

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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

**10:30 A.M.
Thursday, March 9, 2017
Teleconference Phone Information
(712) 775-7031 - Conference Code: 895081223**

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

Action Items

1. Approve Minutes from the Regular Meeting on February 16, 2017.
2. Approve Resolution No. 17-06 Approving Associate Membership by the City of Irvine in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to Associate Membership of the City in the Authority.
3. Approve Resolution No. 17-07 Authorizing The Execution Of A First Amendment To Master Loan Agreement, Among First Republic Bank, California Enterprise Development Authority And The Athenian School And Approving Other Matters Relating Thereto Herein Specified.

**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 Helen Schaubmayer) 550 Bercut Drive, Suite G Sacramento, CA 95811	City of Vista (contact Kevin Ham or Reception) 200 Civic Center Dr. Vista, CA 92084	Economic Development Collaborative- Ventura County (contact Bruce Stenslie or Kelly Noble) 1601 Carmen Drive, #215 Camarillo, CA 93010
City of Santa Clarita (contact Jason Crawford or Marilyn Sourgose) 23920 Valencia Blvd., Suite 100 Santa Clarita, CA 91355	Fresno State (contact Mike Dozier or Reception) 550 East Shaw Ave., Suite 230 Fresno, CA 93710	Los Angeles County Economic Development Corporation (LAEDC) (contact Carrie Rogers or Linden Johnson) 444 S. Flower St., 37 th Floor Los Angeles, CA 90071
Southern California Edison, Economic Development Services (contact Mike Nuby by phone: 626-812-7351) 6040-B N. Irwindale Ave. Irwindale, CA 91702		

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

MINUTES

Regular Meeting

***TELECONFERENCE MEETING ***

CEDA BOARD OF DIRECTORS

Thursday, February 16, 2017

Teleconference Locations

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

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

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

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

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

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

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

Call to Order

Gurbax Sahota, Board Chair of the California Enterprise Development Authority, called the meeting to order at 10:30 am.

Roll Call

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

CALED Management/Staff

Present: Jillian Boyd
Helen Schaubmayer

Public: Dan Bronfman

Statement of Disclosure

None

Action Items

1. Approve Minutes from the Regular Meetings on January 5, 2017.

Motion: Board Member Kevin Ham made the motion to approve minutes from the regular meetings on January 5, 2017. Board Member Jason Crawford seconded the motion on the floor. The motion passed with the following roll call vote:

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

2. Approve Minutes from the Regular Meetings on January 12, 2017.

Motion: *Board Member Bruce Stenslie motioned the approval of the minutes from the regular meeting on January 12, 2017 with the amendments of removing Gurbax Sahota from the roll call vote and adding Mike Dozier and Mike Nuby. Board Member Carrie Rogers seconded the motion on the floor. The motion passed with the following roll call vote:*

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

3. Approve Resolution No. 17-04 Authorizing the Issuance and Sale of California Enterprise Development Authority Insured Revenue Bonds (Casa De Las Campanas, Inc. Project), Series 2017, for the Purpose of Financing Facilities for the Benefit of Casa De Las Campanas, Inc., a California Nonprofit Public Benefit Corporation, and/or a Related or Successor Entity; Providing the Terms and Conditions for the Sale and Issuance of Said Bonds and Other Matters Relating Thereto and Authorizing the Execution of Certain Documents Herein Specified.

Motion: *Board Member Kevin Ham made the motion to approve Resolution No. 17-04. Board Member Bruce Stenslie seconded the motion on the floor. The motion passed with the following roll call vote:*

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

Discussion: Helen briefed the Board that Casa De Las Campanas, Inc. was organized in 1989 to provide multilevel housing, non-acute healthcare and related services to the elderly. Casa is a continuing care retirement facility which includes 375 units of independent living, a 33-unit assisted living unit, an 18-unit dementia/assisted living unit, and an adjacent 99-bed skilled nursing facility and all are located in the Rancho Bernardo area, northern San Diego. Casa De Las Campanas requests the Authority to issue its Insured Revenue Bonds, in the aggregate principal amount not to exceed \$39,000,000 to finance the cost of improvements to the continuing care retirement facility located in San Diego.

4. Approve Resolution No. 17-05 of the California Enterprise Development Authority with Respect to the Financing of Facilities for Spectra Color, Inc. and/or a Related Entity and

Declaring its Intent to Reimburse Certain Expenditures from Proceeds of Indebtedness and Authorizing Related Actions.

Motion: Board Member Carrie Rogers made the motion to approve Resolution No. 17-05. Board Member Mike Dozier seconded the motion on the floor. The motion passed with the following roll call vote:

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

Discussion: Helen briefed the Board that Spectra Color is a full service, vertically integrated supplier of raw materials to the thermoplastics industry. Founded in 1976 and located in Corona, Spectra Color provides the plastics industry and a variety of manufactures with high quality pre-colored resin compounds, pigments and additive products. The estimated \$7,000,000 tax-exempt loan proceeds will be used to fund the acquisition of two newly-constructed, adjoining industrial buildings located in Lake Elsinore. In addition, proceeds may be used to fund additional improvements to the building, such as the installation of a solar power generating system. Dan Bronfman stated that Spectra Color incorporates a lot of recycled plastic using around one million pounds of recycled material. Dan Bronfman stated Spectra Color is a subsidiary company of Calico Plastics. The Board discussed the total IDB projects CEDA has been involved with.

Public Comment

Dan Bronfman briefed the CEDA Board on his recent transition. Dan mentioned that he will be working for a regional bank located in the Los Angeles area, but focusing on Northern California. Dan still hopes to partner with CEDA. Dan discussed with the Board he may have the ability to be involved with the Community Reinvestment Act.

Chair Report

PACE Report

Other Business

Adjournment

Motion: Board Member Bruce Stenslie made the motion to adjourn the meeting. Board Member Mike Dozier seconded the motion on the floor. Board Chair Gurbax Sahota adjourned the meeting at 10:50 am by voice vote.

Staff Report

Actions Requested	Resolution No. 17-06 Approving Associate Membership by the City of Irvine in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to Associate Membership of the City in the Authority.
Public Benefits	Adoption of Resolution No. 17-06 will allow CEDA to issue bonds and other tax-exempt financings within the City of Irvine. CEDA's issuance costs and ongoing annual fees are competitive and/or lower than other conduit issuers. The savings realized by borrowers using CEDA conduit-financing programs can then be used to further expand the underlying business and/or hire additional employees.
Recommendation	Staff recommends approval of Resolution No. 17-06 Approving Associate Membership by the City of Irvine in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to Associate Membership of the City in the Authority.

RESOLUTION NO. 17-06

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

RESOLUTION APPROVING ASSOCIATE MEMBERSHIP BY THE CITY OF IRVINE IN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AND THE EXECUTION OF AN ASSOCIATE MEMBERSHIP AGREEMENT RELATING TO ASSOCIATE MEMBERSHIP OF THE CITY IN THE AUTHORITY

WHEREAS, pursuant to the provisions of the Joint Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California, the 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;

WHEREAS, pursuant to Section 2.10 of the Agreement, a local agency may be admitted as an associate member of the Authority upon approval of the Board of Directors of the Authority and the adoption by the legislative body of the local agency of a resolution approving an Associate Membership Agreement; and

WHEREAS, the City of Irvine (the “City”) wishes to join the Authority and has passed the requisite resolution approving the City becoming an associate member of the Authority and has approved an Associate Membership Agreement; and

WHEREAS, the Board of Directors desires to admit the City into the Authority as an associate member;

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

Section 1. The City is hereby admitted as a new associate member of the Authority.

Section 2. The Chair or the Vice Chair of the Board of Directors is hereby authorized to execute the Associate Membership Agreement with the City. All actions heretofore taken by the officers, or their respective designees, employees and agents of the Authority in connection with the the Authority’s entry into the Associate Membership Agreement with the City are hereby ratified and confirmed.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 9th day of March, 2017.

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY

By _____
Gurbax Sahota, Chair

ATTEST:

By _____
Helen Schaubmayer, Assistant Secretary

I, the undersigned, the duly appointed and qualified Assistant Secretary of the California Eenterprise 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 9, 2017.

Helen Schaubmayer, Assistant Secretary

Staff Report

Action Requested	Approve Resolution No. 17-07 Authorizing the Execution of a First Amendment to Master Loan Agreement, Among First Republic Bank, California Enterprise Development Authority and The Athenian School and Approving Other Matters Relating Thereto.
Borrower(s)	The Athenian School
Borrower Description	<p>The Athenian School is an independent school in Danville that serves 162 students in its Middle School and 316 in its Upper School, who, combined, are from 30 Bay Area cities and 12 countries. Web site: https://www.athenian.org</p> <p>In August 2015, The Athenian School entered into a Master Loan Agreement with CEDA and the Lender for a loan in an amount not to exceed \$17,000,000 for the purpose of financing and refinancing costs related to the acquisition, construction, installation, rehabilitation, equipping and furnishing of educational facilities. This amendment of the Master Loan Agreement requests CEDA and the Lender to extend the period during which funds in the Project Fund may be withdrawn.</p>
Eligibility and Policy Review	<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"> ■ The Borrower is capable of meeting the obligations incurred under the financing documents; ■ The Payments to be made are adequate to pay the expenses of CEDA in connection with the financing and to pay debt service; ■ Proposed financing is appropriate for the project.
Recommendation	Staff recommends approval of Resolution No. 17-07 Authorizing the Execution of a First Amendment to Master Loan Agreement, Among First Republic Bank, California Enterprise Development Authority and The Athenian School and Approving Other Matters Relating Thereto.

RESOLUTION NO. 17-07

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

RESOLUTION AUTHORIZING THE EXECUTION OF A FIRST AMENDMENT TO MASTER LOAN AGREEMENT, AMONG FIRST REPUBLIC BANK, CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AND THE ATHENIAN SCHOOL AND APPROVING OTHER MATTERS RELATING THERETO

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 facilities owned and/or leased and operated by organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended; 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, on July 9, 2015, the Authority adopted Resolution No. 15-86 (the "Resolution"), which approved a tax-exempt loan from First Republic Bank (the "Lender") to the Authority in an amount of up to \$17,000,000 (the "Authority Loan") and a loan of the proceeds of the Authority Loan from the Authority to The Athenian School (the "Borrower") for the purpose of financing and refinancing costs related to the acquisition, construction, installation, rehabilitation, equipping and furnishing of educational facilities (the "Project"); and

WHEREAS, pursuant to the Resolution, the Authority entered into a Master Loan Agreement, dated as of August 1, 2015 (the "Original Master Loan Agreement"), among the Lender, the Authority and the Borrower, providing for a loan of the proceeds of the Authority Loan from the Authority to the Borrower (the "Borrower Loan" and, together with the Authority Loan, the "Loan") for the purpose of financing and refinancing the costs of the Project and paying costs of issuance in connection with the Loan; and

WHEREAS, the Borrower has requested that the Authority and the Lender approve an amendment to the Original Master Loan Agreement to extend the period during which funds in the Project Fund may be withdrawn; and

WHEREAS, pursuant to Section 12.07 of the Original Master Loan Agreement, the Lender, the Authority and the Borrower may amend, supplement or modify other provisions of the Original Master Loan Agreement by a written instrument signed by all of the parties; and

WHEREAS, there has been placed with the Authority prior to this meeting a proposed form of the First Amendment to Master Loan Agreement (the "First Amendment" and, together with the Original Master Loan Agreement, the "Master Loan Agreement"), to be entered into by and among the Lender, the Authority and the Borrower.

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

Section 1. The Authority hereby finds and determines that the above recitals are true and correct.

Section 2. The Authority hereby approves the extension of the withdrawal period as provided in the First Amendment, and making other changes to the Master Loan Agreement as may be agreed to by the parties.

Section 3. The First Amendment, substantially in the form placed on file with the Authority, is hereby approved and the Chair, Vice Chair or their designee (each, an "Authorized Officer") is hereby authorized and directed, for and on behalf and in the name of the Authority, to execute and deliver the First Amendment in substantially said form, with such changes and insertions therein as may be necessary or appropriate to cause the same to carry out the intent of this resolution and as such Authorized Officer, with the advice of the counsel, may approve, such approval to be conclusively evidenced by the delivery thereof. The First Amendment may be executed by the manual or facsimile signature of an Authorized Officer.

Section 4. Any Authorized Officer is hereby authorized to execute all certificates and instruments which they, with the advice of counsel, deem necessary or appropriate to effectuate the purposes of this resolution, including, but not limited to, letters of representations, tax regulatory agreement, certifications of authority, bring-down certificates and any other certificates, instruments and documents necessary to carry out the purposes of this resolution.

Section 5. All actions heretofore taken by the officers and employees of the Authority with respect to the First Amendment are hereby approved, confirmed and ratified, and the officers and employees of the Authority are hereby authorized and directed, jointly and severally, to do any and all things and to effectuate the purposes of this Resolution.

Section 6. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED on March 9, 2017.

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY

By _____
Gurbax Sahota, Chair

Attest:

By _____
Helen Schaubmayer, Assistant Secretary

I, the undersigned, the duly appointed and qualified Assistant Secretary of the California Enterprise Development Authority, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said Authority at a duly called meeting of the Board of Directors of said Authority held in accordance with law on March 9, 2017.

Helen Schaubmayer, Assistant Secretary