

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

## REGULAR MEETING

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

### LOCATIONS LISTED BELOW

10:30 A.M.

Thursday, May 25, 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 May 18, 2023.
2. Approve Resolution 23-13 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 and Refinancing the Cost of Acquiring, Developing, Constructing, Installing, Equipping and Furnishing Affordable Housing Facilities for the Benefit of Renaissance at Baker LP and/or a Related Or Successor Entity; Providing the Terms and Conditions For Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
3. Approve Resolution 23-14 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 the Cost of the Acquisition, Construction, Development, Improvement, Furnishing and Equipping of Facilities For the Benefit of Coronado Historical Association, Incorporated 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

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

City of West Sacramento  
(Contact Aaron Laurel or  
Sandra Barcnas)  
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

## **CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

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

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

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, May 11, 2023

#### Zoom Call Location

<https://us02web.zoom.us/j/83090950409?pwd=0m-8petUUMOnlGjf9Cv-ucfTFWNKIK.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<sup>rd</sup> Floor  
West Sacramento, CA 95691

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

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

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

Christine Damko (10:33 am)

Jessica Gonzales

Gurbax Sahota

Larry Vaupel

#### CALED Management/ Staff Present:

Laura Cole-Rowe

Michelle Stephens

#### Public:

Sam Balisy, Kutak Rock

Thomas Bruder, Kutak Rock

Richard Clark, Raymond James

Larry Kosmont, Kosmont Companies

Julio Morales, Kosmont Companies

Jessica Shaham, Kutak Rock

Lohita Turlapati, Kosmont Companies

#### Statement of Disclosure

None

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

## Action Items

1. Consent Agenda
  - a. Approve Minutes from the Regular Meeting on May 11, 2023.

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

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

Robert Burris	Yes
Christine Damko	Abstained
Jessica Gonzales	Yes
Gurbax Sahota	Yes
Larry Vaupel	Yes

2. Approve Resolution 23-10 of the California Enterprise Development Authority Authorizing the Issuance of Taxable Revenue Bonds In One or More Series In a Principal Amount Not to Exceed \$3,500,000 to Finance and Refinance Certain Working Capital For the Benefit of Paso Robles Charter School Project, Incorporated, D/B/A Almond Acres Charter Academy, 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. Jessica Shaham commented on the item.

**Motion:** Board Member Jessica Gonzales made the motion to approve Resolution 23-10. Board Member Christine Damko seconded the motion on the floor.

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

Robert Burris	Yes
Christine Damko	Yes
Jessica Gonzales	Yes
Gurbax Sahota	Yes
Larry Vaupel	Yes

3. Approve Resolution 23-11 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 \$45,000,000 To Finance or Refinance the Acquisition, Improvement, and Equipping of Educational Facilities For the Benefit of the Heights Christian Schools, 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. Jessica Shaham commented on the item.

**Motion:** Board Member Larry Vaupel made the motion to approve Resolution 23-11. Board Member Robert Burris seconded the motion on the floor.

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

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

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

Larry Vaupel                      Yes

4. Approve Resolution 23-12 of the Board Of Directors of the California Enterprise Development Authority (CEDA) Establishing the Bonds Assisting New Development (BAND) Program and Authorizing CEDA To Take All Actions Necessary To Form Community Facilities Districts and Assessment Districts To Finance Certain Public Infrastructure, Levy Special Taxes and Assessments Therein, Issue Bonds Thereof, Assist With the Financing Of Public Improvements Using Tax Increment Financing Districts, Refinance Existing Debt of Member Agencies and Take Any Related Actions.

**Discussion:** Gurbax Sahota discussed the document. Sam Balisy commented on the resolution and noted that item 5 on the agenda includes a recommendation that Chair Sahota approve the Trustee at a later date.

**Motion:** *Board Member Christine Damko made the motion to approve Resolution 23-12. 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
Gurbax Sahota	Yes
Larry Vaupel	Yes

5. Approve BAND Financing Team partners as presented in the “Interested Parties list” and authorize Chair to work with the approved team to implement and advance the BAND Financing Program.

**Discussion:** Gurbax Sahota thanked everyone for their work and referenced the clarification that the Board is being asked to approve the team with the understanding that she would approve the Trustee at a future date. Larry Kosmont and Richard Clark presented slides on the program and the financing team. Discussion held.

**Motion:** *Board Member Jessica Gonzales made the motion to approve the BAND Financing Team partners as presented in the “Interested Parties list” and authorize Chair to work with the approved team to implement and advance the BAND Financing Program. Board member Larry Vaupel seconded the motion on the floor.*

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

Robert Burris	Yes
Christine Damko	Yes
Jessica Gonzales	Yes
Gurbax Sahota	Yes
Larry Vaupel	Yes

## **Public Comment**

None

## **Chair Report**

Michelle Stephens noted that there will be a CEDA meetings on May 25, June 1, and June 8.

## **PACE Report**

Gurbax Sahota reported that she is working on winding down the Dividend relationship.

## **Pooled Financing**

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

Gurbax Sahota reported that she is working with others on the marketing pieces and swag for the conference.

## **Other Business**

None.

## **Adjournment**

*Motion: Jessica Gonzales made the motion to adjourn the meeting. Christine Damko seconded the motion on the floor. Chair Gurbax Sahota adjourned the meeting at 10:59 am after the roll call vote.*

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

Robert Burris	Yes
Christine Damko	Yes
Jessica Gonzales	Yes
Gurbax Sahota	Yes
Larry Vaupel	Yes

## Staff Report

<b>Action Requested</b>	Approve Resolution 23-13 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 and Refinancing the Cost of Acquiring, Developing, Constructing, Installing, Equipping and Furnishing Affordable Housing Facilities for the Benefit of Renaissance at Baker LP 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>	Renaissance at Baker LP
<b>Borrower Description</b>	<p>The Renaissance at Baker LP will provide low-income housing, consisting of approximately 85 affordable rental units, including one manager’s unit, community/administration space and related facilities in Bakersfield, California.</p> <p>The partners of Renaissance at Baker LP, are the Housing Authority of the County of Kern and the Cesar Chavez Foundation.</p> <p>The proceeds will be applied to finance, refinance and/or reimburse the cost of acquiring, constructing, improving, equipping and furnishing a four-story multifamily housing complex with 85 units, parking facilities and a 4,500 square foot community center located at 1001 Baker Street, Bakersfield, California 93305, paying capitalized interest on the notes, funding a reserve fund for the notes, if required, and paying certain costs of issuance in connection with the notes.</p>
<b>Public Benefits</b>	The tax-exempt financing will allow Renaissance at Baker LP 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 23-13.

## RESOLUTION NO. 23-13

### **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 AND REFINANCING THE COST OF ACQUIRING, DEVELOPING, CONSTRUCTING, INSTALLING, EQUIPPING AND FURNISHING AFFORDABLE HOUSING FACILITIES FOR THE BENEFIT OF RENAISSANCE AT BAKER LP 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 "Issuer") was organized; and

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

**WHEREAS**, pursuant to the provisions of the Act, the Issuer 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** Renaissance at Baker LP, a California Limited Partnership, (the "Borrower") has requested that the Issuer make a loan in an aggregate principal amount not to exceed \$45,000,000 (the "Borrower Loan"), to the Borrower to finance, refinance or reimburse the Borrower for the cost of (a) finance, refinance and/or reimburse the cost of acquiring, constructing, improving, equipping and furnishing a four-story multifamily housing complex with 85 units, parking facilities and a 4,500 square foot community center located at 1001 Baker Street, Bakersfield, California 93305 (collectively, the "Facilities") and (b) pay certain costs of issuance in connection with such financing; and

**WHEREAS**, the Issuer intends to use the proceeds of a tax-exempt loan from Pacific Western Bank or its successor (the “Lender”), to the Issuer (collectively, the “Issuer Loan” and, together with the Borrower Loan, the “Loans”) to make the Borrower Loan; and

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

(a) A proposed form of Bank Loan Agreement (the “Bank Loan Agreement”), by and between the Lender and the Issuer;

(b) A proposed form of Borrower Loan Agreement (the “Borrower Loan Agreement” and together with the Bank Loan Agreement, the “Loan Agreements”); and

(c) A proposed form of Assignment Agreement (the “Assignment Agreement”), by and between the Issuer 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 Issuer 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 by providing affordable housing for very low, low, and moderate-income households within the community and, based on representations of the Borrower, the financing of the Facilities through the Issuer will result in demonstrable savings in effective interest rate;

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

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

**Section 2.** The Issuer hereby approves of the entering into the Issuer 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 Agreements. The Issuer understands that the payments under the Borrower Loan will be assigned to the Lender to satisfy the Issuer’s payments under the Issuer Loan. The payments to be made by the Issuer to the Lender under the Issuer Loan will be satisfied solely from payments made by the Borrower to the Lender (as assignee of the Issuer) under the Borrower Loan.

**Section 3.** The proposed form of the Loan Agreements, by and among the Lender, the Issuer and the Borrower, on file with the Secretary of the Issuer, 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 Issuer, to execute and deliver the Loan Agreements in substantially the form filed with the Issuer 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 Issuer, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Issuer is authorized to attest the execution of the Loan Agreements.

**Section 4.** The proposed form of the Assignment Agreement, by and between the Issuer and the Lender, on file with the Secretary of the Issuer, is hereby approved. Each Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute and deliver the Assignment Agreement in substantially the form filed with the Issuer 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 Issuer, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Issuer is authorized to attest the execution of the Assignment Agreement.

**Section 5.** The Issuer approves the Issuer 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 \$45,000,000 in accordance with the terms of and to be secured by the Loan Agreements. Repayment of the principal of, premium, if any, and the interest on, the Issuer Loan shall be made solely from the revenues to be received by the Issuer from the Borrower Loan pursuant to the Loan Agreements, and the Issuer Loan shall not be deemed to constitute a debt or liability of the State of California or any political subdivision thereof. The Issuer Loan shall bear interest at the rate or rates set forth in the Loan Agreements.

**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 the Lender to an affiliate of the 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 Issuer, 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 Issuer with respect to the Issuer Loan and the Borrower Loan are hereby approved, confirmed and ratified, and the officials of the Issuer 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 and a regulatory agreement, which they or the Issuer's counsel or the Lender's counsel may deem necessary or advisable in order to consummate the Borrower Loan and the Issuer Loan and otherwise to effectuate the purposes of this Resolution, and the Secretary or Assistant Secretary of the Issuer 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 the City Council of the City have approved the making of the Issuer 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 25th day of May 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 Issuer at a duly called meeting of the Board of Directors of said Issuer held in accordance with law on May 25, 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, Renaissance at Baker LP, a California Limited Partnership (or a successor or related entity) (the “Borrower”), has provided the following required information to the California Enterprise Development Authority (the “Issuer”), as conduit financing provider, prior to the Issuer’s regular meeting on May \_\_, 2023 (the “Meeting”) of its Board of Directors (the “Board”) at which Meeting, the Board will consider the authorization of conduit revenue obligations, which obligations are reasonably expected to be in the aggregate principal amount of \$45,000,000 (the “Obligations”).

1. Pacific Western Bank, as private placement lender, engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows, based on a representation by the Borrower concerning an estimated par amount of \$39,800,000 for the Obligations:
  - 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): 7.31500%
  - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$603,000.00
  - 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: \$39,197,000.00
  - 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): \$47,527,036.00
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 Issuer is authorized to make this document available to the public at the Meeting of the Issuer.

## Staff Report

<b>Action Requested</b>	Approve Resolution 23-14 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 the Cost of the Acquisition, Construction, Development, Improvement, Furnishing and Equipping of Facilities For the Benefit of Coronado Historical Association, Incorporated 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>	Coronado Historical Association
<b>Borrower Description</b>	<p>Coronado Historical Association, Incorporated was established in 1969 to help people understand and appreciate Coronado’s unique history, art, architecture, and historical resources. The association works toward these goals to bring the history of Coronado to the community. The association’s state-of-the-art collections vault has more than 20,000 photographs, and also carefully preserves everything from 1880s newspapers to vintage garments. In their museum, Coronado’s history is brought to life through fascinating exhibitions.</p> <p>In support of its mission, the association has a special focus on educational programs and outreach. Besides a year-round schedule of public lectures and other thought-provoking programs for adults, such as a Preservation Symposium every spring (co-presented with other leading Coronado organizations), the Coronado Unified School District designated the association to present local Coronado history, with the museum staff and trained volunteers teaching students in the schools, as part of their 3rd grade history curriculum. They also present the hugely successful Historic Home Tour on Mother’s Day, and values local history and uses it to enrich lives by creating connections to Coronado's past.</p> <p>The loan proceeds in the aggregate principal amount not to exceed \$400,000 will be used for financing or refinancing the acquisition, construction, development, improvement, furnishing and equipping of the Borrower's museum and historical association located at 1100 Orange Avenue, Coronado, California, 92118 and other related and appurtenant facilities and paying costs of issuance and other related transaction costs.</p>
<b>Public Benefits</b>	The tax-exempt financing will allow Coronado Historical Association 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 23-14.

**RESOLUTION NO. 23-14**

**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 THE COST OF THE ACQUISITION, CONSTRUCTION, DEVELOPMENT, IMPROVEMENT, FURNISHING AND EQUIPPING OF FACILITIES FOR THE BENEFIT OF CORONADO HISTORICAL ASSOCIATION, INCORPORATED 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 County of San Diego (the "County") is an associate member of the Authority and is authorized to acquire and dispose of property, both real and personal, pursuant to the provisions of Article 1, Chapter 5, Part 2 of Division 3 of Title 4 of the Government Code of the State of California; 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**, Coronado Historical Association, Incorporated (the "Borrower"), a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Code, has submitted an application to the Authority requesting the Authority to make one or more loans (collectively, the "Borrower Loan") in the aggregate principal amount not to exceed \$400,000 to the Borrower for the purpose of (1) financing or refinancing the

acquisition, construction, development, improvement, furnishing and equipping of the Borrower's museum and historical association located at 1100 Orange Avenue, Coronado, California, 92118 (the "Property") and other related and appurtenant facilities (collectively, the "Facilities"); and (2) paying costs of issuance and other related transaction costs in connection with the issuance of the Obligations; and

**WHEREAS**, the Authority intends to use the proceeds of one or more tax-exempt and/or taxable loans from First Republic Bank, a California banking corporation, or a related or successor entity (the "Lender"), to the Authority (collectively, the "Authority Loan") to make the Borrower Loan; 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.

**WHEREAS**, based on representations of the Borrower, the Borrower and the Facilities provide significant benefits to the residents of the County and surrounding community through the educational, stewardship, and historic preservation 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

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

**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 the Authority Loan, the interest with respect to which may be excluded from gross income for federal income tax purposes and/or included in 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 the 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 \$400,000 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 the Lender to an affiliate of the 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 County has held the requisite hearing and the Board of Supervisors of the County has approved the making 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 25<sup>th</sup> day of May, 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 May 25 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, Coronado Historical Association, Incorporated, 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 May 25, 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 \$400,000 (the “Obligations”).

1. First Republic Bank, as a private placement lender, engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows, based on a representation by the Borrower concerning an estimated par amount of \$400,000 for the Obligations:
  - 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): 4.54213%
  - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$8,000.00 (which includes, among other fees, the conduit issuer 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: \$392,000.00
  - 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): \$702,680.33
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.