

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

REGULAR MEETING

TELECONFERENCE MEETING NOTICE and AGENDA

LOCATIONS LISTED BELOW

10:30 A.M.

Thursday, June 27, 2024

Zoom Call Information

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

Meeting ID: 830 9095 0409

Passcode: 866446

One tap mobile

+16699006833,,83090950409#,,,,*866446# US (San Jose)

+13462487799,,83090950409#,,,,*866446# US (Houston)

Call to Order and Roll Call Statement of Disclosure

Action Items

1. Consent Agenda
 - a. Approve Minutes from May 30, 2024.
2. Approve Resolution No. 24-07 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, Refinancing and/or Reimbursing the Cost of the Acquisition, Construction, Rehabilitation, Equipping and Furnishing of Certain Property for the Benefit of Indian Health Center of Santa Clara Valley 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 Burriss)
1215 K Street, Suite 1650
Sacramento, CA 95814

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

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

City of West Sacramento
(Contact Aaron Laurel or
Sandra Barcnas)
1110 West Capitol Avenue, 3rd Floor
West Sacramento, CA 95691

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

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

City of Carson
(Contact Eric Romero)
701 E. Carson Street
Carson, CA 90745

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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**

**10:30 A.M.
Thursday, May 30, 2024
Zoom Call Information**

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Call to Order

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

Roll Call

Members Present:

Robert Burris

Jennifer Hiramoto

Josh Metz

Gurbax Sahota

Larry Vaupel

Dave White

CALED Management/Staff Present:

Ian Gill

Michelle Stephens

Public:

Sam Balisy, Kutak Rock

David Mnatsakanyan, Kutak Rock

Jessica Shaham, Kutak Rock

Statement of Disclosure

None

Action Items

1. Consent Agenda

a. Approve Minutes from May 9, 2024.

b. Approve Resolution 24-05 of the California Enterprise Development Authority Approving Associate Membership by the City of Brawley in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to the Associate Membership of the City in the Authority.

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

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The motion passed with the following roll call vote:

Robert Burris	Yes
Jennifer Hiramoto	Yes
Josh Metz	Yes
Gurbax Sahota	Yes
Larry Vaupel	Yes
Dave White	Yes

2. Approve Resolution No. 24-06 of the California Enterprise Development Authority Authorizing and Approving the Reissuance of Obligations Under a Master Loan Agreement Pursuant to Which the California Enterprise Development Authority Made One or More Loans for the Purpose of Financing or Refinancing the Cost of the Acquisition, Construction, Renovation, Rehabilitation, Improvement, and/or Equipping of Educational Facilities for the Benefit of Woodbury University and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Reissuance and Other Matters Relating Thereto Herein Specified.

Discussion: Michelle Stephens gave the staff report. Larry Vaupel asked a question about university operations. Discussion ensued.

Motion: Board Member Larry Vaupel made the motion to approve Resolution 24-06. Board Member Josh Metz seconded the motion on the floor.

The motion passed with the following roll call vote:

Robert Burris	Yes
Jennifer Hiramoto	Yes
Josh Metz	Yes
Gurbax Sahota	Yes
Larry Vaupel	Yes
Dave White	Yes

3. Approve FY 2024-2025 CEDA Work Program.

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

Motion: Board Member Josh Metz made the motion to approve FY 2024-2025 CEDA Work Program. Board Member Bob Burris seconded the motion on the floor.

The motion passed with the following roll call vote:

Robert Burris	Yes
Jennifer Hiramoto	Yes
Josh Metz	Yes
Gurbax Sahota	Yes
Larry Vaupel	Yes
Dave White	Yes

4. Approve FY 2024-2025 CEDA Budget.

Discussion: Michelle Stephens gave the staff report. Chair Gurbax Sahota provided additional explanation and mentioned that a revision to the budget is coming in three to four months.

Motion: Board Member Josh Metz made the motion to approve FY 2024-2025 CEDA Budget. Board Member Dave White seconded the motion on the floor.

The motion passed with the following roll call vote:

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Robert Burris	Yes
Jennifer Hiramoto	Yes
Josh Metz	Yes
Gurbax Sahota	Abstained
Larry Vaupel	Yes
Dave White	Yes

5. Approve \$225,000 to the California Association for Local Economic Development as a Contribution to Economic Development.

Discussion: Michelle Stephens gave the staff report. Chair Gurbax Sahota provided additional explanation. Dave White commented on the item. Discussion ensued.

Motion: *Board Member Dave White made the motion to approve \$225,000 to the California Association for Local Economic Development as a Contribution to Economic Development. Board Member Jennifer Hiramoto seconded the motion on the floor.*

The motion passed with the following roll call vote:

Robert Burris	Yes
Jennifer Hiramoto	Yes
Josh Metz	Yes
Gurbax Sahota	Abstained
Larry Vaupel	Yes
Dave White	Yes

Public Comment

None

Chair Report

Chair Gurbax Sahota further discussed the progress on CEDA's shift away from Dividend Finance managing PACE. CEDA is working with Kutak Rock on finalizing the process. Michelle Stephens noted that there is a CEDA meeting on June 13.

Other Business

Board Member Josh Metz discussed a phishing scheme targeting CEDA board members.

Adjournment

Bob Burris made the motion to adjourn the meeting. Larry Vaupel seconded the motion on the floor. Chair Gurbax Sahota adjourned the meeting at 10:57 am after the roll call vote.

The motion passed with the following roll call vote:

Robert Burris	Yes
Jennifer Hiramoto	Yes
Josh Metz	Yes
Gurbax Sahota	Yes
Larry Vaupel	Yes
Dave White	Yes

Staff Report

Action Requested	Approve Resolution 24-07 of the California Enterprise Development 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, Refinancing, and/or Reimbursing the Cost of the Acquisition, Construction, Rehabilitation, Equipping and Furnishing of Certain Property for the Benefit of Indian Health Center of Santa Clara Valley and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
Borrower(s)	Indian Health Center of Santa Clara Valley
Borrower Description	<p>The mission of the Indian Health Center of Santa Clara Valley (IHC) is to help ensure the survival and healing of American Indians/Alaskan Natives and the community by providing high quality, comprehensive health care and wellness services. Founded in 1977, IHC is a certified Patient Centered Health Home. IHC provides a full range of primary care and illness prevention services, in addition to focusing on holistic services, health education and American Indian values such as healing the whole family. IHC emphasizes care coordination and communication between the patient and provider, and achieve better health outcomes by putting the patients’ needs first. The comprehensive services offered include medical, dental, counseling, community wellness, nutrition, and inter-tribal resources.</p> <p>The aggregate principal amount not to exceed \$6,800,000 will be used to finance, refinance or reimburse IHC for the cost of the acquisition, construction, renovation, equipping and furnishing of the real property and improvements located at 1631 Willow Street, San Jose, California, 95125.</p>
Public Benefits	The tax-exempt financing will allow the Indian Health Center of Santa Clara Valley to realize savings that can be put into 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 of Resolution 24-07 of the California Enterprise Development 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, Refinancing, and/or Reimbursing the Cost of the Acquisition, Construction, Rehabilitation, Equipping and Furnishing of Certain Property for the Benefit of Indian Health Center of Santa Clara Valley and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

RESOLUTION NO. 24-07

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, REFINANCING AND/OR REIMBURSING THE COST OF THE ACQUISITION, CONSTRUCTION, REHABILITATION, EQUIPPING AND FURNISHING OF CERTAIN PROPERTY FOR THE BENEFIT OF INDIAN HEALTH CENTER OF SANTA CLARA VALLEY 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 Santa Clara (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, Indian Health Center of Santa Clara Valley (the "Borrower"), a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal revenue Code of 1986, as amended (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 \$6,800,000 to the Borrower for the purpose of (1)

financing, refinancing and/or reimbursing the Borrower for the cost of the acquisition, construction, renovation, equipping and furnishing of the real property and improvements located at 1631 Willow Street, San Jose, California 95125 (the “Facilities”), and (2) paying certain costs of issuance in connection with the issuance of the Obligations; and

WHEREAS, the Authority intends to use the proceeds of one or more tax-exempt loans from Community Bank of the Bay, a California banking corporation, or its successor (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”), 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; and

WHEREAS, based on representations of the Borrower, (a) the Borrower and the Facilities provide significant benefits to the residents of the County and surrounding community through the services provided by the Borrower, which are focused on helping to ensure the survival and healing of American Indians and Alaskan Natives by providing high quality, comprehensive health care and wellness services and (b) the financing, refinancing and/or reimbursing the Borrower for the cost 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, refinancing and/or reimbursing the Borrower in connection with the Facilities.

Section 2. The Authority hereby approves of the entering into the Authority 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 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 \$6,800,000 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 27th day of June 2024.

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 27, 2024.

Michelle Stephens, Assistant Secretary

ATTACHMENT I
PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, Indian Health Center of Santa Clara Valley, 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 June 27, 2024 (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 \$6,800,000 (the “Obligations”).

1. Community Bank of the Bay, as a private placement lender, engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows (which are based on an estimated aggregate principal amount of \$4,760,000):
 - 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): 5.41405%
 - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$90,000 (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: \$4,670,000.
 - 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): \$9,618,593.96.
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.