

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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

10:30 A.M.  
Thursday, July 6, 2017  
Teleconference Phone Information  
(712) 775-7031 - Conference Code: 895081223

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

**Action Items**

1. Approve Minutes from the Regular Meeting on June 29, 2017.
2. Approve Resolution No. 17-25 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, Constructing, Installing, Equipping and Furnishing of Healthcare Facilities for the Benefit of Hillview Mental Health Center, Inc. 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 No. 17-26 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, Constructing, Developing, Renovating, Equipping and Furnishing of Facilities for the Benefit of Didi Hirsch Psychiatric Service, Inc. and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
4. Approve Resolution No. 17-27 of the California Enterprise Development Authority Appointing an Assistant Secretary of the California Enterprise Development Authority and Delegating the Authority to Sign Contracts for and on Behalf of the Authority to Certain Individuals.

**Public Comment**

**Chair Report**

**PACE Report**

**Other Business**

**Adjournment**

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

California Association for Local Economic Development (contact Helen Schaubmayer) 550 Bercut Drive, Suite G Sacramento, CA 95811	City of Vista (contact Kevin Ham or Reception) 200 Civic Center Dr. Vista, CA 92084	Sacramento Municipal Utility District (contact Mather Kearney) 6301 S Street Sacramento, CA 95817
--	---	--

550 Bercut Drive, Suite G, Sacramento, CA 95811 • (916) 448-8252, ext. 16

## CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

City of Santa Clarita  
(contact Jason Crawford or  
Marilyn Sourgose)  
23920 Valencia Blvd., Suite  
100  
Santa Clarita, CA 91355

City of Lakeport  
(contact Margaret Silveira or  
Hilary Britton)  
225 Park Street  
Lakeport, CA 95453

Los Angeles County  
Economic Development  
Corporation (LAEDC)  
(contact Carrie Rogers or  
Linden Johnson)  
444 S. Flower St., 37<sup>th</sup> Floor  
Los Angeles, CA 90071

County of Stanislaus  
(contact Keith Boggs or  
Sheryl Swartz)  
1010 10<sup>th</sup> Street, Suite 6800  
Modesto, CA 95354

City of West Sacramento  
(contact Aaron Laurel or  
Polly Harris)  
1110 West Capitol Avenue,  
3<sup>rd</sup> Floor  
West Sacramento, CA 95691

This agenda can be obtained at [www.ceda.caed.org](http://www.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. 16.

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

MINUTES  
Regular Meeting  
\*\*\*TELECONFERENCE MEETING \*\*\*  
CEDA BOARD OF DIRECTORS  
Thursday, June 29, 2017

## Teleconference Locations

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

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

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

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

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

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

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

## Call to Order

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

## Roll Call

Members Present: Mike Dozier  
Gurbax Sahota  
Carrie Rogers

CALED Management/Staff  
Present: Jillian Boyd  
Helen Schaubmayer

Public: Peter Grabell  
Michael Karlosky

## Statement of Disclosure

None

## Action Items

1. Approve Minutes from the Regular Meetings on June 15, 2017.

**Motion:** Board Member Mike Dozier made the motion to approve minutes from the Regular Meeting on June 15, 2017. Board Member Carrie Rogers seconded the motion on the floor. The motion passed with the following roll call vote:

Mike Dozier	Aye
Gurbax Sahota	Aye
Carrie Rogers	Aye

2. Approve Resolution No. 17-24 Authorizing the Issuance of the California Enterprise Development Authority Commercial Property Assessed Clean Energy (Pace-M1) Limited Obligation Improvement Bonds, Series 2017-1, Authorizing the Execution and Delivery of a Supplemental Indenture and Bond Purchase Agreement, and Authorizing the Execution and Delivery of Other Related Documents and Actions Necessary to the Delivery of Such Bonds.

**Motion:** *Board Member Carrie Rogers made the motion to approve Resolution No. 17-24. Board Member Bruce Stenslie seconded the motion on the floor. The motion passed with the following roll call vote:*

Mike Dozier	Aye
Gurbax Sahota	Aye
Carrie Rogers	Aye

**Discussion:** Helen briefed the Board that this bond series is in an amount not to exceed \$1,200,000. The bonds will be used for property-assessed efficiency improvements within the PACE district. Currently there is one project under this financing--a solar project for a mobile home park in Yuba City. Michael Karlosky thanked the Board and briefed on the project.

### **Public Comment**

### **Chair Report**

Gurbax stated the next meetings will have significant action items and staff will be looking for experienced CEDA Board Members to provide input for the new CEDA Board Members. Helen stated there is a call scheduled for next week.

### **PACE Report**

Peter Grabell mentioned there is much in the pipeline for PACE.

### **Other Business**

### **Adjournment**

**Motion:** *Board Member Mike Dozier made the motion to adjourn the meeting. Board member Carrie Rogers seconded the motion on the floor. Board Chair Gurbax Sahota adjourned the meeting at 10:43 am by voice vote.*

## Staff Report

<b>Action Requested</b>	Approve Resolution No. 17-25 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, Constructing, Installing, Equipping and Furnishing of Healthcare Facilities for the Benefit of Hillview Mental Health Center, Inc. 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>	Hillview Mental Health Center, Inc.
<b>Borrower Description</b>	<p>Hillview Mental Health Center (Hillview) is a community-based mental health program, primarily composed of outpatient treatment and housing services, an integrated service agency providing comprehensive care for a targeted high services utilization population, and supervised housing for adults and transitional age youth. Hillview original began offering services in 1966 as a division of Pacoima Memorial Hospital, Inc. and, since becoming its own entity in 1985, now currently serves over 2,000 people throughout the East San Fernando Valley who suffer from mental illness.</p> <p>Web site: <a href="http://www.hillviewmhc.org/">http://www.hillviewmhc.org/</a></p> <p>Hillview Mental Health Center, Inc. requests the Authority to make one or more loans in the aggregate principal amount not to exceed \$3,500,000 to the Borrower for (i) refinancing (A) the outstanding California Infrastructure and Economic Development Bank Variable Rate Demand Revenue Bonds, Series 2008, the proceeds of which were used to (1) acquire, construct, install, equip and furnish the Borrower’s administrative facility, (2) acquire an electronic medical records management system, including hardware and software components, and (3) acquire and install a parking kiosk; and (B) the cost of equipment used at, and improvements to property located in Pacoima, California and (ii) pay certain costs of issuance.</p>
<b>Public Benefits</b>	The refinancing of existing tax-exempt and taxable debt will reduce Hillview’s debt service payments, resulting in increased cash-flow available to support its programs and services. Hillview provides services to the most deserving and challenging populations, including individuals coping with homelessness, mental illness and/or substance abuse.
<b>TEFRA Hearing</b>	A public hearing was held by the City of Los Angeles on June 2, 2017.
<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;</li> <li>■ Proposed financing is appropriate for the project.</li> </ul>
<b>Recommendation</b>	Staff recommends approval of Resolution No. 17-25 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, Constructing, Installing, Equipping and Furnishing of Healthcare Facilities for the Benefit of Hillview Mental Health Center, Inc. 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. 17-25**

**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 AND REFINANCING THE COST OF ACQUIRING, CONSTRUCTING, INSTALLING, EQUIPPING AND FURNISHING OF HEALTHCARE FACILITIES FOR THE BENEFIT OF HILLVIEW MENTAL HEALTH CENTER, INC. 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 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 City of Los Angeles (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**, Hillview Mental Health Center, Inc., a California nonprofit public benefit corporation (the "Borrower"), 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 \$3,500,000 to the Borrower for the purpose of (i) refinancing (A) the outstanding California Infrastructure and Economic Development Bank Variable Rate Demand Revenue Bonds, Series 2008 (Hillview Mental Health Center, Inc.), the proceeds of which were used to (1) acquire, construct, install, equip and furnish the 12450 Van Nuys

Boulevard, California 91331 (the “Property”) that serves as the Borrower’s administrative facility, (2) acquire an electronic medical records management system, including hardware and software components, and (3) acquire and install a parking kiosk; and (B) the cost of equipment used at, and improvements to, the Property and the real property located at 12408 and 12502 Van Nuys Boulevard, Pacoima, California 91331 (collectively, the “Facilities”); and (ii) pay certain costs of issuance in connection with such refinancing; and

**WHEREAS**, the Authority intends to use the proceeds of one or more tax-exempt loans from Pacific Western Bank, 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”), 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; and

**WHEREAS**, the Facilities provide significant benefits to the residents of the City and surrounding community through the healthcare services provided by the Borrower and, based on representations of the Borrower, the financing and refinancing of the costs of the acquisition, construction, installation, rehabilitation, equipping and furnishing of the Facilities through the Authority will result in demonstrable savings in effective interest rate;

**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 and refinancing of the costs of the acquisition, construction, installation, rehabilitation, equipping and furnishing of 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 \$3,500,000 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 City has held the requisite hearing and the City Council of the City 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 6<sup>th</sup> day of July, 2017.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

By \_\_\_\_\_  
Gurbax Sahota, Chair

Attest:

By \_\_\_\_\_  
Helen Schaubmayer, Assistant Secretary

I, the undersigned, the duly appointed and qualified Assistant Secretary of the California Enterprise Development Authority, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said Authority at a duly called meeting of the Board of Directors of said Authority held in accordance with law on July 6, 2017.

---

Helen Schaubmayer, Assistant Secretary

## Staff Report

<b>Action Requested</b>	Approve Resolution No. 17-26 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, Constructing, Developing, Renovating, Equipping and Furnishing of Facilities for the Benefit of Didi Hirsch Psychiatric Service, Inc. 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>	Didi Hirsch Psychiatric Service, dba Didi Hirsch Mental Health Services
<b>Borrower Description</b>	<p>With 75 years of experience, Didi Hirsch Mental Health Services (Didi Hirsch) transforms lives by providing quality mental health care and substance use treatment in communities where stigma or poverty limit access. Founded in 1942 as the Los Angeles Psychiatric Service to help adults cope with the aftermath of the Great Depression, Didi Hirsch was the first freestanding nonprofit outpatient clinic for adults in Los Angeles County. Today, Didi Hirsch operates 11 centers in South and West L.A., downtown L.A., Culver City, Inglewood, Pacoima Glendale, and Santa Ana and has a presence in nearly 100 schools. The agency helps almost 100,000 adults and children throughout Southern California each year. Its Suicide Prevention Center - the first in the nation to provide 24/7 crisis counseling - receives over 80,000 calls on its Crisis Line annually and provides support groups for people who have lost loved ones to suicide or have attempted it.</p> <p>Web site: <a href="http://www.didihirsch.org/">http://www.didihirsch.org/</a></p> <p>Didi Hirsch Psychiatric Service requests the Authority to make one or more loans in the aggregate principal amount not to exceed \$18,000,000 for the purpose of (1) financing (a) the costs of the acquisition, construction, development, renovation, equipping and furnishing of the Borrower's new headquarters facility in Los Angeles, consisting of a three-story office building with approximately 14,156 square feet of space and 33 parking spaces, and (b) the costs of improving, equipping and furnishing the Borrower's administrative facility and clinic also located in Los Angeles, consisting of a two-story office building with approximately 38,000 square feet of space; and (2) paying certain costs of issuance.</p>
<b>Public Benefits</b>	The low-cost financing will allow Didi Hirsch Psychiatric Service to put the savings back into its operations.
<b>TEFRA Hearing</b>	A public hearing was held by the City of Los Angeles on June 30, 2017.
<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;</li> <li>■ Proposed financing is appropriate for the project.</li> </ul>
<b>Recommendation</b>	Staff recommends approval of Resolution No. 17-26 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, Constructing, Developing, Renovating, Equipping and Furnishing of Facilities for the Benefit of Didi Hirsch Psychiatric Service, Inc. 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. 17-26**

**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 AND REFINANCING THE COST OF ACQUIRING, CONSTRUCTING, DEVELOPING, RENOVATING, EQUIPPING AND FURNISHING OF FACILITIES FOR THE BENEFIT OF DIDI HIRSCH PSYCHIATRIC SERVICE, INC. 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 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 City of Los Angeles (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**, Didi Hirsch Psychiatric Service., a California nonprofit public benefit corporation (the "Borrower"), 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 \$18,000,000 to the Borrower for the purpose of (1) financing (a) the costs of the acquisition, construction, development, renovation, equipping and furnishing of the Borrower's new headquarters facility located at 10277 West Olympic Boulevard, Los Angeles, California 90067, consisting of a three-story office building with approximately 14,156

square feet of space and 33 parking spaces, and (b) the costs of improving, equipping and furnishing the Borrower's administrative facility and clinic located at 4760 Sepulveda Boulevard, Los Angeles, California 90230, consisting of a two-story office building with approximately 38,000 square feet of space (collectively, the "Facilities"); and (2) paying certain costs of issuance of such financing; and

**WHEREAS**, the Authority intends to use the proceeds of one or more tax-exempt loans from First Republic Bank, 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"), 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; and

**WHEREAS**, the Facilities provide significant benefits to the residents of the City and surrounding community through the healthcare services provided by the Borrower and, based on representations of the Borrower, the financing and refinancing of the costs of the acquisition, construction, installation, rehabilitation, equipping and furnishing of the Facilities through the Authority will result in demonstrable savings in effective interest rate;

**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 of the costs of the acquisition, construction, development, renovation, equipping and furnishing of 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 \$18,000,000 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 City has held the requisite hearing and the City Council of the City 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 6<sup>th</sup> day of July, 2017.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

By \_\_\_\_\_  
Gurbax Sahota, Chair

Attest:

By \_\_\_\_\_  
Helen Schaubmayer, Assistant Secretary

I, the undersigned, the duly appointed and qualified Assistant Secretary of the California Enterprise Development Authority, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said Authority at a duly called meeting of the Board of Directors of said Authority held in accordance with law on July 6, 2017.

---

Helen Schaubmayer, Assistant Secretary

## Staff Report

<b>Action Requested</b>	Approve Resolution No. 17-27 of the California Enterprise Development Authority Appointing an Assistant Secretary of the California Enterprise Development Authority and Delegating the Authority to Sign Contracts for and on Behalf of the Authority to Certain Individuals.
<b>Description of Action</b>	This resolution allows the Board to delegate the authority to sign all contracts and agreements for and on behalf of the Authority to all members of the Board and the Assistant Secretaries, if and when the Chair of the Board is unavailable to sign contracts and agreements for and on behalf of the Authority. This resolution also appoints Michelle Stephens as an Assistant Secretary of the Authority in addition to Helen Schaubmayer.
<b>Recommendation</b>	Staff recommends the approval of Resolution No. 17-27 of the California Enterprise Development Authority Appointing an Assistant Secretary of the California Enterprise Development Authority and Delegating the Authority to Sign Contracts for and on Behalf of the Authority to Certain Individuals.

**RESOLUTION NO. 17-27**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY APPOINTING AN ASSISTANT SECRETARY OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AND DELEGATING THE AUTHORITY TO SIGN CONTRACTS FOR AND ON BEHALF OF THE AUTHORITY TO CERTAIN INDIVIDUALS**

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

**WHEREAS**, pursuant to Section 3.7 of the Agreement, the Board of Directors of the Authority (the "Board") may appoint assistants to act in the place of the Secretary or other officers of the Authority; and

**WHEREAS**, pursuant to Article VI, Paragraph 3 of the Bylaws of the Authority, the Board may delegate the authority to sign all contracts for and on behalf of the Authority to individuals other than the Chair of the Board; and

**WHEREAS**, Gurbax Sahota is the current Chair of the Board; and

**WHEREAS**, Carrie Rogers is the Secretary of the Board and Helen Schaubmayer is the Assistant Secretary; and

**WHEREAS**, the Board wishes to appoint an additional Assistant Secretary to assist the Secretary in the discharge of her duties;

**WHEREAS**, the Board wishes to delegate the authority to sign all contracts for and on behalf of the Authority to the members of the Board and to the Assistant Secretaries of the Authority, if and when the Chair of the Board is unavailable to sign contracts for and on behalf of the Authority;

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

**Section 1.** The Board finds and determines that all of the above recitals are true and correct.

**Section 2.** The Board hereby appoints Michelle Stephens as an Assistant Secretary of the Authority in addition to Helen Schaubmayer.

**Section 3.** The Board hereby delegates the authority to sign all contracts and agreements for and on behalf of the Authority to all members of the Board and the Assistant Secretaries, if and when the Chair of the Board is unavailable to sign contracts and agreements for and on behalf of the Authority.

**Section 4.** All actions of the officers, directors, employees and agents of the Authority in conformity with the purpose and intent of this Resolution, whether heretofore or hereafter taken, shall be and are hereby ratified, confirmed and approved.

This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this July 6, 2017.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

By: \_\_\_\_\_  
Gurbax Sahota, Chair

ATTEST:

By: \_\_\_\_\_  
Helen Schaubmayer, Assistant Secretary

I, the undersigned, a 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 July 6, 2017.

---

Helen Schaubmayer, Assistant Secretary