

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

REGULAR MEETING

TELECONFERENCE MEETING NOTICE and AGENDA

LOCATIONS LISTED BELOW

10:30 A.M.

Thursday, June 11, 2020

Zoom Call Information

<https://us02web.zoom.us/j/83945459780?pwd=VIBIZThiMDBqNGFIQ1UrUIEwUCtSQTO9>

Meeting ID: 839 4545 9780

Password: 529888

One tap mobile

+14086380968,,83945459780#,1#,529888# US (San Jose)

+16699006833,,83945459780#,1#,529888# US (San Jose)

Dial by your location

+1 408 638 0968 US (San Jose)

+1 312 626 6799 US (Chicago)

+1 669 900 6833 US (San Jose)

+1 646 876 9923 US (New York)

+1 253 215 8782 US (Tacoma)

+1 301 715 8592 US (Germantown)

+1 346 248 7799 US (Houston)

Pursuant to the Governor's Executive Order N-29-20, members of the California Enterprise Development Authority and staff will participate in this meeting via a teleconference. To reduce the spread of COVID-19, members of the public are asked to Livestream

(<https://us02web.zoom.us/j/83945459780?pwd=VIBIZThiMDBqNGFIQ1UrUIEwUCtSQTO9>) and to submit comments in writing to by 7:00 pm on June 10, 2020.

To submit a comment in writing, please email michelle@caled.org and write "Public Comment" in the subject line. In the body of the email, include the item number and/or title of the item as well as your comments.

Call to Order and Roll Call Statement of Disclosure

Action Items

1. Consent Agenda
 - a. Approve Minutes from the Regular Meeting on May 28, 2020.
2. Approve Resolution 20-16 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 \$25,000,000 to Finance, Refinance, or Reimburse the Cost of the Acquisition, Improvement, Construction, Development, Installation, Equipping and Furnishing of Certain Educational and Appurtenant Facilities for the Benefit of Hillcrest Christian Center of Thousand Oaks d/b/a Hillcrest Christian School, 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.
3. Approve \$250,000 to the California Association for Local Economic Development to support its 2019-2020 Work Program.
4. Approve \$200,000 to the California Association for Local Economic Development to support its 2020-2021 Work Program.
5. Approve \$75,000 to the California Academy for Economic Development to support its 2020-2021 Work Program.
6. Approve the California Enterprise Development Authority's 2020-2021 budget.
7. Approve FY 2020-2021 CEDA Work Program.
8. Approve Amended CEDA Bylaws.

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

Public Comment

Chair Report

PACE Report

Other Business

Adjournment

This agenda can be obtained at <https://ceda.caled.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.

MINUTES
Regular Meeting
*****ZOOM CALL*****
CEDA BOARD OF DIRECTORS
Thursday, May 28, 2020

Zoom Call Location

<https://us02web.zoom.us/j/85967841522?pwd=RWpRSIFXMStzVGFKRUJodFVEdzYzUT09>

Meeting ID: 859 6784 1522

Password: 842950

Call to Order

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

Roll Call

Members Present:

Keith Boggs
Jason Crawford
Jessica Gonzales
Gurbax Sahota
Larry Vaupel

CALED Management/
Staff Present:

Michelle Stephens
Alphonse Wilfred

Public:

David M. Mnatsakanyan, Kutak Rock

Statement of Disclosure

Action Items

1. Approve Consent Agenda.
 - a. Approve Minutes from the Regular Meeting on April 23, 2020.
 - b. Approve Resolution 20-15 of the California Enterprise Development Authority Declaring Intention to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, and Water Efficiency Improvements in the City of Alameda.

Motion: *Board Member Keith Boggs made the motion to approve the Consent Agenda. Board Member Jason Crawford seconded the motion on the floor.*

The motion passed with the following roll call vote:

Keith Boggs	Aye
Jason Crawford	Aye
Jessica Gonzales	Aye
Gurbax Sahota	Aye
Larry Vaupel	Aye

Public Comment

Chair Report

Gurbax discussed with the board that the June 11th CEDA meeting will be their annual business meeting.

PACE Report

Other Business

Adjournment

Motion: *Jessica Gonzales made the motion to adjourn the meeting. Jason Crawford seconded the motion on the floor. Gurbax Sahota adjourned the meeting at 10:34 am after the roll call vote.*

The motion passed with the following roll call vote:

Keith Boggs	Aye
Jason Crawford	Aye
Jessica Gonzales	Aye
Gurbax Sahota	Aye
Larry Vaupel	Aye

Staff Report

Action Requested	Approve Resolution 20-16 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 \$25,000,000 to Finance, Refinance, or Reimburse the Cost of the Acquisition, Improvement, Construction, Development, Installation, Equipping and Furnishing of Certain Educational and Appurtenant Facilities for the Benefit of Hillcrest Christian Center of Thousand Oaks d/b/a Hillcrest Christian School, 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.
Borrower(s)	Hillcrest Christian Center of Thousand Oaks d/b/a Hillcrest Christian School
Borrower Description	<p>Hillcrest Christian School is dedicated to serving the Christian community by providing high-quality Christian education and training for the development of well-rounded students who will impact this world for the Lord Jesus Christ through Biblical thought and action.</p> <p>They are located in beautiful Ventura County, Thousand Oaks, California and offer four distinct accredited programs: preschool, elementary school, middle school and high school. In addition, they have an English Language Development program for foreign students, and their Hillcrest Academy to support homeschooling families.</p> <p>The project will do the following:</p> <ul style="list-style-type: none"> • Finance, refinance or reimburse the Borrower for cost of the acquisition, improvement, construction, development, installation, equipping and furnishing of certain educational and appurtenant facilities on an approximately 11.66 acre parcel land located at 449 East Wilbur Road, Thousand Oaks, California 91360, including, but not limited to, 5 existing buildings totaling approximately 20,000 square feet containing classrooms, music room, dance room, offices and a cafeteria as well as basketball courts, playground, swimming pools, track and field, parking lot and other related facilities • Pay certain costs of issuance, establishing a reserve fund, and funding capitalized interest in connection with such financing and refinancing.
Public Benefits	The tax-exempt financing will allow Hillcrest Christian Center of Thousand Oaks d/b/a Hillcrest Christian School to realize savings that can be put into purchasing and rehabilitating real property.
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; and ■ Proposed financing is appropriate for the project.
Recommendation	Staff recommends approval 20-16 Resolution 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 \$25,000,000 to Finance, Refinance, or Reimburse the Cost of the Acquisition, Improvement, Construction, Development, Installation, Equipping and Furnishing of Certain Educational and Appurtenant Facilities for the Benefit of Hillcrest Christian Center of Thousand Oaks d/b/a Hillcrest Christian School, 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.

RESOLUTION NO. 20-16

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

A RESOLUTION 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 \$25,000,000 TO FINANCE, REFINANCE, OR REIMBURSE THE COST OF THE ACQUISITION, IMPROVEMENT, CONSTRUCTION, DEVELOPMENT, INSTALLATION, EQUIPPING AND FURNISHING OF CERTAIN EDUCATIONAL AND APPURTENANT FACILITIES FOR THE BENEFIT OF HILLCREST CHRISTIAN CENTER OF THOUSAND OAKS D/B/A HILLCREST CHRISTIAN SCHOOL, 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

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 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 that are members of the Authority are authorized to jointly exercise any power common to such public agency members, including, without limitation, the right to issue bonds and expend the proceeds thereof and the right to acquire, sell, develop, lease or administer property; and

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

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

WHEREAS, Hillcrest Christian Center of Thousand Oaks d/b/a Hillcrest Christian School, a California nonprofit religious corporation and an entity described in Section 501(c)(3) of the Code (the "Borrower"), operates Hillcrest Christian School; and

WHEREAS, the Borrower has requested that the Authority issue and sell the Bonds (hereinafter defined) in one or more series for the purpose of making one or more loans to the Borrower, for the purposes of (i) financing, refinancing or reimbursing the Borrower for cost of the acquisition, improvement, construction, development, installation, equipping and furnishing of certain educational and appurtenant facilities on an approximately 11.66 acre parcel land located at 449 East Wilbur Road, Thousand Oaks, California 91360, including, but not limited to, 5 existing buildings totaling approximately 20,000 square feet containing classrooms, music room, dance room, offices and a cafeteria as well as basketball courts, playground, swimming pools, track and field, parking lot and other related facilities (collectively, the "Facilities") and (ii) paying certain costs of issuance, establishing a reserve fund, funding working capital, and funding capitalized interest in connection with such financing and refinancing (collectively, the "Project"); and

WHEREAS, pursuant to an Indenture of Trust, by and between UMB Bank, National Association (or such other trust company or commercial bank acceptable to the Authority), as trustee (the "Trustee") and the Authority (the "Indenture"), the Authority will issue the California Enterprise Development Authority Revenue Bonds (Hillcrest Christian School) Series 2020 (the "Bonds") in one or more series for the purpose, among others, of financing and refinancing the Project; and

WHEREAS, pursuant to a Loan Agreement, by and between the Authority and the Borrower (the "Loan Agreement"), the Authority will loan the proceeds of the Bonds to the Borrower for the purpose, among others, of financing and refinancing the Project; and

WHEREAS, the Bonds are expected to be placed by BB&T Capital Markets, a division of BB&T Securities, LLC (the "Placement Agent"), pursuant to a Placement Agent Agreement (the "Placement Agent Agreement") among the Placement Agent, the Borrower, and the Authority, for purchase by Accredited Investors and Qualified Institutional Buyers (each as defined in the Indenture) for whom Tortoise Capital Advisors, L.L.C. (the "Bondholder Representative") is the duly appointed representative and who have executed an Investment Advisory Agreement with the Bondholder Representative or a Limited Partnership Agreement with respect to a limited partnership for which the Bondholder Representative acts as the manager (collectively, the "Purchasers"), and the proceeds of such sale will be used as set forth in the Indenture to finance the Project; and

WHEREAS, the Bonds will be offered for sale to the Purchasers without an offering document, subject to the delivery of a Bondholder Representative Letter in the form attached to the Indenture (the "Bondholder Representative Letter"); and

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

- (1) A proposed form of the Indenture;

- (2) A proposed form of the Loan Agreement; and
- (3) A proposed form of the Placement Agent Agreement; and

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

WHEREAS, the Facilities are expected to provide significant benefits to the residents of the City in providing educational and related services to residents of the City;

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

Section 1. The Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. The Authority is hereby authorized to issue one or more series of its revenue bonds designated as the "California Enterprise Development Authority Revenue Bonds (Hillcrest Christian School) Series 2020" (or such other designation as shall be acceptable to the Authority and its counsel) in an aggregate principal amount not to exceed TWENTY-FIVE MILLION DOLLARS (\$25,000,000). The interest on the Bonds shall be tax-exempt or taxable, as determined by bond counsel. The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indenture referenced above, with such changes, deletions or insertions as may be approved by any of the Chair or the Vice Chair of the Board of Directors of the Authority (each, an "Authorized Signatory") and legal counsel to the Authority, such approvals being conclusively evidenced by the execution and delivery thereof. The Bonds shall be executed by the manual or facsimile signature of any Authorized Signatory and attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority in the form set forth in and otherwise in accordance with the Indenture.

The Bonds and the interest thereon shall be special, limited obligations of the Authority, and payment of the principal of, redemption premium, if any, and interest on, the Bonds shall be made solely from loan payments made by the Borrower under the Loan Agreement and certain moneys held under the Indenture, and the Bonds shall not be deemed to constitute a general obligation of the Authority or of any member of the Authority or an obligation or commitment by the Authority to expend any of its funds other than from certain funds received under the Loan Agreement.

Section 3. The Indenture, in substantially the form placed on file with the Authority, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Indenture in substantially said form, with such changes and insertions therein as such Authorized Signatory, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Trustee, the dated date, maturity dates or dates, interest rate or rates, method of determining interest rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

Section 4. The Loan Agreement, in substantially the form placed on file with the Authority, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Loan Agreement, in substantially said form, with such changes and insertions therein as such Authorized Signatory, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The Placement Agent Agreement, in substantially the form placed on file with the Authority, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Placement Agent Agreement, in substantially said form, with such changes and insertions therein as such Authorized Signatory, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The placement of the Bonds by the Placement Agent for purchase by the Purchasers is hereby approved, subject to the delivery of a Bondholder Representative Letter, in substantially the form attached to the Indenture, with such changes and insertions therein as such Authorized Signatory, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The Bonds, when executed as provided in Section 2, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 8. Any Authorized Signatory and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any tax agreement and/or tax certificate, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions that may be necessary or advisable, in their discretion, to effectuate the actions that the Authority has approved in this Resolution; provided that no such documents or certificates shall create any obligation or liability of the Authority other than with respect to the revenues and assets derived from the proceeds of the Bonds or otherwise securing the Bonds under the financing documents described and authorized herein.

Section 9. All actions heretofore taken by the Authorized Signatories and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 10. Any Authorized Signatory, acting alone, is hereby authorized to execute and deliver future amendments to the documents authorized to be executed and delivered

pursuant to this Resolution ("Authorized Documents"), without further action of the Authority, for the purpose of (i) adding to the covenants and agreements of the Borrower or of the provider of any credit enhancement or liquidity facility; (ii) assigning or pledging additional security for any of the Bonds which security shall be provided by the Borrower; (iii) curing any ambiguity, inconsistency or omission or supplementing any defective provisions of the Authorized Documents; (iv) permitting the qualification of the Indenture or any supplemental indenture under the Trust Indenture Act of 1939 or any similar federal statutes hereafter in effect; (v) providing for any additional procedures, covenants or agreements necessary to convert the Bonds to tax-exempt obligations and to then maintain the tax-exempt status of interest on the Bonds; (vi) modifying or eliminating the book-entry registration system for the Bonds, if any; or (vii) providing for the appointment of a co-trustee/bondowner representative or the succession of a new trustee/bondowner representative authorized pursuant to the terms of the Indenture; provided such amendments (1) are made pursuant to a written request of the Borrower, (2) are made pursuant to the terms of such documents, (3) are consistent with such documents, (4) do not require the consent of the holders of the Bonds and (5) do not provide for any additional duties or costs with respect to the Authority for which the Borrower does not agree in advance to reimburse or indemnify the Authority therefor.

Section 11. Notwithstanding anything to the contrary in this Resolution, the Bonds may not be issued until the City has held the requisite hearing pursuant to Section 147(f) of the Code.

Section 12. 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 13. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 11th day of June, 2020.

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 June 11, 2020.

Michelle Stephens, Assistant Secretary

Attachment I

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, Hillcrest Christian Center of Thousand Oaks d/b/a Hillcrest Christian School (the "Borrower"), a California nonprofit religious corporation and an entity described in Section 501(c)(3) of the Internal Revenue Code, 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 June 11, 2020 (the "Meeting") of its Board of Directors (the "Board") at which Meeting, the Board will consider the authorization of conduit revenue bonds in the aggregate principal amount not to exceed \$25,000,000 (the "Bonds").

1. Western Solutions, Inc., as financial advisor to the Borrower provided the Borrower with the required good faith estimates relating to the Bonds as follows:
 - A. The true interest cost of the Bonds, 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 Bonds (to the nearest ten-thousandth of one percent): 9.2711%.
 - B. The finance charge of the Bonds, which means the sum of all fees and charges paid to third parties: \$635,166.68.
 - C. The amount of proceeds received by the public body for sale of the Bonds less the finance charge of the Bonds described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Bonds: \$17,370,340.94.
 - D. The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Bonds plus the finance charge of the Bonds described in subparagraph (B) not paid with the proceeds of the Bonds (which total payment amount shall be calculated to the final maturity of the Bonds): \$31,182,337.93.
2. The good faith estimates provided above were 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 Bonds 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 Bonds.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Bonds 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 Bonds and the actual amortization of the Bonds will depend on market interest rates at the time of the issuance of the Bonds. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

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

Staff Report

Action Requested	Approve contributions to support economic development: <ul style="list-style-type: none">a. \$250,000 to the California Association for Local Economic Development to support its 2019-2020 Work Program.b. \$200,000 to the California Association for Local Economic Development to support its 2020-2021 Work Program.c. \$75,000 to the California Academy for Economic Development to support its 2020-2021 Work Program.d. Approve the California Enterprise Development Authority's 2020-2021 budget.
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>In light of the COVID-19 global pandemic, CALED—the premier statewide professional economic development organization dedicated to advancing its members' ability to achieve excellence in delivering economic development services—will experience budgetary shortfalls in FY 2019-2020 from having to reschedule the 2020 Annual Conference. This contribution will offset those losses so CALED can continue to provide economic developers support during this critical time.</p> <p>Additionally, local government budgets are experiencing dramatic shortfalls and continuous support for local economic developers is key to minimizing impacts on local businesses and putting communities on the path to recovery. The support for CALED's 2020-2021 Work Program will allow CALED to continue to provide information, resources, and other assistance to help practitioners help their businesses and local economies.</p> <p>The California Academy for Economic Development (the Academy) is devoted to economic development training, education, and research. Some components of the Academy's mission are to educate economic development professionals and officials, conduct supportive research, and provide new business information and resources to local economic development professionals. This contribution will be used to further the Academy's mission and to support its 2020-2021 Work Program.</p> <p>We believe contributing to CALED and the Academy and CALED will allow the organizations to provide much needed support and training to California's economic developers.</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 approving contributions to support economic development: <ul style="list-style-type: none">a. \$250,000 to the California Association for Local Economic Development to support its 2019-2020 Work Program.b. \$200,000 to the California Association for Local Economic Development to support its 2020-2021 Work Program.c. \$75,000 to the California Academy for Economic Development to support its 2020-2021 Work Program.d. Approve the California Enterprise Development Authority's 2020-2021 budget.
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**California Enterprise Development Authority (CEDA)
Estimated Profit & Loss Budget vs. Actual (June 2019
through May 2020) and Proposed Budget 2020-2021**

	July '19 - May '20		Jul '20 - Jun '21
	Estimated Actual (as of 5.29.20)	Budget	Proposed Budget
Ordinary Income/Expense			
Income			
Non Operating Revenue			
Interest	368.73	350.00	350.00
Operating Revenue			
Fee Revenues			
PACE Program Management Fees	75,000.00	75,000.00	75,000.00
PACE Assessment Fees			
September Assessment Fees	4,963.69	4,000.00	4,000.00
March Assessment Fees	4,427.04	4,000.00	4,000.00
Total PACE Assessment Fees	9,390.73	8,000.00	8,000.00
Issuance Fees			
Issuance Fee-PACE	11,801.15	2,000.00	2,000.00
Issuance Fee-IDB	0.00	0.00	0.00
Issuance Fee-Nonprofit	526,380.00	0.00	0.00
Issuance Fees - Other	0.00	300,000.00	300,000.00
Total Issuance Fees (1)	538,181.15	302,000.00	302,000.00
Annual Fee	139,500.00	130,000.00	145,000.00
Application Fees	39,000.00	25,000.00	25,000.00
Total Fee Revenues	801,071.88	540,000.00	555,000.00
Total Income	801,440.61	540,350.00	555,350.00
Expense			
Operating Expenses			
Contribution to Econ Dev			
CALED Mission Support (2)	450,000.00	100,000.00	100,000.00
Scholarship	5,000.00	5,000.00	5,000.00
Contribution to Econ Dev - Other (3)	75,000.00	60,000.00	75,000.00
Total Contribution to Econ Dev	530,000.00	165,000.00	180,000.00
Direct Expenses			
Bank Fees	481.00	400.00	400.00
Meal & Entertainment	497.26	1,200.00	1,200.00
Office Expense	4,833.46	6,000.00	6,000.00
Computers/Maintenance	2,949.20	1,500.00	1,500.00
Staff Training	1,300.00	3,000.00	3,000.00
Accounting	0.00	1,500.00	1,500.00
Audit	9,400.00	9,400.00	9,400.00
Contract Services	0.00	1,000.00	1,000.00
Printing/Marketing	2,675.00	3,000.00	5,000.00
Travel	3,981.92	5,000.00	5,000.00
Professional/Legal Fees	0.00	10,000.00	10,000.00
Insurance	2,536.29	3,500.00	3,500.00
Total Direct Expenses	28,654.13	45,500.00	47,500.00
Management Fees	300,000.00	300,000.00	300,000.00
Total Operating Expenses	858,654.13	510,500.00	527,500.00
Total Expense	858,654.13	510,500.00	527,500.00
Net Ordinary Income	-57,213.52	29,850.00	27,850.00
Net Income	-57,213.52	29,850.00	27,850.00

Dividend contract in effect until December 31, 2021

Footnotes:

- (1) San Diego State University Housing is expected to close before the end of the fiscal year, which will increase this amount by \$70,000.
- (2) Estimated Actual shows impact if Board Approves recommended contributions to CALED in support of economic development for FY19-20 & 20-21 work program
- (3) Estimated Actual shows impact if Board Approves recommended contributions to Academy in support of economic development training for their 20-21 work program

**As of June 1, 2020, CEDA had \$1,166,634.89 in Checking and \$600,676.96 in Reserves.

CEDA 2020-2021 WORK PROGRAM

Maintaining CEDA as a compliant JPA

1. Complete state reporting requirement
2. Update website per state and federal compliance requirements (e.g. posting agendas, minutes, transactions, etc.)
3. Monitor FPPC filings (Form 700 for in/out of office and annual posts)
4. Complete annual audit (including completing required support documentation, calculations, and checks)
5. Admin support (e.g. as noted below, plus prepare, circulate, & post agenda public notice; reply to public questions; etc.)
6. Follow record retention and destruction policy
7. Complete IDB and housing projects annual compliance duties
8. Send annual ADTR reminders

Support tax-exempt bond issuances and creation of PACE districts and issuances

1. Provide admin support for board & meetings (e.g. schedule meetings, take minutes, prepare and present staff reports, etc.)
2. Provide admin support for issuances and PACE districts & projects (e.g. sign, notarize, & mail documents; maintain files, etc.)
3. Invoicing for application, issuance, and annual fees
4. Provide admin support for outstanding PACE Residential program
5. Follow up on bond transaction leads
6. Participate in bond issuance financial team meetings and calls
7. Stay involved in legislation or potential structural changes at the state-level which may impact CEDA's financing tool programs
8. Communicate, solicit, and coordinate with local jurisdictions regarding bond issuances & membership in CEDA

Promote CEDA and its financing opportunities

1. Review fee structure and amend & approve if necessary
2. Market new and re-financing opportunities to CEDA partners and project contacts
3. Promote CEDA's programs, completed issuances, and other news announcements
4. Maintain relationships with key issuance partners
5. Identify one new source for project leads
6. Determine next steps in affordable housing financing
7. Market CEDA through CDFR channels as appropriate

**BYLAWS
OF THE
CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

(adopted by the CEDA Board of Directors, July 14, 2006)

(amended by the CEDA Board of Directors, June 22, 2007)

(amended by the CEDA Board of Directors, June 11, 2020)

ARTICLE I

DEFINITIONS

The definitions of terms used in these Bylaws shall be the same as those contained in the Joint Powers Agreement creating the California Enterprise Development Authority (hereinafter called the "Agreement," unless otherwise expressly provided).

ARTICLE II

OFFICES

The Authority's principal office for the transaction of business is located at ~~2150 River Plaza Drive, Suite 275, Sacramento, California 95833.~~

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ARTICLE III

LIMITATION ON AUTHORITY

The Authority's exercise of its power under the Agreement and these Bylaws shall be restricted to the extent required under Section 6509 of the Act. The City of Eureka is hereby designated pursuant to Section 6509 of the Act. This designation may be changed by a majority vote of the Board of Directors.

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ARTICLE IV

MEETINGS OF THE VOTING MEMBERS

1. Regular Meetings

(a) Time Held

The Voting Members shall hold at least one meeting per year. The regular annual meeting of the Voting Members (the "Annual Meeting") should, if practicable, be scheduled at least one year prior to such meeting. Unless otherwise changed by a majority vote of the Voting Members at a regular meeting, the Annual Meeting shall be held ~~in the spring of the fiscal year or before June 30th.~~

Deleted: at 9:00 a.m. on the First Thursday in June of each year

Deleted: Should such day fall upon a legal holiday, the Annual Meeting shall be held on the next following business day.

(b) Business ~~to~~ Be Transacted

At each Annual Meeting, the Voting Members shall review ~~and accept a summary of the work completed in the current fiscal year.~~

At any meetings, the Voting Members may transact any other business within their powers, and receive reports of the operations and affairs of the Authority.

(c) Notice

Written notice of each regular meeting of the Voting Members shall be delivered to each Voting Member at least seven (7) days in advance of the meeting. The notice shall specify:

- (i) The place, date and hour of the meeting.
- (ii) Those matters which are intended to be presented for action by the Voting Members.
- (iii) The general nature of any proposal for action by the Voting Members concerning a change in the Voting Members of the Authority or any other matter substantially affecting the rights and obligations of the Authority and its Members.

2. Special Meetings

A special meeting of the Voting Members may be called at any time by written notice of any Voting Member to the Board of Directors and the Voting Members, subject to the requirements for 24-hour written notice to the Voting Members and to requesting representatives of the media provided in Section 54956 of the Government Code. The notice of a special meeting shall specify the time and place of the meeting and the business to be transacted. No other business shall be considered at the meeting. A Voting Member may waive notice as provided in Section 54956 of the Government Code. Notice of the calling of any special meeting shall be posted as provided in said Section.

3. Place ~~of~~ Meeting

Each regular or special meeting of the Voting Members shall be held at a place within the State of California ~~or by teleconference~~ designated by the Board of Directors, or if no such designation is made, as designated by the ~~Chair~~.

4. Adjourned Meetings

The Voting Members may adjourn any regular or special meeting to a time and place specified in the order of adjournment, whether or not a quorum has been established. If a quorum is not established, no business other than adjournment may be transacted.

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A copy of the order for adjournment shall be posted as required by Section 54955 of the Government Code. No other notice of an adjourned meeting shall be necessary, unless the adjournment is for a period of thirty (30) days or more, in which case notice of the adjourned meeting shall be given in the same manner as notice of the original meeting.

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5. Ralph M. Brown Act

Notwithstanding anything herein to the contrary, all meetings of the Voting Members shall be held in strict compliance with the Ralph M. Brown Act (Government Code Section 54950 *et seq.*), as amended and then in effect.

ARTICLE V

MEETINGS OF THE BOARD OF DIRECTORS

1. Regular Meetings

(a) Time Held

The Board of Directors shall hold at least one meeting per year. The regular annual meeting of the Board of Directors (the “Board of Directors Annual Meeting”) should, if practicable, be scheduled at least one year prior to such meeting. Unless otherwise changed by a majority vote of the Board of Directors at a regular meeting, the Board of Directors Annual Meeting shall be held ~~before the end of the fiscal year.~~

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(b) Business ~~to~~ Be Transacted

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At each Board of Directors Annual Meeting, the Board of Directors shall review, modify if necessary, and adopt the annual operating budget of the Authority, and review the annual work plan or program plan and, in each alternating fiscal year, shall elect officers.

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At any meetings, the Board of Directors may transact any other business within its powers, and receive reports of the operations and affairs of the Authority, including approve the annual audit of the Authority’s finances.

(c) Notice

Written notice of each regular meeting of the Board of Directors shall be delivered to each director at least seven (7) days in advance of the meeting. The notice shall specify:

- (i) The place, date and hour of the meeting.
- (ii) Those matters which are intended to be presented for action by the Board of Directors.
- (iii) The general nature of any proposal for action by the Board of Directors concerning a change in the Bylaws of the Authority, a

change in the membership of the Authority, or any other matter substantially affecting the rights and obligations of the Authority or its Members.

2. Special Meetings

A special meeting of the Board of Directors may be called at any time by the Chair of the Board of Directors, or by a majority of the directors on the Board of Directors subject to the requirements for 24-hour written notice to the directors and/or alternate directors and to requesting representatives of the media provided in Section 54956 of the Government Code. The notice of a special meeting shall specify the time and place of the meeting and the business to be transacted. No other business shall be considered at the meeting. A member of the Board of Directors may waive notice as provided in Section 54956 of the Government Code. Notice of the calling of any special meeting shall be posted as provided in said Section.

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3. Place of Meeting

Each regular or special meeting of the Board of Directors shall be held at a place within the State of California designated by the Board of Directors, or if no such designation is made, as designated by the Chair of the Board of Directors.

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4. Adjourned Meetings

The Board of Directors may adjourn any regular or special meeting to a time and place specified in the order of adjournment, whether or not a quorum has been established. If a quorum is not established, no business other than adjournment may be transacted.

A copy of the order for adjournment shall be posted as required by Section 54955 of the Government Code. No other notice of an adjourned meeting shall be necessary, unless the adjournment is for a period of thirty (30) days or more, in which case notice of the adjourned meeting shall be given in the same manner as notice of the original meeting.

5. Ralph M. Brown Act

Notwithstanding anything herein to the contrary, all meetings of the Board of Directors shall be held in strict compliance with the Ralph M. Brown Act (Government Code Section 54950 *et seq.*), as amended and then in effect.

ARTICLE VI

BOARD OF DIRECTORS AND OFFICERS

1. Board of Directors

The Agreement designates the Executive Committee of the Board of Directors of the California Association for Local Economic Development and the President of the California Association for Local Economic Development as the Board of Directors of the Authority.

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2. Officers

The Agreement designates the President of the California Association for Local Economic Development as Chair of the Authority. The Board of Directors of the Authority will appoint a Vice Chair, Secretary, and Treasurer from among its members. The Board may by resolution appoint assistant officers to act in place of the officers of the Authority.

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3. Duties of the Chair

The Chair shall preside at and conduct all meetings of the Board of Directors and the Voting Members, although the Chair will have no vote at any meeting of the Voting Members. The Chair shall sign all contracts unless a Resolution of the Board provides otherwise.

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4. Duties of the Vice Chair

In the absence of the Chair, the Vice Chair shall perform all duties assigned to the Chair by the Agreement and these Bylaws or by the Voting Members or the Board of Directors.

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5. Duties of the Secretary

The Secretary may countersign contracts on behalf of the Authority and shall perform such other duties as may be imposed by the Board. The Board may approve the appointment of an Assistant Secretary to fulfill duties as expressly stated in the Board's approved action.

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6. Duties of the Treasurer

The Treasurer shall serve as the treasurer, auditor, and controller of the Authority.

7. Terms of Office

The terms of office of the Chair and Vice Chair shall coincide with the terms of office of the President of the California Association for Local Economic Development ("CALED") and the Chair of the Board of Directors of CALED, respectively.

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8. Removal and Vacancies

The Board of Directors may remove an officer at anytime. A vacancy in any office, because of death, resignation, removal, disqualification, or any other cause, shall be filled by election of the Board of Directors and must meet the criteria of Article VI, section 1.

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9. Resignation of Officers

Other than with respect to the Chair and the Vice Chair or in the absence of a contrary written agreement, any officer may resign at any time by giving written notice to the Chair. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

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ARTICLE VII

COMMITTEES

1. Establishment of Committees

The Board of Directors may appoint any additional committees and determine the committees' structure, charge, size and membership. Committees may be established to consider any matter within the jurisdiction of the body establishing such committee. Each committee shall operate according to the policies adopted by the body establishing such committee and shall submit their reports and recommendations to the body establishing such committee. Committees shall meet on the call of their respective chairpersons, each of whom shall be a member of the Board of Directors and a member of such committee.

Each Committee shall meet on the call of its chairperson, at such times and places as are designated by the chairperson. Written notice of the time and place of a Committee meeting, and of the business to be transacted, shall be delivered to each member of the Committee and to requesting representatives of the media at least twenty-four (24) hours in advance as required by Section 54966 of the Government Code, and subject to the other provisions of that Section. No other business shall be considered at the meeting. A majority of the members of a Committee shall constitute a quorum for the transaction of business. All actions of the Committee shall require the affirmative votes of a majority of the members present at a meeting duly held at which a quorum is present. All Committee meetings shall be duly noticed and held in accordance with the requirements of the Ralph M. Brown Act (Government Code 54950 *et seq.*), as amended and then in effect.

ARTICLE VIII

MISCELLANEOUS

1. Execution of Contracts

The Board of Directors may authorize any officer, staff member, or agent of the Authority to execute any contract in the name of and on behalf of the Authority, and such authorization may be general or specific in nature. Unless so authorized, no officers, staff member or agent shall have any power to bind the Authority by contract.

2. Rules of Procedure for Meetings

All meetings of the Voting Members, Board of Directors and Committees or bodies of the Authority shall be conducted in accordance with the most recent edition of *Robert's Rules Of Order*, provided that in the event of a conflict, such rules shall be superseded by the Agreement, these bylaws, and California law.

ARTICLE IX

FINANCES

1. Fiscal Year

The Fiscal Year of the Authority shall be from July 1 to June 30.

2. Budget

At least ~~seven (7)~~ days prior to the Board of Directors Annual Meeting in each Fiscal Year, the Executive Director shall submit to the Board of Directors a proposed general budget for the next Fiscal Year of the Authority. The proposed general budget shall include a summary of revenue and expenditures, actual or projected, for the preceding, current, and next Fiscal Years. ~~CALED~~ shall manage all expenditures, subject to control of the Board of Directors. The Board of Directors shall have power to transfer funds within the total detailed budget to meet unanticipated needs or changed situations.

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Deleted: The Executive Director

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ARTICLE X

AMENDMENTS

These Bylaws may be amended at any time by a majority vote of the Board of Directors. Following adoption of amendments, ~~staff~~ shall prepare and distribute a revision of the Bylaws to all Voting Members of the Authority and members of the Board.

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ARTICLE XI

EFFECTIVE DATE

These Bylaws shall go into effect immediately upon adoption by majority vote of the Board of Directors.

ARTICLE XII

ASSOCIATE MEMBERSHIP

1. Any Local Agency within the State of California may, with the approval of the Board of Directors, become an Associate Member of the Authority by (i) executing and delivering to the Authority an Associate Membership Agreement substantially in the form attached hereto as Exhibit A and hereby made a part hereof and (ii) the filing by such Local Agency of a certified copy of the resolution of the Legislative Body of such Local Agency approving the Associate Membership Agreement and the execution and delivery thereof.

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2. An Associate Member shall be entitled to participate in all programs and other undertakings of the Authority, including, without limitation, any undertakings to finance a Project and any other financing programs provided by law.

3. An Associate Member shall not be entitled to vote on any matter coming before the Voting Members or the Board, except as otherwise specified in the Agreement.

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4. Upon approval by the legislative body of a Local Agency as an Associate Member, the Chair, Vice Chair, the Executive Director or any other officer or staff member duly authorized by the Board of Directors for such purpose shall execute and deliver the applicable Associate Membership Agreement to the Associate Member, file such executed counterpart of the Associate Membership Agreement in the official records of the Authority and add such Local Agency to Exhibit A of the Agreement as an amendment, effective upon such filing.

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[End of Bylaws]

EXHIBIT A

ASSOCIATE MEMBERSHIP AGREEMENT

by and between the

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

and the

CITY/COUNTY OF _____, CALIFORNIA

THIS ASSOCIATE MEMBERSHIP AGREEMENT (this "Associate Membership Agreement"), dated as of _____, 2006, by and between CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY (the "Authority") and the CITY/COUNTY OF _____, CALIFORNIA, a municipal corporation/political subdivision, duly organized and existing under the laws of the State of California (the "City/County");

WITNESSETH:

WHEREAS, the Cities of Selma, Lancaster and Eureka (individually, a "Member" and collectively, the "Members"), have entered into a Joint Powers Agreement, dated as of June 1, 2006 (the "Agreement"), establishing the Authority and prescribing its purposes and powers; and

WHEREAS, the Agreement designates the Executive Committee of the Board of Directors and the President of the California Association for Local Economic Development as the initial Board of Directors of the Authority; and

WHEREAS, the Authority has been formed for the purpose, among others, to assist for profit and nonprofit corporations and other entities to obtain financing for projects and purposes serving the public interest; and

WHEREAS, the Agreement permits any other local agency in the State of California to join the Authority as an associate member (an "Associate Member"); and

WHEREAS, the City/County desires to become an Associate Member of the Authority;

WHEREAS, City Council of the City/Board of Supervisors of the County has adopted a resolution approving the Associate Membership Agreement and the execution and delivery thereof;

WHEREAS, the Board of Directors of the Authority has determined that the City/County should become an Associate Member of the Authority;

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NOW, THEREFORE, in consideration of the above premises and of the mutual promises herein contained, the Authority and the City/County do hereby agree as follows:

Section 1. Associate Member Status. The City/County is hereby made an Associate Member of the Authority for all purposes of the Agreement and the Bylaws of the Authority, the provisions of which are hereby incorporated herein by reference. From and after the date of execution and delivery of this Associate Membership Agreement by the City/County and the Authority, the City/County shall be and remain an Associate Member of the Authority.

Section 2. Restrictions and Rights of Associate Members. The City/County shall not have the right, as an Associate Member of the Authority, to vote on any action taken by the Board of Directors or by the Voting Members of the Authority. In addition, no officer, employee or representative of the City/County shall have any right to become an officer or director of the Authority.

Section 3. Effect of Prior Authority Actions. The City/County hereby agrees to be subject to and bound by the A. Agreement and B. Bylaws of the Authority.

Section 4. No Obligations of Associate Members. The debts, liabilities and obligations of the Authority shall not be the debts, liabilities and obligations of the City/County.

Section 5. Execution of the Agreement. Execution of this Associate Membership Agreement and the Agreement shall satisfy the requirements of the Agreement and Article XII of the Bylaws of the Authority for participation by the City/County in all programs and other undertakings of the Authority.

IN WITNESS WHEREOF, the parties hereto have caused this Associate Membership Agreement to be executed and attested by their proper officers thereunto duly authorized, on the day and year first set forth above.

**CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY**

By: _____
Gurbax Sahota, Chair of the
Board of Directors

Attest:

Michelle Stephens, Assistant Secretary

CITY/COUNTY OF _____, CALIFORNIA

By: _____
Name: _____
Title: _____

Attest:

Name: _____,
City Clerk/Clerk of the Board of Supervisors