CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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

10:30 A.M.
Thursday, July 11, 2013
Teleconference Phone Information
(712) 432-0075 - Conference Code: 514901

Call to Order and Roll Call
Statement of Disclosure

Approval of Minutes

1. Approve the Regular Meeting Minutes of June 13, 2013.

Action Items

2. Approve California Enterprise Development Authority Work Plan and 2013-2014 budget.

3. Approve California Enterprise Development Authority Management Agreement.

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
550 Bercut Drive, Suite G
Sacramento, CA 95811

City of Elk Grove
8401 Laguna Palms Way
Elk Grove, CA 95758

Los Angeles EDC
444 S. Flower St., 37th Floor
Los Angeles, CA 90071

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

City of Selma
1710 Tucker St.
Selma, CA 93662

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

Tuolumne County EDA
99 North Washington St.
Sonora, CA 95370

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

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CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

MINUTES
Regular Meeting
*****TELECONFERENCE MEETING *****
CEDA BOARD OF DIRECTORS
Thursday, June 13, 2013

Teleconference Locations

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

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

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

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

City of Selma
1710 Tucker St.
Selma, CA 93662

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

Tuolumne County EDA
99 North Washington St.
Sonora, CA 95370

City of Elk Grove
8401 Laguna Palms Way
Elk Grove, CA 95758

Call to Order

Gurbax Sahota, Board Chair of the California Enterprise Development Authority, called the meeting to order at 10:35 am.

Roll Call

Members Present:	Gurbax Sahota Bruce Stenslie Cindy Trobitz-Thomas
CALED Management/Staff Present:	Rachael Alexander Michelle Stephens
Public Present:	Dan Bronfman, Growth Capital Associates Joe Flores, Figtree Energy Resource Company

Statement of Disclosure

None

Action Items

1. Approve the Regular Meeting Minutes of May 23, 2013.

   Motion: *Board Member Bruce Stenslie made the motion to approve the Regular Meeting Minutes of May 23, 2013. Board Member Cindy Trobitz-Thomas seconded the motion on the floor and it passed with the following roll call vote:*

Gurbax Sahota	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

2. Approve Resolution 13-21 Approving Associate Membership of the County of Napa in The California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.

Approve Resolution 13-22 Approving Associate Membership of the City of Fremont in The California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.

Approve Resolution 13-23 Approving Associate Membership of the City of Santee in The California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.

Motion: *Board Chair Gurbax Sahota made the motion to approve Resolutions 13-21, 13-22, and 13-23. Board Member Bruce Stenslie seconded the motion on the floor and it passed with the following roll call vote:*

Gurbax Sahota	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

Discussion: Board Chair, Gurbax Sahota suggested that items 2, 3, and 4 be approved together since they were each for separate associate membership agreements. Michelle Stephens explained why each community was joining CEDA and welcomed them to the joint powers authority.

3. Approve Resolution 13-24 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of Justin-Siena High School Corporation and Other Matters Related Thereto.

Motion: *Board Member Bruce Stenslie made the motion to approve Resolution 13-24. Board Member Cindy Trobitz-Thomas seconded the motion on the floor and it passed with the following roll call vote:*

Gurbax Sahota	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

Discussion: Ms. Stephens explained the background for this project and Dan Bronfman added that the project was currently underway.

4. Approve Resolution 13-25 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of First Assembly of God of Fremont and Other Matters Related Thereto.

Motion: *Board Member Cindy Trobitz-Thomas made the motion to approve Resolution 13-25. Board Member Bruce Stenslie seconded the motion on the floor and it passed with the following roll call vote:*

Gurbax Sahota	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

Discussion: Ms. Stephens explained the background of this project Mr. Bronfman pointed out that the original issuer is from Colorado and that CEDA's issuance costs were much more competitive.

5. Approve Resolution 13-26 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of The Gillespie School and Other Matters Related Thereto.

Motion: *Board Member Bruce Stenslie made the motion to approve Resolution 13-26. Board Member Cindy Trobitz-Thomas seconded the motion on the floor and it passed with the following roll call vote:*

Gurbax Sahota	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

Discussion: Ms. Stephens explained the background on this project.

6. Contribute to the legal reserves for the California Enterprise Development Authority (the "Authority") and approve a method for calculating future contributions.

   Motion: *Board Member Bruce Stenslie made the motion to approve the contribution. Board Member Cindy Trobitz-Thomas seconded the motion on the floor and it passed with the following roll call vote:*

Gurbax Sahota	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

   Discussion: Ms. Stephens explained the history of the legal reserve contributions and that in light of the recent increase in CEDA business, she and Ms. Sahota felt it was prudent to add more money to the reserves. Ms. Sahota also went into further clarification of how the contribution amount was determined. Board Member, Bruce Stenslie felt that this was a good decision.

7. Approve Additional Contribution of $50,000 to the California Association for Local Economic Development because of significant changes in service as stated in the Management Agreement, Section 4, Item d.

   Motion: *Board Member Cindy Trobitz-Thomas made the motion to approve the contribution. Board Member Bruce Stenslie seconded the motion on the floor and it passed with the following roll call vote:*

Gurbax Sahota	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

   Discussion: Ms. Sahota explained that the management agreement fee had been decreased in the past few years because of decreasing activity for CEDA. She then noted that this past year was very active for CEDA and as a result more time was spent by CALED managing the JPA. Mr. Stenslie remarked that as long as this contribution was not harming the budget and the actual effort expended was documented, he had no problem with the contribution.

Public Comment

Chair Report

Ms. Sahota let the Board know that the CEDA Budget and work plan would be on the agenda for discussion and approval in July.

PACE Report

Mr. Flores told the board that Figtree had found a buyer for the PPM that was approved by the board earlier in the year. He also noted that a few new jurisdictions had decided to join CEDA. Ms. Sahota mentioned that the PACE webinar in conjunction with CDFA would be on July 17th. Mr. Flores added that Figtree was planning a PACE kick-off for Butte County. Ms. Sahota asked that CEDA know when that is scheduled so either she or Ms. Stephens can attend.

Other Business

Adjournment

Motion: *Board Member Bruce Stenslie moved to adjourn the meeting. Board Member Cindy Trobitz-Thomas seconded the motion. The motion passed unanimously by voice vote.*

Board Chair, Gurbax Sahota adjourned the meeting at 10:58 am.

CEDA Work Plan 2013-2014	
Maintaining CEDA as a compliant JPA 1. Complete state reporting requirement 2. Update website 3. FPPC filings 4. Complete annual audit 5. Admin support including as noted below	
Provide administrative support for CEDA 1. Provide admin support for board & meetings 2. Provide admin support for issuances 3. Annual fee invoicing	
Issue tax-exempt bonds to help businesses in CA 1. Follow up & negotiate on transaction leads 2. Participate in issuance meetings and calls 3. Communicate with local jurisdictions regarding issuances & membership in CEDA	Michelle is responsible for CEDA and will work with Gurbax,staff, consultants, and others as needed to deliver CEDA's work program. Gurbax is the Chair of CEDA and manages the CDFA partnership.
Issue Property Assessed Clean Energy (PACE) Bonds 1. Work with Figtree Energy Resource Company to maintain PACE District 2. Incorporate PACE training into CALED's education program	
Promote CEDA bond opportunities 1. Promote Completed Issuances through CEDA Alerts & CALED Bulletin 2. Continue Marketing PACE program with CALED Membership 3. Maintain Relationship with Key Issuance Partners 4. Work with CDFA to promote bond financing & additional financing opportunities	

California Enterprise Development Authority (CEDA)

Proposed Budget 2013-2014

July 2, 2013

	Proposed Jul '13 - Jun '14 Budget	Estimated Jul '12 - Jun '13 end of yr	Proposed Jul '12 - Jun '13 Budget
Ordinary Income/Expense			
Annual Fee	52,000	47,550	48,500
Application Fees	9,000	16,500	4,500
Fee-IDB re-issuance		8,500	
Interest Income	150	173	250
PACE Issuance Fee	4,000		
Issuance Fee-Total (Minus PACE)	90,000	146,000	70,000
	155,150	**218,723**	**123,250**
Bank Fees	200	180	100
Contribution to ED (revenue share)	3,000	15,000	3,500
Direct Expenses			
Accounting	2,500	2,013	2,500
Audit	10,000	7,000	11,000
Computer Maintenance	1,000	1,145	500
Contract Services	5,000	6,636	6,000
Insurance	1,500	1,498	1,500
Legal Fees	12,000		
Meals & Entertainment	1,000	730	500
Office Expense (Supplies & Postage)	4,000	3,273	4,000
Printing & Marketing	1,000	375	1,500
Staff Training	1,000	475	1,000
Travel	3,000	1,048	2,000
Total Direct Expenses	42,000	24,193	30,500
Budget Reserve set aside		0	5,000
Legal Reserve set aside	5,000	34,375	5,000
Management Fees	100,000	125,000	75,000
	150,200	198,748	119,100
Net Income	**4,950**	**19,975**	**4,150**

Amended Management Agreement July 1, 2013

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MANAGEMENT AGREEMENT

THIS AGREEMENT is made this 1st day of July 2013 by and between the California Enterprise Development Authority (CEDA), a California Joint Powers Authority, and the California Association for Local Economic Development (CALED), a California nonprofit corporation.

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IN CONSIDERATION of the mutual covenants, agreements and conditions contained in this Agreement, CEDA hereby engages CALED as an independent contractor to conduct the management and operations of CEDA and to provide specified services pursuant to the duties outlined in this Agreement, and CALED hereby accepts the engagement on the terms and conditions outlined in this Agreement.

1. SERVICES
   (a) CALED shall manage the day-to-day operations of CEDA, subject to the control and direction of the CEDA Board of Directors (the "CEDA Board"). These management services shall be provided through or under the supervision of the CALED President and CEO. The management services covered by this Agreement (the "Services") are set forth more fully in **Appendix A** to this Agreement.

   (b) The business affairs of CEDA are governed by the executed Joint Powers Agreement dated June 6, 2006, and CEDA Bylaws.

   (c) The principal location of the Services shall be CALED's offices in Sacramento, California. However, as part of the services, CALED shall provide for CEDA a separate identity at said location, including its own phone line, building signage, and mail delivery.

2. STAFFING
   (a) All staff for the Services shall be provided by CALED and shall include positions as assigned by the CEDA Board and who shall report on the full range of CEDA activities directly to the Board no less than quarterly.

   (b) Additional staffing shall be provided from the pool of CALED staff as needed for clerical, accounting, computer, and other administrative or professional services.

3. TERM
   (a) The term of this Agreement shall commence on July 1, 2013 (the "Commencement Date") and shall continue unless amended by both parties. The above notwithstanding, either party shall have the absolute right to terminate this Agreement, with or without cause, by providing the other party with two hundred and forty (240 days) prior written notice.

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4. COMPENSATION OF CALED
   (a) CEDA shall pay to CALED an annual Management Fee of $100,000 effective on the Commencement Date through the term of this Agreement subject to the provisions

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of the following paragraphs. The Management Fee includes the professional management services provided by CALED professional and support staff on an as-needed basis, as well as the costs of office space, telephone line charges, furniture and fixtures, office machines, and utilities. The expense items covered by the Management Fee are set forth more fully in **Appendix B** hereto. One-quarter of this annualized fee will be due each quarter commencing on the Commencement Date and shall be paid within thirty days of invoicing.

(b) All other out-of-pocket expenses, such as stationery, outsourced printing, staff travel, mass mailing postage, and contracted professional services incurred in the administration of the affairs of CEDA will be billed at cost. These expenses are set forth more fully in **Appendix C** of this Agreement and will be identified in an annual budget prepared by CALED and presented to the CEDA Board of Directors for approval. These expenses will be monitored and reported monthly to the CEDA Board. CEDA will pay 25% of anticipated costs on the Commencement Date.

(c) For oversight, monitoring and organizational services incurred in the establishment of CEDA prior to the Commencement Date, CEDA has paid CALED a fee of $50,000.

(d) If there are significant changes in revenue or services prior to the end of any fiscal year, CEDA and CALED may amend the terms of this agreement by mutual agreement.

(e) Quarterly financial statements will be prepared and provided to the CEDA Board President and Treasurer and others as designated. The accounts and records of CEDA will be audited by an independent certified public accountant with expertise in Joint Powers Authorities, reporting directly to the CEDA Board of Directors. The independent audit must occur every year, in accordance with California statute governing Joint Powers Authorities and as directed by the CEDA Board of Directors.

5. TERMINATION

(a) Default. Each party has the right to terminate this Agreement if the other party breaches or is in default of any obligation hereunder which default is incapable of cure or which, being capable of cure, has not been cured within ninety (90) days after receipt of notice of such default (or such additional cure period as the non-defaulting party may authorize).

6. RIGHTS UPON TERMINATION

(a) In the event CEDA, during the term of this Agreement, terminates or cancels this Agreement, then CEDA shall promptly upon such termination pay to CALED any and all fees or other amounts then owed to CALED by CEDA under this Agreement as of the effective date of such termination.

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7. GENERAL PROVISIONS

(a) Applicable Law. This Agreement shall be deemed a contract made under the laws of the State of California, and together with the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of the State of California.

(b) In performing the services specified by the agreement, CALED shall act as an independent contractor and shall have control of the work and manner in which it is performed. CALED shall be responsible for providing legally mandated benefits to CALED employees including, but not limited to workers compensation insurance and to comply with state and federal tax withholding regulations. CALED will have the obligation to exercise prudent care in its management and handling of the funds generated from CEDA's operations.

(c) Entire Agreement. This Agreement, including **Appendices A, B,** and **C** and any referenced attachments hereto, constitutes the entire Agreement between CEDA and CALED on this subject matter.

(d) Non-Assumption of Liabilities. Except as set forth herein, neither party shall by entering in and performing this Agreement, become liable for any of the existing or future obligations, liabilities, or debts of the other. In any event, the liability of each party with respect to each other is limited to its own assets and shall not extend to the assets of the party's individual Directors or Members.

(e) If any provision of this Agreement is judged unlawful by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

(f) All notices, demands, or other written communications to be given under this Agreement shall be deemed to have been fully given when made in writing and addressed to the respective parties as signed below.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement the day and year first written above.

CALIFORNIA ASSOCIATION FOR
LOCAL ECONOMIC DEVELOMENT
550 Bercut Drive Suite G
Sacramento, CA 95811

_____
Bruce Stenslie, Chair, Board of Directors

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY
550 Bercut Drive Suite G
Sacramento, CA 95811

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Gurbax Sahota, Chair, Board of Directors

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APPENDIX A

MANAGEMENT SERVICES TO BE PROVIDED

1. Development and implementation of annual work program and budget for consideration by CEDA Board.
2. Preparation for and attendance at CEDA Board meetings including bond issuance approvals, meeting minutes, reports and budget submissions as necessary.
3. Preparation of regular (no less than quarterly) programmatic financial reports to the CEDA Board, to include forecasts of financial status.
4. Assisting the Treasurer in financial management of bank and CD accounts, including Signature or co-signature on checks within limits set by the CEDA Board.
5. Coordination with any CEDA Board Committees and Advisory Groups.
6. Planning, marketing, and managing workshops to advance CEDA's mission.
7. Promoting local government membership in the CEDA Joint Powers Authority.
8. Promoting local economic development finance interests with federal and state government, and other institutions.
9. Writing, editing, and publishing informational and marketing copy to be inserted in CALED's regular Bulletins and ED ALERTS.
10. Publishing an electronic bi-weekly financing alert to CALED's membership and marketing list.
11. Tracking and monitoring of administrative and legislative actions at the federal and state level affecting the mission of CEDA, particularly tax-exempt conduit revenue bonds.
12. Preparations of grant applications and funding requests to third parties.
13. Manage CEDA's Property Assessed Clean Energy (PACE) program. Including coordinating meetings and document signings, promoting the program, attending meetings, and fielding requests for information as appropriate.
14. Representing CEDA's interest at the State and Federal level through participation in the Council of Development Finance Agencies and the California Financing Roundtable.

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APPENDIX B
EXPENSE ITEMS INCLUDED IN MANAGEMENT FEE

1. Salary and other direct reimbursement for the staff, including retirement contribution, Employer's FICA taxes, Workers compensation and disability insurance, federal and state unemployment taxes, group life health insurance, and all other usual personnel expenses.
2. Oversight and services of CALED professional and support staff on an as-needed basis.
3. Rent, office furniture and fixtures, and utilities for office space for staff, and use of mail room, reception areas, conference room and supply storage. 10% of CALED Budget amount.
4. Office equipment such as use of copiers, computer hardware, file and storage cabinets. 10% of CALED Budget amount.
5. Office supplies. 10% of CALED Budget amount.
6. Office liability insurance. 10% of CALED Budget amount.
7. Monthly telephone charges for standard business services (fax, email, internet) and long distance calls. 10% of CALED Budget amount.
8. Postage incurred in the daily course of business, excluding mass mailings directly attributable to CEDA. 10% of CALED Budget amount.
9. CALED staff travel. 10% of CALED Budget amount.

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APPENDIX C
OUT-OF-POCKET EXPENSES TO BE BILLED AT COST

1. Stationery and Outsourced Printing
2. CEDA Staff travel
3. Postage for mass mailings
4. Outsourced services such as legal, financial, and accounting services.