

# **CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

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

**10:30 A.M.  
Thursday, October 20, 2016  
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 October 6, 2016.
2. Approve Resolution No. 16-102 Authorizing the Issuance and Sale of California Enterprise Development Authority Revenue Bonds (Cares Community Health Project), Series 2016, for the Purpose of Refinancing Facilities for the Benefit of Cares Community Health, a California Nonprofit Public Benefit Corporation, and/or a Related or Successor Entity; 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 Resolution No. 16-103 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make a Loan for the Purpose of Refinancing the Cost of Acquisition, Construction, Renovation, Equipping and Furnishing of Certain Facilities for the Benefit of St. Paul's Episcopal Home, Inc., St. Paul's Retirement Homes Foundation, St. Paul's Villa, Inc. and Community Eldercare Of San Diego, Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
4. Approve Resolution No. 16-104 Authorizing the Issuance of the California Enterprise Development Authority Commercial Property Assessed Clean Energy (Pace-M1) Limited Obligation Improvement Bonds, Series 2016-4, 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.

**Public Comment  
Chair Report  
PACE Report  
Other Business  
Adjournment**

## CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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

Economic Development  
Collaborative-Ventura County  
(contact Bruce Stenslie  
or Kelly Noble)  
1601 Carmen Drive, #215  
Camarillo, CA 93010

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

Fresno State  
(contact Mike Dozier or Reception)  
550 East Shaw Ave., Suite 230  
Fresno, CA 93710

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

Southern California Edison,  
Economic Development Services  
(contact Mike Nuby by phone:  
626-812-7351)  
6040-B N. Irwindale Ave.  
Irwindale, CA 91702

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, October 6, 2016

#### 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

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

Fresno State

#### Call to Order

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

#### Roll Call

Members Present: Jason Crawford  
Mike Dozier\*  
Kevin Ham\*  
Mike Nuby  
Carrie Rogers\*  
Gurbax Sahota

\* Joined Late

#### CALED Management/Staff

Present: Jillian Boyd  
Helen Schaubmayer

#### Statement of Disclosure

None

#### Action Items

1. Approve Minutes from the Regular Meetings on September 22, 2016.

**Motion:** Board Member Jason Crawford made the motion to approve minutes from the regular meeting on September 22, 2016. Board Member Mike Nuby seconded the motion on the floor. The motion passed with the following roll call vote:

Jason Crawford	Aye
Mike Nuby	Aye
Gurbax Sahota	Aye

2. Approve Resolution No. 16-101 of the California Enterprise Development Authority Authorizing and Approving a First Amendment to Loan Agreement Changing Certain Terms and Conditions of a Loan Made for the Benefit of Vista Community Clinic and Authorizing the Execution of Certain Documents Herein Specified.

**Motion:** Board Member Mike Nuby made the motion to approve No. Resolution No. 16-101. Board Member Jason Crawford seconded the motion on the floor. The motion passed with the following roll call vote:

Jason Crawford	Aye
Mike Dozier	Aye
Kevin Ham	Aye
Mike Nuby	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye

**Discussion:** Helen briefed the Board that the Vista Community Clinic (VCC) has been serving uninsured, low-income and minority communities since 1972 offering primary healthcare services. This resolution approves certain changes to the original loan agreement that Vista Community Clinic executed with CEDA in September 2010 which includes an adjustment to the interest rate. The 2010 project financed an amount not to exceed \$4,200,000 for the costs of acquiring, renovating, equipping and furnishing VCC's property located in Vista, California, consisting of an approximately 25,000 square foot office building and certain costs of issuance. Kevin Ham stated Vista Community Clinic has been a great partner in the community.

**Public Comment**

**Chair Report**

**PACE Report**

**Other Business**

**Adjournment**

**Motion:** Board Member Jason Crawford moved to adjourn the meeting. Board Member Mike Dozier seconded the motion. The motion passed unanimously by voice vote.

Board Chair, Gurbax Sahota, adjourned the meeting at 10:35 am.

## Staff Report

<b>Action Requested</b>	Approve Resolution No. 16-102 Authorizing the Issuance and Sale of California Enterprise Development Authority Revenue Bonds (Cares Community Health Project), Series 2016, for the Purpose of Refinancing Facilities for the Benefit of Cares Community Health, a California Nonprofit Public Benefit Corporation, and/or a Related or Successor Entity; 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.
<b>Borrower(s)</b>	Cares Community Health
<b>Borrower Description</b>	<p>Cares Community Health is a Federally Qualified private, non-profit health center providing low cost healthcare services for the greater Sacramento area. This health center has a team of compassionate and board-certified medical professionals, social workers, and case managers that use a medical home model of care, including preventive care, routine checkups, immunizations and management of acute and chronic illnesses. They offer comprehensive health services including medical and dental care, health education, nutritional counseling, mental health services, among others. Web site: <a href="http://www.carescommunityhealth.org/">http://www.carescommunityhealth.org/</a></p> <p>Cares Community Health request the Authority to issue Revenue Bonds in an aggregate principal amount not to exceed \$10,000,000 for the purposes of financing and refinancing the cost of acquisition, construction, restoration, improvement, renovation, equipping and general development of the real property and improvements located at 1500 21<sup>st</sup> Street and 2000 O Street, Sacramento, California in addition to paying certain costs of issuance. The facilities consist of a community health care center providing medical services, mental health services, dental care, a pharmacy, health education and related services.</p>
<b>Public Benefits</b>	Renovation of the borrower's facility enables them to more effectively deliver their low cost healthcare services to the local community and pay for the costs at a low interest rate.
<b>TEFRA Hearing</b>	A public hearing will be held by the County of Sacramento on November 15, 2016.
<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. 16-102 Authorizing the Issuance and Sale of California Enterprise Development Authority Revenue Bonds (Cares Community Health Project), Series 2016, for the Purpose of Refinancing Facilities for the Benefit of Cares Community Health, a California Nonprofit Public Benefit Corporation, and/or a Related or Successor Entity; 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. 16-102**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY REVENUE BONDS (CARES COMMUNITY HEALTH PROJECT), SERIES 2016, FOR THE PURPOSE OF REFINANCING FACILITIES FOR THE BENEFIT OF CARES COMMUNITY HEALTH, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, AND/OR A RELATED OR SUCCESSOR ENTITY; 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 Agreement 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 Sacramento 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**, Cares Community Health, a California nonprofit public benefit corporation (the “Borrower”), has submitted an application to the Authority requesting the Authority to make issue its Revenue Bonds (Cares Community Health Project), Series 2016 (the “Bonds”) in the aggregate principal amount not to exceed \$10,000,000, and to lend the proceeds thereof to the Borrower (the “Loan”) for the purposes of financing and refinancing ) finance and refinance the cost of acquisition, construction, restoration, improvement, renovation, equipping and general development of the real property and improvements located at 1500 21<sup>st</sup> Street and 2000 O Street, Sacramento, California, consisting of a community health care center providing medical services, mental health services, dental care, a pharmacy, health education and related services to

the greater Sacramento area (the “Facilities”), and (ii) paying certain costs of issuance in connection with the Bonds; and

**WHEREAS**, the Bonds will be purchased by Wells Fargo Bank, National Association (the “Purchaser”) pursuant to a Financing Agreement, by and among the Purchaser, the Authority and the Borrower (the “Financing Agreement”); 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 the Financing Agreement; and
- (b) A proposed form of Assignment Agreement, between the Authority and the Purchaser (the “Assignment Agreement”); and

**WHEREAS**, the Facilities provide significant benefits to the residents of the County of Sacramento and surrounding community through its healthcare services provided by the Borrower and, based on representations of the Borrower, the refinancing 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 California Enterprise Development Authority, as follows:

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

**Section 2.** The Authority hereby approves of the issuance of one or more series of the Bonds on a tax-exempt basis in the principal amount not to exceed \$10,000,000, the purchase of the Bonds by the Purchaser pursuant to the Financing Agreement and making the Loan to the Borrower pursuant to the terms and provisions of the Financing Agreement. The Authority understands that the payments under the Loan will be assigned to the Purchaser to satisfy the Authority’s payments under the Bonds. The payments to be made by the Authority to the Purchaser under the Bonds will be satisfied solely from payments made by the Borrower to the Purchaser (as assignee of Authority) under the Loan.

**Section 3.** The proposed form of the Financing Agreement by and among the Purchaser, 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 Financing 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 Financing Agreement.

**Section 4.** The proposed form of the Assignment Agreement by and between the Authority and the Purchaser, 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 Bonds shall be executed by the manual or facsimile signature of the Chair or the Vice Chair of the Board of Directors of the Authority 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 Financing Agreement. The Bonds, when so executed, shall be delivered to the Purchaser in accordance with the Financing Agreement upon payment of the purchase price thereof.

**Section 6.** Repayment of the principal of, premium, if any, and the interest on, the Bonds shall be made solely from the revenues to be received by the Authority from the Loan pursuant to the Financing Agreement, and the Bonds shall not be deemed to constitute a debt or liability of the State or any political subdivision thereof. The Bonds shall bear interest at the rate or rates set forth in the Financing Agreement.

**Section 7.** 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 Purchaser and the making of the 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 Purchaser to an affiliate of Purchaser, accredited investor or qualified institutional buyer or any prepayment of the 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 8.** All actions heretofore taken by the officials and agents of the Authority with respect to the Bonds and the 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 Purchaser's counsel may deem necessary or advisable in order to consummate the Loan and the Bonds 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 9.** 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 10.** Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed or delivered until the County of Sacramento has held the requisite hearing and the Board of Supervisors of the County of Sacramento has approved the issuance of the Bonds pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended.

**Section 11.** This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 20<sup>th</sup> day of October, 2016.

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 October 20, 2016.

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Helen Schaubmayer, Assistant Secretary

## Staff Report

<b>Action Requested</b>	Approve Resolution No. 16-103 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make a Loan for the Purpose of Refinancing the Cost of Acquisition, Construction, Renovation, Equipping and Furnishing of Certain Facilities for the Benefit of St. Paul’s Episcopal Home, Inc., St. Paul’s Retirement Homes Foundation, St. Paul’s Villa, Inc. and Community Eldercare Of San Diego, Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
<b>Borrower(s)</b>	St. Paul’s Episcopal Home, Inc., St. Paul’s Retirement Homes Foundation, St. Paul’s Villa, Inc., and Community Eldercare of San Diego
<b>Borrower Description</b>	<p>Since 1960, St. Paul’s Senior Homes &amp; Services has been dedicated to serving the physical, spiritual and social needs of the elderly and community. Through independent, assisted living and skilled nursing communities as well as an intergenerational day care program and Program of All-inclusive Care for the Elderly (PACE), St. Paul’s provides affordable, innovative and comprehensive programs in a non-denominational environment with great value placed on optimal independence at all stages of life. St. Paul’s currently employs 445 individuals among all of its organizations.</p> <p>Web site: <a href="http://www.stpaulseniors.org/">http://www.stpaulseniors.org/</a></p> <p>St. Paul’s Episcopal Home, Inc., St. Paul’s Retirement Homes Foundation, St. Paul’s Villa, Inc. and Community Eldercare of San Diego, each a California nonprofit corporation and collectively known as the “Borrower” request the Authority to make one or more loans in the aggregate principal amount not to exceed \$56,000,000 for the purpose of refinancing existing debt obligations to pay the costs for the acquisition, construction, renovation, equipping and furnishing of eldercare and related and administrative facilities located at the Borrower’s various locations in the San Diego area.</p>
<b>Public Benefits</b>	The refinancing will reduce the Borrower’s debt service and allow them to devote the savings to additional programs and services for their clients. The new facility will enhance St. Paul’s PACE program and allow for the delivery of services for the elderly in an integrated, efficient and economical manner.
<b>TEFRA Hearing</b>	A public hearing will be completed by the County of San Diego on October 18, 2016.
<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. 16-103 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make a Loan for the Purpose of Refinancing the Cost of Acquisition, Construction, Renovation, Equipping and Furnishing of Certain Facilities for the Benefit of St. Paul’s Episcopal Home, Inc., St. Paul’s Retirement Homes Foundation, St. Paul’s Villa, Inc. and Community Eldercare Of San Diego, Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

**RESOLUTION NO. 16-103**

**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 A LOAN FOR THE PURPOSE OF REFINANCING THE COST OF ACQUISITION, CONSTRUCTION, RENOVATION, EQUIPPING AND FURNISHING OF CERTAIN FACILITIES FOR THE BENEFIT OF ST. PAUL'S EPISCOPAL HOME, INC., ST. PAUL'S RETIREMENT HOMES FOUNDATION, ST. PAUL'S VILLA, INC. AND COMMUNITY ELDERCARE OF SAN DIEGO, 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 loan agreements to, among other things, finance or refinance facilities owned and/or leased and operated by organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"); and

**WHEREAS**, pursuant to the provisions of the Act, the public agencies which are members of the Authority are authorized to jointly exercise any power common to such public agency members, including, without limitation, the power to acquire and dispose of property, both real and personal; and

**WHEREAS**, the County of San Diego (the "County") is an associate member of the Authority and is authorized to acquire and dispose of property, both real and personal; 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 for the purposes of promoting economic development; and

**WHEREAS**, St. Paul's Episcopal Home, Inc., St. Paul's Retirement Homes Foundation, St. Paul's Villa, Inc. and Community Eldercare of San Diego, each a California nonprofit corporation (collectively, 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 \$56,000,000 to the Borrower for the purpose of (1) refinancing existing debt obligations of the Borrower incurred to pay the costs for the acquisition, construction, renovation, equipping and furnishing of eldercare and related ancillary

and administrative facilities located at (a) 328 Maple Street, San Diego, California 92103, (b) 311 Nutmeg Street, San Diego, California 92103, (c) 2652-2654 and 2664-2668 Fourth Avenue, San Diego California 92101, (d) 630 L Street, Chula Vista, California 91911, (e) 111 Elm Street, San Diego, California 92101, (f) 1420 E. Palomar, Chula Vista, California 91913, (g) 235 Nutmeg Street, San Diego, California 92103, (h) 2635 Second Avenue, San Diego, California 92103, (i) 2606 3<sup>rd</sup> Avenue, San Diego, California 92103 and (j) 2340 Fourth Avenue, San Diego, California 92101 and (2) paying certain costs of issuance in connection with the Loan (as defined below); and

**WHEREAS**, the Authority intends to use the proceeds of one or more tax-exempt loans from First Republic Bank (the “Lender”) to the Authority (collectively, the “Authority Loan” and, together with the Borrower Loan, the “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 the Loan Agreement, by and among the Lender, the Authority and the Borrower (the “Loan Agreement”); and

(b) A proposed form of Assignment Agreement, between the Authority and the Lender (the “Assignment Agreement”);

**WHEREAS**, the County of San Diego has by resolution approved the Authority Loan, following notice and a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986; and

**WHEREAS**, the Facilities provide significant benefits to the residents of the County and surrounding community through the eldercare facilities provided by the Borrower and, based on representations of the Borrower, the refinancing 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 California Enterprise Development Authority, as follows:

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

**Section 2.** The Authority hereby approves of the entering into the Authority Loan on a tax-exempt basis 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 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 on a tax-exempt basis and the making of the Borrower Loan to the Borrower in an amount not to exceed \$56,000,000 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 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 Lender to an affiliate of 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.** This Resolution shall take effect from and after its adoption.



PASSED AND ADOPTED this October 20, 2016.

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 October 20, 2016.

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Helen Schaubmayer, Assistant Secretary

## Staff Report

Action Requested	Approve Resolution No. 16-104 Authorizing the Issuance of the California Enterprise Development Authority Commercial Property Assessed Clean Energy (Pace-M1) Limited Obligation Improvement Bonds, Series 2016-4, 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.						
Project Description	<p>The series of the bonds are in an amount not to exceed \$3,500,000. The proceeds of such bonds will be used to make property-assessed energy efficiency improvements to parcels within the PACE District.</p> <p>The projects include:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: center;">Property Type &amp; Location</th> <th style="width: 50%; text-align: center;">Description of Improvements being financed</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Manufactured Housing Community Yuba City, CA</td> <td style="text-align: center;">Solar PV</td> </tr> <tr> <td style="text-align: center;">Office Dublin, CA</td> <td style="text-align: center;">Solar PV</td> </tr> </tbody> </table>	Property Type & Location	Description of Improvements being financed	Manufactured Housing Community Yuba City, CA	Solar PV	Office Dublin, CA	Solar PV
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Manufactured Housing Community Yuba City, CA	Solar PV						
Office Dublin, CA	Solar PV						
Public Benefits	<p>The Program seeks to provide multiple benefits to those property owners who are desirous of the following:</p> <ul style="list-style-type: none"> <li>• Saving money by reducing their utility bill</li> <li>• Improving their residence or business</li> <li>• Promoting energy conservation</li> <li>• Stimulating the local economy</li> </ul> <p>The Program provides a local stimulus to the economy through local energy conservation-related job creation.</p> <p>Added benefits include:</p> <ul style="list-style-type: none"> <li>• Sales tax revenues from energy and water efficiency improvement installations</li> <li>• Fee revenues from permits issued for the Construction Work</li> <li>• Cleaner communities</li> </ul> <p>For property owners, the benefits include:</p> <ul style="list-style-type: none"> <li>• A no-money-down means of financing energy and water efficiency improvements</li> <li>• Fixed-rate assessment financing repaid and amortized up to 20 years</li> <li>• Financing without requiring a property appraisal</li> </ul>						

<p>Eligibility and Policy Review</p>	<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 payments to be made under the bond documents 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>
<p>Recommendation</p>	<p>Staff recommends approval of Resolution No. 16-104 Authorizing the Issuance of the California Enterprise Development Authority Commercial Property Assessed Clean Energy (Pace-M1) Limited Obligation Improvement Bonds, Series 2016-4, 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.</p>

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION NO. 16-104**

**RESOLUTION AUTHORIZING THE ISSUANCE OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY (PACE-M1) LIMITED OBLIGATION IMPROVEMENT BONDS, SERIES 2016-4, 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**

**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 to enter into loan agreements in order to promote economic development; and

**WHEREAS**, pursuant to the provisions of the Act and the Agreement, the public agencies which are the contracting parties comprising the membership of the Authority are authorized to jointly exercise any power common to such contracting parties, including, without limitation, the power to acquire and dispose of property, both real and personal; and

**WHEREAS**, in 2008, the California State legislature adopted Assembly Bill 811 (codified at Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code, commencing with Section 5898.12, et seq.) (“AB 811”) and Assembly Bill 474 (codified at Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code, commencing with Section 5898.31, et seq.) (“AB 474”) which authorize the formation of assessment districts for the financing of the installation of energy efficient and water savings equipment (the “Improvements”) to be affixed to the property of certain property owners who voluntarily participate in the assessment district; and

**WHEREAS**, pursuant to Resolution 12-31 adopted on September 6, 2012, the Authority created its Water Efficiency and Property Assessed Clean Energy (PACE) and Job Creation Program (the “Program”); and

**WHEREAS**, pursuant to the Program, certain Member Jurisdictions (the “Participating Member Jurisdictions”) have formed contractual Energy and Water Efficiency Property Assessed Clean Energy (PACE) Assessment Districts (the “Assessment Districts”) within their boundaries and have executed or shall execute certain Participation Agreements with the Authority (the “Participation Agreements”); and

**WHEREAS**, certain property owners within the boundaries of the Participating Member Jurisdictions (the “Property Owners”) have agreed to participate in the Program by voluntarily authorizing the recording of assessment liens (the “Assessment Liens”) on their commercial property (the “Property”) in consideration for the financing of the installation of the Improvements to be affixed to their Property; and

**WHEREAS**, the Authority desires at this time to provide for the funding of the Program by the authorization of the issuance of not to exceed \$3,500,000 California Enterprise Development Authority Commercial Property Assessed Clean Energy (PACE-M1) Limited Obligation Improvement Bonds, Series 2016-4 (the “2016-4 Bonds”) pursuant to that certain Master Indenture of Trust (the “Master Indenture”), by and between the Authority and Deutsche Bank National Trust Company, or another trustee designated by the Authority from time to time (the “Trustee”), and that certain Supplemental Indenture of Trust No. 8 (the “Supplemental Indenture No. 8” and, together with the Master Indenture, the “Indenture”) by and between the Authority and the Trustee, each on file with the Secretary of the Authority; and

**WHEREAS**, the Series 2016-4 Bonds shall be issued pursuant to Section 5898, et seq. of the California Streets and Highways Code and the Assessment District Act of 1915 (codified at California Streets and Highways Code Section 8500 et seq.); and

**WHEREAS**, the Series 2016-4 Bonds are secured by the assessments and each installment thereof (the “Assessment Installments”), including interest and penalties thereon, and the Assessment Liens shall constitute a lien against the Property on which they are recorded, until the same shall be paid; and

**WHEREAS**, pursuant to California Streets and Highways Code Section 8769, the Authority will not obligate itself to advance any funds to cure any deficiency which may occur in the redemption fund created under the Indenture; and

**WHEREAS**, the Authority shall assign its rights to receive said Assessment Installment payments to the Trustee pursuant to the Indenture; and

**WHEREAS**, the Series 2016-4 Bonds will be sold pursuant to the Bond Purchase Agreement to Dividend Finance, LLC, a Delaware limited liability company, or its affiliate or assignee, as purchaser (the “Purchaser”).

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

Section 1. The above recitals, and each of them, are true and correct.

Section 2. The Authority hereby authorizes the issuance of the Series 2016-4 Bonds in the principal amount not to exceed \$3,500,000 and the sale of the Series 2016-4 Bonds to the Purchaser pursuant to the terms of the Bond Purchase Agreement. The Series 2016-4 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 Series 2016-4 Bonds shall be made solely from payment of assessment liens made by the property owners pursuant to their

assessment contracts and certain moneys held under the Indenture, and the Series 2016-4 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 from the payment of assessment liens by property owners.

Section 3. The Chair or the Vice Chair of the Board of Directors of the Authority (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 Supplemental Indenture No. 8 and the Bond Purchase Agreement each 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 the Authority’s counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The Authority hereby authorizes the issuance of the Series 2016-4 Bonds upon the terms as provided in the Master Indenture and Supplemental Indenture No. 8 in a principal amount of up to \$10,000,000. The Series 2016-4 Bonds shall mature not more than 20 years from the date of issuance thereof. The Series 2016-4 Bonds shall be payable as to interest on March 2 and September 2 commencing the first such date following the issuance thereof, with optional and mandatory redemption provisions of principal thereof as set forth in Supplemental Indenture No. 8.

Section 5. The interest rate on the Series 2016-4 Bonds shall not exceed 8.00% per annum. The costs of issuance and other Program expenses to be funded from the net available proceeds of the Series 2016-4 Bonds shall be in such amounts as provided in Supplemental Indenture No. 8 and a requisition signed by an Authorized Signatory.

Section 6. The Series 2016-4 Bonds shall be executed by the manual or facsimile signature of the Chair or the Vice Chair of the Board of Directors of the Authority 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.

Section 7. The Series 2016-4 Bonds, when so executed, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Series 2016-4 Bonds by executing the Trustee's Certificate of Authentication appearing thereon and to deliver the Bonds, when duly executed and authenticated, to the Purchaser, in accordance with written instructions executed on behalf of the Authority by any Authorized Signatory, which instructions said Authorized Signatory is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Series 2016-4 Bonds to the Purchaser in accordance with the Bond Purchase Agreement, upon payment of the purchase price thereof.

Section 8. Each Authorized Signatory and other appropriate officers and agents of the Authority is each hereby authorized and directed to take any and all actions necessary or

appropriate, not inconsistent with the terms of this Resolution and of the Indenture to effect the execution, authentication and delivery of the Bonds to the Purchaser, including, without limitation: giving the written order of the Authority for the authentication and delivery of the Bonds by the Trustee, furnishing of appropriate certificates, closing documents and other documents contemplated by this Resolution, the Master Indenture, Supplemental Indenture No. 8 or the Bond Purchase Agreement. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the documents and certificates contemplated by this Resolution.

Section 9. All approvals, assignments, consents, directions, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, including, without limitation, any of the foregoing which may be necessary or desirable in connection with any amendment of such documents, or any redemption, purchase or defeasance of the Series 2016-4 Bonds, may be given or taken by any Authorized Signatory, without further authorization by the Board of Directors of the Authority, and each Authorized Signatory is hereby authorized and directed to give any such approval, consent, direction, notice, order or request and to take any such action which such Authorized Signatory, with the advice of bond counsel and legal counsel to the Authority, may deem necessary or desirable to further the purposes of this Resolution.

Section 10. All actions of the officers, directors, employees and agents of the Authority in conformity with the purpose and intent of this Resolution and in furtherance of the issuance and sale of the Series 2016-4 Bonds, as contemplated by this Resolution and the documents referred to herein, whether heretofore or hereafter taken, shall be and are hereby ratified, confirmed and approved.

Section 11. 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.

This Resolution shall take effect from and after its adoption.



PASSED AND ADOPTED this 20<sup>th</sup> day of October, 2016.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

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

**CERTIFICATE**

I, Helen Schaubmayer, Assistant Secretary of the California Enterprise Development Authority hereby certify the foregoing to be a full, true and correct copy of Resolution No. 16- [ ] of the Board of Directors of the California Enterprise Development Authority duly adopted at its meeting of October 20, 2016.

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