expressly acknowledges and agrees that any and all computer software, and all source code thereof and marketing collateral used or developed by the Administrator (“Proprietary Property”) in performing the Services is proprietary and the Administrator, or its licensors, shall at all times exclusively own all rights, title, and interest in such Proprietary Property, including all intellectual property rights contained therein. However, such computer software shall be made available to the Authority at no cost to the extent necessary to manage the Program or examine, review or audit Program records and documents. The Administrator shall not obtain any rights to trademarks, copyrights or other intellectual property of the Authority or the California Association for Local Economic Development (“CALED”). The Administrator shall not use the Authority’s or CALED’s name or insignia in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of the Authority or CALED, as appropriate.

(c) The Authority acknowledges and agrees that the Administrator, or its licensors, will have spent substantial time and effort in collection and compiling data and information (the “Data Compilations”) in connection with the Services and that such Data Compilations may be used by the Administrator (or such licensors) for their own purposes, including, without limitation, sale or distribution to third parties; provided, however, that the Administrator will not, and shall ensure that its licensors will (i) not, sell or distribute any of the Authority’s confidential information that may be contained in such Data Compilations, unless such confidential information is used only on an aggregated and anonymous basis and (ii) comply with all applicable law in connection with such disclosure.

(d) The Administrator shall maintain complete and accurate records, consistent with its records retention policy, but in no event for less than three years after repayment in full of any

project financed under the Program. All such records shall be clearly identifiable. The Administrator shall, at reasonable times and upon reasonable notice, allow a representative of the Authority and/or its agent during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. The Administrator shall, at reasonable times and upon reasonable notice, allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. At the expiration or termination of this Agreement, the Administrator shall provide the Authority a full, complete and correct copy of all records maintained by the Administrator in connection with the Program in such format as may be reasonably requested by the Authority. The Administrator and the Authority shall meet quarterly to review accounting records including but not limited account balances and transactions, collections (prepayments & delinquencies), upcoming debt service payments and other matters related to the projects administered by the Administrator pursuant to this Agreement.

Section 7. Default.

(a) An event of default (an “Event of Default”) under this Agreement shall mean, with respect to either Party, the material failure or delay by such Party to perform any material term of this Agreement; provided, however, that if the Party that is otherwise claimed to be in default by the other Party commences to cure, correct or remedy the alleged default within 30 calendar days after receipt of written notice specifying such default and completes such cure, correction or remedy within 60 calendar days after receipt of such written notice, such Party shall not be deemed to be in default hereunder.

(b) Delay in giving a written notice contemplated by Section 7(a) above shall not constitute a waiver of any default nor shall it change the time of default; provided, however, that the other Party shall have no right to exercise any remedy for an Event of Default hereunder without delivering the written default notice, as specified herein.

Section 8. Notice. All notices given hereunder shall be in writing. Notices shall be presented in person or by certified or registered United States Mail, return receipt requested, postage prepaid or by overnight delivery by a nationally recognized delivery service to the addresses set forth below. Notice presented by United States Mail shall be deemed effective on the third business day following the deposit of such Notice with the United States Postal Service. This Section 8 shall not prevent the Parties hereto from giving notice by personal service or telephonically verified electronic mail, which shall be deemed effective upon actual receipt of such personal service or telephonic verification. Either Party may change their address for receipt of written notice by notifying the other Party in writing of a new address for delivering notice to such Party:

If to the Authority:	California Enterprise Development Authority 2150 River Plaza Drive, Suite 275 Sacramento, California 95833 Attention: Chair
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If to the Administrator: CleanFund, LLC
5695 Castle Drive
Oakland, California 94611
Attention: John Kinney

Section 9. Compliance With Law. The Administrator shall comply with all local, state, and federal laws, including, but not limited to, environmental acts, rules and regulations applicable to the work to be performed by the Administrator under this Agreement. The Administrator shall maintain all necessary licenses and registrations for the lawful performance of the work required of the Administrator under this Agreement.

Section 10. Nondiscrimination. The Administrator shall not discriminate against any person on the basis of race, color, creed, religion, natural origin, ancestry, sex, marital status or physical handicap in the performance of the Scope of Services of this Agreement. Without limitation, the Administrator hereby certifies that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status of national origin. Further, the Administrator shall promote affirmative action in its hiring practices and employee policies for minorities and other designated classes in accordance with federal, state and local laws. Such action shall include, but not be limited to, the following: recruitment and recruitment advertising, employment, upgrading and promotion. In addition, the Administrator shall not exclude from participation under this Agreement any employee or applicant for employment on the basis of age, handicap or religion in compliance with State and federal laws.

Section 11. The Administrator and Each Subcontractor Are Independent Contractors. The Administrator shall at all times during the performance of any work described in the Scope of Services be deemed to be an independent contractor. Neither the Administrator nor any of its subcontractors shall at any time or in any manner represent that it or any of its employees are employees of the Authority or any member agency of the Authority. The Authority shall not be requested or ordered to assume any liability or expense for the direct payment of any salary, wage or benefit to any person employed by the Administrator or its subcontractors to perform any item of work described in the Scope of Services. Under no circumstances shall the Authority be deemed to be an employer, partner, joint venturer, agent or principal of the Administrator or any of the Administrator's employees. Neither the Administrator, nor any of the Administrator's employees, shall be entitled to any benefits from or on behalf of the Authority, including without limitation worker's compensation, disability, unemployment, or paid time off the Administrator shall be responsible for providing, at the Administrator's expense, and in the Administrator's own name, unemployment, disability, worker's compensation and other insurance covering the Administrator and its employees, as well as all licenses and permits necessary for conducting the services under this Agreement.

Section 12. Severability. Each and every section of this Agreement shall be construed as a separate and independent covenant and agreement. If any term or provision of this Agreement or the application thereof to certain circumstances shall be declared invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is declared invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 13. Entire Agreement. This Agreement constitutes the entire agreement between the Parties. This Agreement supersedes all prior negotiation, discussions and agreements between the Parties concerning the subject matters covered herein, including without limitation the Previous Agreement. The Parties intend this Agreement to be the final expression of their agreement with respect to the subjects covered herein and a complete and exclusive statement of such terms.

Section 14. Amendment or Modification. This Agreement may only be modified or amended by written instrument duly approved and executed by each of the Parties. Any such modification or amendment shall be valid, binding and legally enforceable only if in written form and executed by each of the Parties, following all necessary approvals and authorizations for such execution.

Section 15. Governing Law; Venue. This Agreement shall be governed by the laws of the State of California. Any legal action arising from or related to this Agreement shall be brought in the Superior Court of the State of California in and for the County of Sacramento.

Section 16. Non-Waiver. Failure of either Party to enforce any provision of this Agreement shall not constitute a waiver of the right to compel enforcement of the same provision or any remaining provisions of this Agreement.

Section 17. Assignment, Subcontracting and Outsourcing. This Agreement may not be assigned by the Administrator without the prior written consent of the Authority in its sole and complete discretion. The Administrator may not subcontract or outsource to any third party all or a portion of the Services without the prior written consent of the Authority, provided that the Administrator shall remain primarily responsible for any work performed pursuant to any subcontract. Notwithstanding the forgoing, the parties agree that the Administrator may from time-to-time subcontract or outsource some of the Services to one of its majority-owned subsidiaries, provided that the Administrator shall remain primarily responsible for any work performed pursuant to any subcontract.

Section 18. Representations of Parties. Each Party has all requisite power and authority to conduct its business and to execute, deliver, and perform this Agreement. Each Party executing this Agreement represents and warrants that the individuals who have signed this Agreement on its behalf are duly authorized to execute this Agreement.

Section 19. Execution in Counterparts. This Agreement may be executed in one or more counterparts, each of which will constitute an original.

Section 20. Effectiveness of Agreement; Successors and Assigns. This Agreement shall not be binding on the Parties until signed by an authorized representative of the Administrator, approved by the Authority's Board of Directors and executed by the Chair of the Board of Directors of the Authority or his designee. This Agreement shall be binding on the successors and assigns of the Parties.

Section 21. Conflicts of Interest. During the Term, the Administrator shall disclose to the Authority the existence of any financial or personal interest in the Authority or any of the Authority's directors, officers or employees of the Administrator or any the Administrator director, stockholder, officer, employee, representative or subcontractor, including such persons' immediate

family members (spouse and children, including adult children). Any such potential or actual conflict of interest shall be evaluated by the Authority in accordance with its conflicts of interest policy then in effect. As used herein, personal interests are interests or relationships that may appear to affect independent, unbiased judgment when participating in the decision-making process on behalf of the Authority, where such decisions could materially benefit an individual's convictions or beliefs rather than the stated mission and best interests of the Authority. As used herein, financial interests are if a person has, directly or indirectly, through business, investment, or family, (a) an ownership or investment interest (more than 5%) in any entity with which the Authority has a transaction or arrangement, (b) a compensation arrangement with the Authority or with any entity or individual with which the Authority has a transaction or arrangement, or (c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Authority is negotiating a transaction or arrangement.

Section 22. Consequential Damages and Limitation of Liability. The Authority and the Administrator agree that in no event will either be liable to the other under this Agreement for any special damages, loss of revenue, loss of profit, operating costs or business interruption losses, regardless of cause, including breach of contract, negligence, strict liability or otherwise. The limitations and exclusions of liability set forth in this Section 22 shall apply regardless of fault, breach of contract, tort, strict liability or otherwise of the Administrator and the Authority, their employees, directors, officers, stockholders, agent, representatives or subcontractors.

Section 23. Appointment of Bond Counsel and Underwriters. The Authority shall have the right to approve and appoint the professionals including bond counsel, structuring counsel, financial advisors, investment banking advisors and underwriters to facilitate financings under the Program.

Section 24. Periodic Reporting on Progress, Strategy and Alignment. During the Term of this Agreement, appropriate representatives of the Administrator and the Authority will meet in person or by telephone, as mutually agreed by the parties from time to time, to review the progress with member agencies, the number of financings generated under by the Administrator under the Program, strategic plans, marketing programs, partnership opportunities and other matters relevant to the success of the joint initiatives described herein.

Section 25. Periodic Review of Fee Structure. The Parties agree to review the fees paid hereunder annually during the month of December for the Term of this Agreement. The Parties agree to negotiate increases or decreases in fees hereunder in good faith based upon current market rates and to amend this Agreement to give effect to any such increases or decreases.

Section 26. No Third-Party Beneficiaries. Except as set forth in Section 4 with respect to the Indemnified Parties, there are no intended third-party beneficiaries of any right or obligation assumed by the Parties.

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date set forth above.

**CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY**

By _____
Gurbax Sahota, Chair

CLEANFUND, LLC

By _____
John Kinney, Manager

EXHIBIT A

SCOPE OF SERVICES

Section 1. Services Performed by the Administrator.

(a) The Administrator shall conduct the Program outreach efforts of educating, promoting and corresponding with cities and counties (each, a “Public Entity”) in California to assist in their participation in the Program. The Administrator shall work with the Authority and Bond Counsel to prepare the necessary documents, resolutions and reports required for the formation of the PACE assessment district consistent with, and the continued compliance of the Program with, California Streets and Highways Code beginning with Sections 5898.10 (originally approved under Assembly Bill 811). The aforementioned documents shall be as follows:

- (i) the Program Report updated from time to time;
 - (ii) the resolutions for a Public Entity authorizing the implementation of the Program in its jurisdiction;
 - (iii) indemnification agreements, to the extent required by the local jurisdiction;
 - (iv) the utility notices;
 - (v) the Authority resolutions of intention for district formation and for public hearing;
 - (vi) voluntary assessment contracts;
 - (vii) assessment district liens;
 - (viii) applicable disclosure related to the PACE financings; and
 - (ix) published notices in the appropriate newspapers of general circulation;
- (b) The Administrator shall provide the following:
- (i) customer service, administrative and closing services to eligible property owners and contractors to effect implementation and furtherance of the Program. Such property owner and contractor services shall be:
 - (ii) Processing of property owners' applications for PACE financing and approval or denial of applications based on eligibility requirements;
 - (iii) Assisting property owners in obtaining written acknowledgment of existing mortgage lenders to the levying of commercial PACE assessments;
 - (iv) Keeping the Authority informed of the need to provide notice in accordance with all intercreditor agreements entered into by the Authority, in a manner and timing reasonably sufficient to allow the Authority to comply with such notice requirements, prepare any required notices on behalf of the Authority, and assist the Authority in all matters related thereto;

- (v) Closing of PACE financings and recording the PACE liens;
- (vi) Making requisitions to a paying agent or trustee to disburse improvement funds pursuant to Indentures, where applicable;

**EXHIBIT B
PROGRAM REVENUES**

The Administrator will be paid a Fee computed as the amount of charges that the Administrator imposes on a property owner for each assessment contract that is funded, less an amount paid to the Authority based on the following schedule (expressed as a percentage of the project costs financed by the assessment contract):

Total Deal Size	Incremental	Fee %	Incremental Fee \$	Total Fee \$	Total Fee %
1,000,000	1,000,000	0.50%	5,000	5,000	0.50%
5,000,000	4,000,000	0.40%	16,000	21,000	0.42%
10,000,000	5,000,000	0.30%	15,000	36,000	0.36%
15,000,000	5,000,000	0.20%	10,000	46,000	0.31%
20,000,000	5,000,000	0.10%	5,000	51,000	0.26%

*Subject to change by the Authority.

EXHIBIT C INSURANCE REQUIREMENTS

The Administrator shall maintain insurance policies issued by an insurance company or companies authorized to do business in the State of California and that maintain during the term of the policy a "General Policyholders Rating" of at least "A+," as set forth in the then most current edition of "*Bests Insurance Guide*," as follows:

(a) The Administrator and each of its subcontractors shall maintain comprehensive commercial general liability insurance providing coverage for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than \$1,000,000 per occurrence.

(b) The Administrator and each of its subcontractors shall maintain comprehensive automobile liability insurance of not less than \$100,000.00 combined single limit per occurrence for each vehicle leased or owned by the Administrator or its subcontractors and used in performing work under this Agreement.

(c) The Administrator and each of its subcontractors shall maintain workers' compensation insurance with statutory limits and Employer's liability insurance with limits of not less than \$1,000,000 for all workers under the Administrator's and/or subcontractor's employment performing work under this Agreement.

(d) The Administrator and each of its subcontractors shall maintain an insurance policy covering liability for errors and omissions of the Administrator in performing the Scope of Services of this Agreement in an amount of not less than \$1,000,000.00.

Concurrent with the execution of this Agreement and prior to the commencement of any work by the Administrator, the Administrator shall deliver to the Authority copies of policies or certificates evidencing the existence of the insurance coverage required herein, which coverage shall remain in full force and effect continuously throughout the term of this Agreement. Each policy of insurance that the Administrator purchases in satisfaction of the insurance requirements of this Agreement shall name the Authority as an additional insured and shall provide that the policy may not be cancelled, terminated or modified, except upon 30 days' prior written notice to the Authority.