

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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

4:00 P.M.

Wednesday, May 18, 2011

Teleconference Phone Information

(308) 344-6400 - Conference Code: 305911#

Call to Order and Roll Call

Approval of Minutes

1. Approve the Regular Meeting Minutes of April 20, 2011 and the Annual Meeting and Founder's Meeting Minutes of April 26, 2011.

Action Items

2. Approve Resolution 11-09 Authorizing Execution of Revised Documentation in Connection with the California Enterprise Development Authority Tax-Exempt Recovery Zone Facility Revenue Bonds (Sunpower Corporation—Headquarters Project) Series 2010.

Public Comment

Chair and Executive Director Reports

Other Business

Discussion CEDA Marketing Plan

Adjournment

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

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

City of Eureka City Hall
531 K Street
Eureka, CA 95501

Economic Development Collaboration
of Ventura County
1601 Carmen Dr., Ste 215
Camarillo, CA 93010

City of Santa Rosa City Hall
100 Santa Rosa Avenue
Santa Rosa, CA 95404

City of Palmdale
38250 N Sierra Highway
Palmdale, CA 93550

City of Livermore
1052 S. Livermore
Livermore, CA 94550

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CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

MINUTES

Regular Meeting

TELECONFERENCE MEETING

CEDA BOARD OF DIRECTORS

Wednesday, April 20, 2011

Teleconference Locations

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

City of Santa Rosa City Hall
100 Santa Rosa Avenue
Santa Rosa, CA 95404

Economic Development
Collaboration of Ventura County
1601 Carmen Dr., Ste 215
Camarillo, CA 93010

City of Palmdale
38250 N Sierra Highway
Palmdale, CA 93550

City of Eureka City Hall
531 K Street
Eureka, CA 95501

City of Livermore
1052 S. Livermore
Livermore, CA 94550

Call to Order

Wayne Schell, Board Chair of the California Enterprise Development Authority, called the meeting to order at 4:05 pm.

Roll Call

Members Present: Danny Roberts
 Wayne Schell
 Bruce Stenslie
 Cindy Trobitz-Thomas

CALED Management/Staff

Present: Mona Dmitrenko
 Gurbax Sahota
 Michelle Stephens

Public Present:

Sam Balisy, Bond Counsel, Kutak Rock, LLP
Dan Bronfman, Growth Capital
Bruce Kern, CEDA Board Member

Action Items

1. Approve the Regular Meeting Minutes of March 30, 2011.

Motion: Board Member, Danny Roberts made the motion to approve the Regular Meeting Minutes of March 30, 2011. Board Member, Bruce Stenslie seconded the motion on the floor and it passed unanimously with the following roll call vote:

Danny Roberts	Aye
Wayne Schell	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

2. Approve Resolution 11-08 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to which the California Enterprise Development Authority Will Make a Loan in an Amount Not to Exceed \$4,170,000 for the Purpose of Refinancing the Cost of Certain Manufacturing Facilities For the Benefit of Carolyn Carty, Trustee of the Carty Family Trust A, Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

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Discussion: Executive Director Mona Dmitrenko explained that the CEDA Board already approved the inducement resolution for this Industrial Development Bond and that they were now being asked to give the final approval to issue the bonds.

Motion: Approve Resolution 11-08 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to which the California Enterprise Development Authority Will Make a Loan in an Amount Not to Exceed \$4,170,000 for the Purpose of Refinancing the Cost of Certain Manufacturing Facilities For the Benefit of Carolyn Carty, Trustee of the Carty Family Trust A, Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

Board Member, Danny Roberts made the motion to approve Resolution 11-08. Board Member, Bruce Stenslie seconded the motion on the floor. The motion passed unanimously on the following roll call vote:

Danny Roberts	Aye
Wayne Schell	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

3. Approve amended CEDA Budget for fiscal year 2011, \$50,000 donation to the California Economic Development Academy to support Economic Development in California, and \$150,000 contribution to CALED as a Cash Match for an EDA Grant.

Discussion: No Discussion.

Motion: Approve amended CEDA Budget for fiscal year 2011, \$50,000 donation to the California Economic Development Academy to support Economic Development in California, and \$150,000 contribution to CALED as a Cash Match for an EDA Grant.

Board Member, Bruce Stenslie made the motion to approve Agenda Items 3, 4, and 5 together since they all pertained to the CEDA Budget. Board Member, Danny Roberts seconded the motion on the floor. The motion passed unanimously on the following roll call vote:

Danny Roberts	Aye
Wayne Schell	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

3. Approve amended CEDA Policies and Procedures.

Discussion: Executive Director, Mona Dmitrenko explained the reasoning behind the amendments to the CEDA Policies and Procedures and noted that they would be posted on the website so that future borrowers could easily access them and be familiar with CEDA's organizational policies.

Motion: Approve amended CEDA Policies and Procedures.

Board Member, Cindy Trobitz-Thomas made the motion to approve the amended Policies and Procedures. Board Chair, Wayne Schell seconded the motion on the floor. The motion passed unanimously on the following roll call vote:

Danny Roberts	Aye
Wayne Schell	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

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Public Comment

Gurbax Sahota, Executive Director of the California Academy for Economic Development (CAED) thanked the CEDA Board for approving the \$50,000 CEDA contribution. Ms. Sahota also extended an invitation to the CEDA Board to attend their Annual Meeting the following week ten minutes early so that a check presentation could be made and a photo of the CEDA and CAED Boards could be taken.

Executive Director Report

Executive Director, Mona Dmitrenko informed the Board of the preparations being undertaken for the CALED Annual Conference, including printing marketing materials, gathering merchandise for the CEDA booth, preparing the CEDA slide show, and finalizing the CEDA Awards lunch program among other items. Board Member Bruce Kern asked if any borrowers would be at the conference to which Ms. Dmitrenko answered that Mike Sarina, the CFO of Rogers Family Company would be attending. Board Chair, Wayne Schell then asked about the current status of the market. Ms. Dmitrenko noted that it had been slow lately to which Bond Counsel, Sam Balisy said that it is slow for most bond issuers right now, Mr. Schell noted that an exception were those groups working with Redevelopment Agencies.

Board Chair Report

Board Chair, Wayne Schell let the Board know that he and Ms. Dmitrenko recently had lunch with representatives from Jones Hall to discuss housing opportunities. Jones Hall used to be members of CALED and would be rejoining soon.

Other Business

Adjournment

Motion: Board Member, Cindy Trobitz-Thomas moved to adjourn the meeting. Board Member, Danny Roberts seconded the motion. The motion passed unanimously by voice vote.

Board Chair, Wayne Schell adjourned the meeting at 4:25 pm.

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

MINUTES

Joint Annual/Voting Members Meeting ***TELECONFERENCE MEETING *** Tuesday, April 26, 2011

Meeting Location

Sacramento Doubletree Hotel
2001 Point West Way
Sacramento, CA 95815

Call to Order

Wayne Schell, Board Chair of the California Enterprise Development Authority, called the meeting to order at 4:30 pm.

Roll Call

Members Present: DB Heuser, CEDA Founding Member
Bruce Kern, CEDA Board Member
Wayne Schell, CEDA Board Member
Bruce Stenslie, CEDA Board Member
Cindy Trobitz-Thomas, CEDA Founding & Board Member

CALED Management/Staff

Present: Mona Dmitrenko
Michelle Stephens
Gurbax Sahota

Public Present: Sam Balisy, CEDA Bond Counsel, Kutak Rock, LLC
Dan Bronfman, Growth Capital
Diane Richards, City of West Sacramento

Executive Director Report

Executive Director, Mona Dmitrenko reviewed CEDA's activities since July 1, 2010 with the CEDA Board. CEDA has helped 31 businesses and non-profits secure tax-exempt financing. Although it's important to look at where we have been, more importantly Ms. Dmitrenko wanted to emphasis steps CEDA is taking to move forward. Board Member Bruce Kern agreed and stated he would like to see a marketing plan at the next CEDA Board Meeting. Chairman, Wayne Schell suggested that a formal board report highlighting CEDA's activities would be helpful and could be used as a marketing tool. Board Member, Bruce Stenslie recommended creating a one-page marketing piece that identified the different projects for which CEDA has issued bonds, their location, the type of bond, and the amount issued.

Other Business

No other business

Public Comment

There was no public comment made.

Board Chair, Wayne Schell adjourned the meeting at 4:55 pm.

Staff Report

Action Requested	Adopt Resolution 11-09 of the California Enterprise Development Authority Authorizing the Conversion of the California Enterprise Development Authority Tax-Exempt Recovery Zone Facility Revenue Bonds (SunPower Corporation – Headquarters Project), Series 2010 in the Aggregate Principal Amount of Not to Exceed \$30,000,000 to a Fixed Rate.
Borrower(s)	SunPower Corporation or Related Entities
Borrower Description	SunPower Corporation is a vertically integrated solar products and services company that designs, manufactures and markets high- performance solar electric power technologies. The publicly-traded company Delaware corporation is headquartered in San Jose, CA. The Company employs 675 employees with plans to hire up to 200 employees over the next two years. For the YE, January 3, 2010, Total Revenues reached \$1.5 billion with a Net Income of \$33.2MM.
TEFRA Hearing	A public hearing approving the original issuance was held on October 18, 2010 and the financing was unanimously approved by the City of San Jose on October 19, 2010.
Public Benefits	<p>The tax-exempt financing is being used by the borrower to renovate, refurbish, furnish, and equip a leased facility in San Jose. The renovation and refurbishing is being completed using state of the art solar technology and will showcase the borrower’s most advanced products. The solar array that is to be installed will be over 1 megawatt. The borrower anticipates that the energy saving will well exceed 15%. SunPower hopes to gain a gold standard and potentially a Platinum LEED Certification by the time they complete their build-outs.</p> <p>The original tax-exempt financing was completed on a variable rate basis secured by a letter of credit. The borrower is taking advantage of the low interest rates and converting the bonds to a fixed rate. The conversion to a fixed rate will allow the company to create a stabilized cash flow.</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 project will be completed through a Direct Pay Letter of Credit and sold as a rated transaction. As part of this transaction, the Borrower carved out a portion of the line of credit as security for the Letter of Credit. The Fixed Rate Conversion will be marketed as a private placement to Qualified Investors. ■ Proposed interest rate conversion was planned at time of original closing and is an appropriate move for the borrower given current interest rate environment.
Recommendation	<ul style="list-style-type: none"> ■ Staff recommends approval of Resolution 11-09, which authorizes and approves the execution of certain documents, which allows for the conversion of the \$30.0 million Recovery Zone Facility Bond Issuance benefitting SunPower Corporation from a variable rate to a fixed rate.

RESOLUTION NO. 11-09

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

RESOLUTION AUTHORIZING EXECUTION OF REVISED DOCUMENTATION IN CONNECTION WITH THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY TAX-EXEMPT RECOVERY ZONE FACILITY REVENUE BONDS (SUNPOWER CORPORATION - HEADQUARTERS PROJECT) SERIES 2010

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

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

WHEREAS, in December 2010, the Authority issued its Recovery Zone Facility Revenue Bonds (SunPower Corporation - Headquarters Project) Series 2010 in an aggregate principal amount of \$30,000,000 (the "Bonds") for the benefit of SunPower Corporation (the "Borrower") pursuant to the Act to finance the cost of, or reimburse the Borrower primarily for the construction, renovation and equipping of a new corporate headquarters office and solar technology facility to be located at 51, 77 and 145 Rio Robles Drive, San Jose, California, to be used and occupied by the Borrower; and

WHEREAS, in connection with the issuance of the Bonds, the Authority entered into various documents, including a Loan Agreement dated as of December 1, 2010 (the "Loan Agreement") by and between the Authority and the Borrower; and

WHEREAS, in connection with the proposed conversion of the interest rate on the Bonds to a fixed rate, the Borrower has requested that the Loan Agreement be supplemented for the purpose of adding covenants of the Borrower which are generally desirable to fixed-rate investors; and

WHEREAS, there have been filed with the Secretary of the Authority a form of First Supplement to Loan Agreement dated as of June 1, 2011; and

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

Section 1. The Authority finds that it is in the public interest to assist the Borrower in financing the Project and facilitating the remarketing of the Bonds in connection with a conversion of the interest rate on the Bonds to a fixed rate.

Section 2. The proposed form of the First Supplement to Loan Agreement relating to the Bonds, between the Authority and the Borrower, on file with the Secretary of the Authority, is hereby approved. The Chair or the Vice Chair of the Board of Directors, or the Executive Director, Secretary, Assistant Secretary or Treasurer of the Authority (individually, an "Authorized Signatory" and, collectively, the "Authorized Signatories"), acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the First Supplement to Loan Agreement in substantially the form filed with the Authority prior to this meeting, with such changes and insertions therein consistent with the stated terms of this Resolution as the Authorized

Signatory executing the same, with the advice of the Authority Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. All approvals, consents, directions, notices, orders, requests and other actions permitted or required by any of the documents authorized by the Board's Resolution originally authorizing the execution of the Bonds and the documents related thereto, including, without limitation, any of the foregoing which may be necessary or desirable in connection with any amendment of documents pertaining to the Bonds and the documents related thereto, may be given or taken by any Authorized Signatory, without further authorization by the Board of Directors of the Authority, and each Authorized Signatory is hereby authorized and directed to give any such approval, consent, direction, notice, order or request and to take any such action which such Authorized Signatory, with the advice of bond counsel and legal counsel to the Authority, may deem necessary or desirable to further the purposes of this Resolution and the Board's Resolution originally authorizing the execution of the Bonds and the documents related thereto.

Section 4. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 18th day of May, 2011.

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY

By: _____
Wayne Schell, Chair

ATTEST:

Gurbax Sahota, 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 May 18, 2011.

Gurbax Sahota, Assistant Secretary