

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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

10:30 A.M.

Thursday, November 13, 2014

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 October 23, 2014.

**Action Items**

1. Approve Resolution 14-97 Approving Associate Membership of the City of Hayward in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Membership.
2. Approve Resolution 14-98 Approving Associate Membership of the City of Shafter in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Membership.
3. Approve Resolution 14-99 Approving Associate Membership of the County of Merced in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Membership.
4. Approve Resolution 14-100 and Declaring Intention to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, and Water Efficiency Improvements in the County of Merced.
5. Approve Resolution 14-101 and Declaring Intention to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, and Water Efficiency Improvements in the City of Selma.
6. Approve Resolution 14-102 Authorizing the Issuance and Sale of California Enterprise Development Authority Insured Revenue Bonds (Casa de las Campanas, Inc. Project), Series 2014, for the Purpose of Financing Facilities for the Benefit of Casa de las Campanas, Inc., 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.
7. Approve Resolution 14-103 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 Financing and Refinancing the Cost of Acquisition, Construction, Installation, Renovation and Equipping of Certain Facilities for the Benefit of Esalen Institute,

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

Providing the Terms and Conditions for Such Loan Agreement and Other Matters  
Relating Thereto Herein Specified.

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

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

City of Selma  
1710 Tucker St.  
Selma, CA 93662

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

Los Angeles EDC  
444 S. Flower St., 37<sup>th</sup> Floor  
Los Angeles, CA 90071

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

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. 12.

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

## MINUTES

### Regular Meeting

\*\*\*TELECONFERENCE MEETING \*\*\*

### CEDA BOARD OF DIRECTORS

Thursday, October 23, 2014

#### Teleconference Locations

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

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

Los Angeles EDC  
444 S. Flower St., 37<sup>th</sup> Floor  
Los Angeles, CA 90071

City of Selma  
1710 Tucker St.  
Selma, CA 93662

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

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

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

#### 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: Larry Cope (10:40 am)  
DB Heusser  
Carrie Rogers  
Gurbax Sahota  
Cindy Trobitz-Thomas (10:34 am)

CALED Management/Staff  
Present: Jillian Boyd

Public Present: Erik Caldwell, Figtree Financing

#### Statement of Disclosure

None

#### Action Items

1. Approve the Regular Meeting Minutes of October 16, 2014.

**Motion:** Board Member DB Heusser made the motion to approve the Regular Meeting Minutes October 16, 2014. Board Member Carrie Rogers seconded the motion on the floor and it passed with the following roll call vote:

DB Heusser	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye

2. Approve Resolutions 14-85, 14-86, 14-87, 14-88, and 14-89 Approving Associate Membership Agreements of the cities of Chowchilla, Monrovia, Redwood City, Simi Valley, and Walnut Creek in the California Enterprise Development Authority and the Execution of the Associate Membership Agreements Relating to said Associate Membership.

**Motion:** Board Member Carrie Rogers made the motion to approve Resolutions 14-85 through 14-89. Board Member DB Heusser seconded the motion on the floor and it passed with the following roll call vote:

DB Heusser	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye

3. Approve Resolutions 14-90, 14-91, and 14-92 and Declaring Intention to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, and Water Efficiency Improvements in the Cities of Chowchilla, Simi Valley, and Walnut Creek.

**Motion:** Board Member DB Heusser made the motion to approve Resolutions 14-90 through 14-92. Board Member Carrie Rogers seconded the motion on the floor and it passed with the following roll call vote:

DB Heusser	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye
Cindy Trobitz-Thomas	Aye

4. Approve Resolution 14-93 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, Installation, Renovation and Equipping of Certain Facilities for the Benefit of Southern California Public Radio, Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

**Motion:** Board Member Cindy Trobitz-Thomas made the motion to approve Resolution 14-93. Board Member Carrie Rogers seconded the motion on the floor and it passed with the following roll call vote:

DB Heusser	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye
Cindy Trobitz-Thomas	Aye

5. Approve Resolution 14-94 Authorizing the Issuance and Sale of California Enterprise Development Authority Variable Rate Revenue Bonds (YMCA of the Central Bay Area Project), Series 2014, for the Purpose of Refinancing Facilities for the Benefit of Young Men's Christian Association of the Central Bay Area, 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.

**Motion:** Board Member DB Heusser made the motion to approve Resolution 14-94. Board Member Cindy Trobitz-Thomas seconded the motion on the floor and it passed with the following roll call vote:

DB Heusser	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye

Cindy Trobitz-Thomas                      Aye

6. Approve Resolution 14-95 Authorizing the Issuance of the California Enterprise Development Authority Commercial Property Assessed Clean Energy (Pace-M1) Limited Obligation Improvement Bonds, Series 2014-2, 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 DB Heusser made the motion to approve Resolution 14-95. Board Member Carrie Rogers seconded the motion on the floor and it passed with the following roll call vote:*

Larry Cope	Aye
DB Heusser	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye
Cindy Trobitz-Thomas	Aye

**Discussion:** Erik Caldwell from Figtree Financing stated that the Issuance of the California Enterprise Development Authority Commercial Property Assessed Clean Energy (Pace-M1) Limited Obligation Improvement Bonds, Series 2014-2 might be up to but not to exceed \$3 million dollars. To date CEDA and Figtree have \$4 million dollars total, with another \$200 million dollars worth of commercial projects in the pipeline. Erik also stated that 83 cities were participating in PACE.

#### **Public Hearing**

*Gurbax Sahota open the Public Hearing for comment, hearing none, she close public comment.*

7. Approve Resolution 14-96 of The Board Of Directors Of The California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming The Report Regarding the Establishment of a Contractual Assessment Program To Finance Distributed Generation Renewable Energy Sources and Energy and Water Efficiency Improvements; Confirming Assessments To Be Levied Within The Parameters Of The Report; and Taking Certain Other Actions in the City of Orland.

**Motion:** *Board Member Carrie Rogers made the motion to approve Resolution 14-96. Board Member Cindy Trobitz-Thomas seconded the motion on the floor and it passed with the following roll call vote:*

Larry Cope	Aye
DB Heusser	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye
Cindy Trobitz-Thomas	Aye

#### **Public Comment**

#### **Chair Report**

#### **PACE Report**

The next Public Hearing will be on December 4, 2014 at 10:30 am.

#### **Other Business**

#### **Adjournment**

**Motion:** *Board Member Larry Cope moved to adjourn the meeting. Board Member, DB Heusser seconded the motion. The motion passed unanimously by voice vote.*

Board Chair, Gurbax Sahota adjourned the meeting at 10:48 am.

## Staff Report

<b>Actions Requested</b>	<p>Approve Resolution 14-97 Approving Associate Membership of the City of Hayward in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Membership.</p> <p>Approve Resolution 14-98 Approving Associate Membership of the City of Shafter in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Membership.</p> <p>Approve Resolution 14-99 Approving Associate Membership of the County of Merced in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Membership.</p>
<b>Public Benefits</b>	<p>Adoption of Resolutions 14-97, 14-98, and 14-99 will allow CEDA to issue bonds and other tax-exempt financings within the Cities of Hayward and Shafter and the County of Merced. CEDA's issuance costs and ongoing annual fees are competitive and/or lower than other conduit issuers. The savings realized by borrowers using CEDA conduit-financing programs can then be used to further expand the underlying business and/or hire additional employees.</p>
<b>Recommendation</b>	<p>Staff recommends approval of Resolutions 14-97, 14-98, and 14-99 to allow the Cities of Hayward and Shafter and the County of Merced in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.</p>

**RESOLUTION NO. 14-97**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING ASSOCIATE MEMBERSHIP OF THE CITY OF HAYWARD IN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AND THE EXECUTION OF ASSOCIATE MEMBERSHIP AGREEMENTS RELATING TO SAID ASSOCIATE MEMBERSHIPS**

**WHEREAS**, pursuant to the provisions of the Joint Powers Act, Articles 1 through 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”) for the creation of the California Enterprise Development Authority (the “Authority”); and

**WHEREAS**, pursuant to Section 2.10 of the Agreement, a local agency may be admitted as an associate member of the Authority upon approval of the Board of Directors of the Authority and the adoption by the legislative body of the local agency of a Resolution Approving an Associate Membership Agreement; and

**WHEREAS**, the City of Hayward (the “Public Entity”) desires to join the Authority and adopted an authorizing resolution approving a Associate Membership Agreement on October 28<sup>th</sup>, 2014, or thereafter (the “Associate Membership Agreement”); and

**WHEREAS**, the Board of Directors desires to admit the Public Entity into the Authority as an associate member subject to the Public Entity adopting the authorizing resolution approving the Associate Membership Agreement.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY, AS FOLLOWS:**

**Section 1.** The Public Entity is hereby admitted as an associate member of the Authority contingent on the Public Entity adopting the appropriate associate membership resolution.

**Section 2.** The Chair or the Vice Chair of the Board of Directors is hereby authorized to execute the Associate Membership Agreement with the Public Entity.

**Section 3.** This resolution shall take effect immediately upon its adoption and the adoption of the associate membership resolution by the Public Entity.

The foregoing Resolution was on the 13<sup>th</sup> day of November 2014, adopted by the Board of Directors of the California Enterprise Development Authority.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

ATTEST:

By: \_\_\_\_\_  
Michelle Stephens, Assistant Secretary

**RESOLUTION NO. 14-98**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING ASSOCIATE MEMBERSHIP OF THE CITY OF SHAFTER IN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AND THE EXECUTION OF ASSOCIATE MEMBERSHIP AGREEMENTS RELATING TO SAID ASSOCIATE MEMBERSHIPS**

**WHEREAS**, pursuant to the provisions of the Joint Powers Act, Articles 1 through 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”) for the creation of the California Enterprise Development Authority (the “Authority”); and

**WHEREAS**, pursuant to Section 2.10 of the Agreement, a local agency may be admitted as an associate member of the Authority upon approval of the Board of Directors of the Authority and the adoption by the legislative body of the local agency of a Resolution Approving an Associate Membership Agreement; and

**WHEREAS**, the City of Shafter (the “Public Entity”) desires to join the Authority and adopted an authorizing resolution approving a Associate Membership Agreement on November 3<sup>rd</sup>, 2014, or thereafter (the “Associate Membership Agreement”); and

**WHEREAS**, the Board of Directors desires to admit the Public Entity into the Authority as an associate member subject to the Public Entity adopting the authorizing resolution approving the Associate Membership Agreement.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY, AS FOLLOWS:**

**Section 1.** The Public Entity is hereby admitted as an associate member of the Authority contingent on the Public Entity adopting the appropriate associate membership resolution.

**Section 2.** The Chair or the Vice Chair of the Board of Directors is hereby authorized to execute the Associate Membership Agreement with the Public Entity.

**Section 3.** This resolution shall take effect immediately upon its adoption and the adoption of the associate membership resolution by the Public Entity.

The foregoing Resolution was on the 13<sup>th</sup> day of November 2014, adopted by the Board of Directors of the California Enterprise Development Authority.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

ATTEST:

By: \_\_\_\_\_  
Michelle Stephens, Assistant Secretary

**RESOLUTION NO. 14-99**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING ASSOCIATE MEMBERSHIP OF THE COUNTY OF MERCED IN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AND THE EXECUTION OF ASSOCIATE MEMBERSHIP AGREEMENTS RELATING TO SAID ASSOCIATE MEMBERSHIPS**

**WHEREAS**, pursuant to the provisions of the Joint Powers Act, Articles 1 through 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”) for the creation of the California Enterprise Development Authority (the “Authority”); and

**WHEREAS**, pursuant to Section 2.10 of the Agreement, a local agency may be admitted as an associate member of the Authority upon approval of the Board of Directors of the Authority and the adoption by the legislative body of the local agency of a Resolution Approving an Associate Membership Agreement; and

**WHEREAS**, the County of Merced (the “Public Entity”) desires to join the Authority and adopted an authorizing resolution approving a Associate Membership Agreement on October 21, 2014, or thereafter (the “Associate Membership Agreement”); and

**WHEREAS**, the Board of Directors desires to admit the Public Entity into the Authority as an associate member subject to the Public Entity adopting the authorizing resolution approving the Associate Membership Agreement.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY, AS FOLLOWS:**

**Section 1.** The Public Entity is hereby admitted as an associate member of the Authority contingent on the Public Entity adopting the appropriate associate membership resolution.

**Section 2.** The Chair or the Vice Chair of the Board of Directors is hereby authorized to execute the Associate Membership Agreement with the Public Entity.

**Section 3.** This resolution shall take effect immediately upon its adoption and the adoption of the associate membership resolution by the Public Entity.

The foregoing Resolution was on the 13<sup>th</sup> day of November 2014, adopted by the Board of Directors of the California Enterprise Development Authority.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

ATTEST:

By: \_\_\_\_\_  
Michelle Stephens, Assistant Secretary

## Staff Report

<b>Action Requested</b>	Approve Resolution 14-100 and Declaring Intention to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, and Water Efficiency Improvements in the County of Merced.
<b>Project Background</b>	<p>The State of California, like many other states, declared its intention to promote green initiatives. On July 21, 2008, the State legislature passed AB 811 (commonly known as PACE or Property Assessed Clean Energy legislation) and other interpretative bills to facilitate energy and water efficiency retrofits to existing buildings.</p> <p>Ultimately, legislation provided a mechanism, which allowed property owners to consent to assessment of their property to pay for capital improvements for energy and water efficiency and installation of renewable energy generators (e.g. solar photovoltaic panels, fuel cells, small wind turbines).</p> <p>The California Property Assessed Clean Energy Program (“California PACE Program”) was developed by Figtree Energy Resource Company to provide a financing mechanism and template for a municipal energy and water efficiency program.</p> <p>It is necessary for CEDA to declare its intention to commence assessment district proceedings within the jurisdictions, which have approved the California PACE Program. The adoption of the Resolution of Intention is the first step in a two-step process necessary for the implementation of CEDA’s California PACE Program in the participating member jurisdictions. These Resolutions declare the intention of the Board of Directors to form an assessment district in order to cause the financing of energy and water efficiency improvements within the boundaries of participating public agencies. Also, these Resolutions (i) direct Figtree Energy Resource Company, administrator of the California PACE Program, to prepare and file with the Board of Directors, a program report in compliance with California Streets and Highways Code and (ii) set December 4, 2014, for the public hearing required for the formation of the assessment district.</p> <p>After the public hearing, the Board of Directors of CEDA will be presented with a resolution of formation for the creation of the assessment district. At that time, the Board of Directors will determine whether to proceed with financing on the terms and conditions presented.</p>
<b>Recommendation</b>	Staff recommends approval of Resolution 14-100 of the California Enterprise Development Authority Declaring Intention to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, and Water Efficiency

	Improvements in the County of Merced.
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## RESOLUTION NO. 14-100

### RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY DECLARING INTENTION TO FINANCE INSTALLATION OF DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES, ENERGY EFFICIENCY AND WATER EFFICIENCY IMPROVEMENTS IN THE COUNTY OF MERCED

**WHEREAS**, the California Enterprise Development Authority (“CEDA”) is a joint powers authority organized and existing pursuant to the Joint Powers Act (Government Code Section 6500 et seq.) and that certain Joint Exercise of Powers Agreement (the “Agreement”) dated as of June 1, 2006, among the cities of Eureka, Lancaster and Selma; and

**WHEREAS**, CEDA is authorized under the Agreement and Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California and in accordance with Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California (“Chapter 29”) to authorize assessments to finance the installation of distributed generation renewable energy sources, energy efficiency and water efficiency improvements that are permanently fixed to real property (“Authorized Improvements”); and

**WHEREAS**, CEDA has obtained authorization from the County of Merced (the “County”) to conduct assessment proceedings and to enter into contractual assessments to finance the installation of Authorized Improvements within the jurisdictional boundaries of the County pursuant to Chapter 29; and

**WHEREAS**, CEDA desires to declare its intention to establish a Figtree PACE program (“Figtree PACE”) in the County, pursuant to which CEDA, subject to certain conditions set forth below, would enter into contractual assessments to finance the installation of Authorized Improvements in the County.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY, AS FOLLOWS:**

**Section 1. Findings.** The Board of Directors hereby finds and determines the following:

- (a) The above recitals are true and correct and are incorporated herein by this reference.
- (b) Energy and water conservation efforts, including the promotion of Authorized Improvements to residential, commercial, industrial, or other real property, are necessary to address the issue of global climate change and the reduction of greenhouse gas emissions in the County.
- (c) The upfront cost of making residential, commercial, industrial, or other real property more energy and water efficient, along with the fact that most

commercial loans for that purpose are due on the sale of the property, prevents many property owners from installing Authorized Improvements.

- (d) A public purpose will be served by establishing a contractual assessment program, to be known as Figtree PACE, pursuant to which CEDA will finance the installation of Authorized Improvements to residential, commercial, industrial, or other real property in the County.

**Section 2. Determination of Public Interest.** The Board of Directors hereby determines that (a) it would be convenient, advantageous, and in the public interest to designate an area, which shall encompass the entire geographic territory within the boundaries of the County, within which CEDA and property owners within the County may enter into contractual assessments to finance the installation of Authorized Improvements pursuant to Chapter 29 and (b) it is in the public interest for CEDA to finance the installation of Authorized Improvements in the County pursuant to Chapter 29.

**Section 3. Identification of Authorized Improvements.** CEDA hereby declares its intention to make contractual assessment financing available to property owners to finance installation of Authorized Improvements, including but not limited to those improvements detailed in the Report described in Section 8 hereof (the "Report"), as that Report may be amended from time to time.

**Section 4. Identification of Boundaries.** Contractual assessments may be entered into by property owners located within the entire geographic territory of the County.

**Section 5. Proposed Financing Arrangements.** Under Chapter 29, CEDA may issue bonds, notes or other forms of indebtedness (the "Bonds") pursuant to Chapter 29 that are payable by contractual assessments. Division 10 (commencing with Section 8500) of the Streets & Highways Code of the State (the "Improvement Bond Act of 1915") shall apply to any indebtedness issued pursuant to Chapter 29, insofar as the Improvement Bond Act of 1915 is not in conflict with Chapter 29. The creditworthiness of a property owner to participate in the financing of Authorized Improvements will be based on the criteria developed by Figtree Energy Financing (the "Program Administrator") upon consultation with Figtree PACE Program underwriters or other financial representatives, CEDA general counsel and bond counsel, and as shall be approved by the Board of Directors of CEDA. In connection with indebtedness issued under the Improvement Bond Act of 1915 that is payable from contractual assessments, serial and/or term improvement bonds or other indebtedness shall be issued in such series and shall mature in such principal amounts and at such times (not to exceed 20 years from the second day of September next following their date), and at such rate or rates of interest (not to exceed the maximum rate permitted by applicable law) as shall be determined by Board of Directors at the time of the issuance and sale of the indebtedness. The provisions of Part 11.1 of the Improvement Bond Act of 1915 shall apply to the calling of the bonds. It is the intention of CEDA to create a special reserve fund for the bonds under Part 16 of the Improvement Bond Act of 1915. Neither CEDA, nor any of its members participating in the Figtree PACE Program, shall advance available surplus funds from its treasury to cure any deficiency in the redemption fund to be created with respect to the indebtedness; provided, however, that this determination shall not prevent CEDA or any of its members from, in their sole discretion, so advancing funds.

The Bonds may be refunded under Division 11.5 of the California Streets and Highways Code or other applicable laws permitting refunding, upon the conditions specified by and upon determination of CEDA.

CEDA hereby authorizes the Program Administrator, upon consultation with CEDA general counsel, bond counsel and the Figtree PACE underwriter, to commence preparation of documents and take necessary steps to prepare for the issuance of bonds, notes or other forms of indebtedness as authorized by Chapter 29.

In connection with the issuance of bonds payable from contractual assessments, CEDA expects to obligate itself, through a covenant with the owners of the bonds, to exercise its foreclosure rights with respect to delinquent contractual assessment installments under specified circumstances.

**Section 6. Public Hearing.** Pursuant to the Act, CEDA hereby orders that a public hearing be held before CEDA Board (the “Board”), at 550 Bercut Drive, Suite G, Sacramento, CA 95811, on Thursday, December 4<sup>th</sup>, at 10:30 AM, for the purposes of allowing interested persons to object to, or inquire about, the proposed Figtree PACE Program. The public hearing may be continued from time to time as determined by the Board for a time not exceeding a total of 180 days.

At the time of the hearing, the Report described in Section 8 hereof shall be summarized, and the Board shall afford all persons who are present an opportunity to comment upon, object to, or present evidence with regard to the proposed Figtree PACE Program, the extent of the area proposed to be included within the boundaries of the assessment district, the terms and conditions of the draft assessment contract described in Section 8 hereof (the “Contract”), or the proposed financing provisions. Following the public hearing, CEDA may adopt a resolution confirming the Report (the “Resolution Confirming Report”) or may direct the Report’s modification in any respect, or may abandon the proceedings.

The Board hereby orders the publication of a notice of public hearing once a week for two successive weeks. Two publications in a newspaper published once a week or more often, with at least five days intervening between the respective publication dates not counting such publication dates, are sufficient. The period of notice will commence upon the first day of publication and terminate at the end of the fourteenth day. The first publication shall occur not later than 20 days before the date of the public hearing.

**Section 7. Notice to Water and Electric Providers.** Pursuant to Section 5898.24 of the Streets & Highways Code, written notice of the proposed contractual assessment program within the County to all water and electric providers within the boundaries of the County has been provided.

**Section 8. Report.** The Board hereby directs the Program Administrator to prepare the Report and file said Report with the Board at or before the time of the public hearing described in Section 6 hereof containing all of the following:

- a) A map showing the boundaries of the territory within which contractual assessments are proposed to be offered, as set forth in Section 4 hereof.
- b) A draft contractual assessment contract (the “Contract”) specifying the terms and conditions of the agreement between CEDA and a property owner within the County.
- c) A statement of CEDA’s policies concerning contractual assessments including all of the following:
  - (1) Identification of types of Authorized Improvements that may be financed through the use of contractual assessments.
  - (2) Identification of the CEDA official authorized to enter into contractual assessments on behalf of CEDA.
  - (3) A maximum aggregate dollar amount of contractual assessments.
  - (4) A method for setting requests from property owners for financing through contractual assessments in priority order in the event that requests appear likely to exceed the authorization amount.
- d) A plan for raising a capital amount required to pay for work performed in connection with contractual assessments. The plan may include the sale of a bond or bonds or other financing relationship pursuant to Section 5898.28 of Chapter 29. The plan (i) shall include a statement of, or method for determining, the interest rate and time period during which contracting property owners would pay any assessment, (ii) shall provide for any reserve fund or funds, and (iii) shall provide for the apportionment of all or any portion of the costs incidental to financing, administration and collection of the contractual assessment program among the consenting property owners and CEDA.
- e) A report on the results of the discussions with the County Auditor-Controller described in Section 10 hereof, concerning the additional fees, if any, that will be charged to CEDA for inclusion of the proposed contractual assessments on the general property tax roll of the County, and a plan for financing the payment of those fees.

**Section 9. Nature of Assessments.** Assessments levied pursuant to Chapter 29, and the interest and any penalties thereon, will constitute a lien against the lots and parcels of land on which they are made, until they are paid. Unless otherwise directed by CEDA, the assessments shall be collected in the same manner and at the same time as the general taxes of the County on real property are payable, and subject to the same penalties and remedies and lien priorities in the event of delinquency and default.

**Section 10. Consultations with County Auditor-Controller.** CEDA hereby directs the Program Administrator to enter into discussions with the County Auditor-Controller in order to reach agreement on what additional fees, if any, will be charged to CEDA for incorporating the proposed contractual assessments into the assessments of the general taxes of the County on real property.

**Section 11. Preparation of Current Roll of Assessment.** Pursuant to Section 5898.24(c), CEDA hereby designates the Program Administrator as the responsible party for

annually preparing the current roll of assessment obligations by assessor's parcel number on property subject to a voluntary contractual assessment.

**Section 12. Procedures for Responding to Inquiries.** The Program Administrator shall establish procedures to promptly respond to inquiries concerning current and future estimated liability for a voluntary contractual assessment.

**Section 13. Effective Date.** This resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** this 13<sup>th</sup> day of November, 2014.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

ATTEST:

\_\_\_\_\_  
Michelle Stephens, Assistant Secretary

## Staff Report

<b>Action Requested</b>	Approve Resolution 14-101 and Declaring Intention to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, and Water Efficiency Improvements in the City of Selma.
<b>Project Background</b>	<p>The State of California, like many other states, declared its intention to promote green initiatives. On July 21, 2008, the State legislature passed AB 811 (commonly known as PACE or Property Assessed Clean Energy legislation) and other interpretative bills to facilitate energy and water efficiency retrofits to existing buildings.</p> <p>Ultimately, legislation provided a mechanism, which allowed property owners to consent to assessment of their property to pay for capital improvements for energy and water efficiency and installation of renewable energy generators (e.g. solar photovoltaic panels, fuel cells, small wind turbines).</p> <p>The California Property Assessed Clean Energy Program (“California PACE Program”) was developed by Figtree Energy Resource Company to provide a financing mechanism and template for a municipal energy and water efficiency program.</p> <p>It is necessary for CEDA to declare its intention to commence assessment district proceedings within the jurisdictions, which have approved the California PACE Program. The adoption of the Resolution of Intention is the first step in a two-step process necessary for the implementation of CEDA’s California PACE Program in the participating member jurisdictions. These Resolutions declare the intention of the Board of Directors to form an assessment district in order to cause the financing of energy and water efficiency improvements within the boundaries of participating public agencies. Also, these Resolutions (i) direct Figtree Energy Resource Company, administrator of the California PACE Program, to prepare and file with the Board of Directors, a program report in compliance with California Streets and Highways Code and (ii) set January 8, 2015, for the public hearing required for the formation of the assessment district.</p> <p>After the public hearing, the Board of Directors of CEDA will be presented with a resolution of formation for the creation of the assessment district. At that time, the Board of Directors will determine whether to proceed with financing on the terms and conditions presented.</p>
<b>Recommendation</b>	Staff recommends approval of Resolution 14-101 of the California Enterprise Development Authority Declaring Intention to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, and Water Efficiency

	Improvements in the City of Selma.
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## RESOLUTION NO. 14-101

### RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY DECLARING INTENTION TO FINANCE INSTALLATION OF DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES, ENERGY EFFICIENCY AND WATER EFFICIENCY IMPROVEMENTS IN THE CITY OF SELMA

**WHEREAS**, the California Enterprise Development Authority (“CEDA”) is a joint powers authority organized and existing pursuant to the Joint Powers Act (Government Code Section 6500 et seq.) and that certain Joint Exercise of Powers Agreement (the “Agreement”) dated as of June 1, 2006, among the cities of Eureka, Lancaster and Selma; and

**WHEREAS**, CEDA is authorized under the Agreement and Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California and in accordance with Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California (“Chapter 29”) to authorize assessments to finance the installation of distributed generation renewable energy sources, energy efficiency and water efficiency improvements that are permanently fixed to real property (“Authorized Improvements”); and

**WHEREAS**, CEDA has obtained authorization from the City of Selma (the “City”) located in the County of Fresno (the “County”) to conduct assessment proceedings and to enter into contractual assessments to finance the installation of Authorized Improvements within the jurisdictional boundaries of the City pursuant to Chapter 29; and

**WHEREAS**, CEDA desires to declare its intention to establish a Figtree PACE program (“Figtree PACE”) in the City, pursuant to which CEDA, subject to certain conditions set forth below, would enter into contractual assessments to finance the installation of Authorized Improvements in the City.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY, AS FOLLOWS:**

**Section 1. Findings.** The Board of Directors hereby finds and determines the following:

- (a) The above recitals are true and correct and are incorporated herein by this reference.
- (b) Energy and water conservation efforts, including the promotion of Authorized Improvements to residential, commercial, industrial, or other real property, are necessary to address the issue of global climate change and the reduction of greenhouse gas emissions in the City.
- (c) The upfront cost of making residential, commercial, industrial, or other real property more energy and water efficient, along with the fact that most

commercial loans for that purpose are due on the sale of the property, prevents many property owners from installing Authorized Improvements.

- (d) A public purpose will be served by establishing a contractual assessment program, to be known as Figtree PACE, pursuant to which CEDA will finance the installation of Authorized Improvements to residential, commercial, industrial, or other real property in the City.

**Section 2. Determination of Public Interest.** The Board of Directors hereby determines that (a) it would be convenient, advantageous, and in the public interest to designate an area, which shall encompass the entire geographic territory within the boundaries of the City, within which CEDA and property owners within the City may enter into contractual assessments to finance the installation of Authorized Improvements pursuant to Chapter 29 and (b) it is in the public interest for CEDA to finance the installation of Authorized Improvements in the City pursuant to Chapter 29.

**Section 3. Identification of Authorized Improvements.** CEDA hereby declares its intention to make contractual assessment financing available to property owners to finance installation of Authorized Improvements, including but not limited to those improvements detailed in the Report described in Section 8 hereof (the "Report"), as that Report may be amended from time to time.

**Section 4. Identification of Boundaries.** Contractual assessments may be entered into by property owners located within the entire geographic territory of the City.

**Section 5. Proposed Financing Arrangements.** Under Chapter 29, CEDA may issue bonds, notes or other forms of indebtedness (the "Bonds") pursuant to Chapter 29 that are payable by contractual assessments. Division 10 (commencing with Section 8500) of the Streets & Highways Code of the State (the "Improvement Bond Act of 1915") shall apply to any indebtedness issued pursuant to Chapter 29, insofar as the Improvement Bond Act of 1915 is not in conflict with Chapter 29. The creditworthiness of a property owner to participate in the financing of Authorized Improvements will be based on the criteria developed by Figtree Energy Financing (the "Program Administrator") upon consultation with Figtree PACE Program underwriters or other financial representatives, CEDA general counsel and bond counsel, and as shall be approved by the Board of Directors of CEDA. In connection with indebtedness issued under the Improvement Bond Act of 1915 that is payable from contractual assessments, serial and/or term improvement bonds or other indebtedness shall be issued in such series and shall mature in such principal amounts and at such times (not to exceed 20 years from the second day of September next following their date), and at such rate or rates of interest (not to exceed the maximum rate permitted by applicable law) as shall be determined by Board of Directors at the time of the issuance and sale of the indebtedness. The provisions of Part 11.1 of the Improvement Bond Act of 1915 shall apply to the calling of the bonds. It is the intention of CEDA to create a special reserve fund for the bonds under Part 16 of the Improvement Bond Act of 1915. Neither CEDA, nor any of its members participating in the Figtree PACE Program, shall advance available surplus funds from its treasury to cure any deficiency in the redemption fund to be created with respect to the indebtedness; provided, however, that this determination shall not prevent CEDA or any of its members from, in their sole discretion, so advancing funds.

The Bonds may be refunded under Division 11.5 of the California Streets and Highways Code or other applicable laws permitting refunding, upon the conditions specified by and upon determination of CEDA.

CEDA hereby authorizes the Program Administrator, upon consultation with CEDA general counsel, bond counsel and the Figtree PACE underwriter, to commence preparation of documents and take necessary steps to prepare for the issuance of bonds, notes or other forms of indebtedness as authorized by Chapter 29.

In connection with the issuance of bonds payable from contractual assessments, CEDA expects to obligate itself, through a covenant with the owners of the bonds, to exercise its foreclosure rights with respect to delinquent contractual assessment installments under specified circumstances.

**Section 6. Public Hearing.** Pursuant to the Act, CEDA hereby orders that a public hearing be held before CEDA Board (the "Board"), at 550 Bercut Drive, Suite G, Sacramento, CA 95811, on Thursday, January 8<sup>th</sup>, at 10:30 AM, for the purposes of allowing interested persons to object to, or inquire about, the proposed Figtree PACE Program. The public hearing may be continued from time to time as determined by the Board for a time not exceeding a total of 180 days.

At the time of the hearing, the Report described in Section 8 hereof shall be summarized, and the Board shall afford all persons who are present an opportunity to comment upon, object to, or present evidence with regard to the proposed Figtree PACE Program, the extent of the area proposed to be included within the boundaries of the assessment district, the terms and conditions of the draft assessment contract described in Section 8 hereof (the "Contract"), or the proposed financing provisions. Following the public hearing, CEDA may adopt a resolution confirming the Report (the "Resolution Confirming Report") or may direct the Report's modification in any respect, or may abandon the proceedings.

The Board hereby orders the publication of a notice of public hearing once a week for two successive weeks. Two publications in a newspaper published once a week or more often, with at least five days intervening between the respective publication dates not counting such publication dates, are sufficient. The period of notice will commence upon the first day of publication and terminate at the end of the fourteenth day. The first publication shall occur not later than 20 days before the date of the public hearing.

**Section 7. Notice to Water and Electric Providers.** Pursuant to Section 5898.24 of the Streets & Highways Code, written notice of the proposed contractual assessment program within the City to all water and electric providers within the boundaries of the City has been provided.

**Section 8. Report.** The Board hereby directs the Program Administrator to prepare the Report and file said Report with the Board at or before the time of the public hearing described in Section 6 hereof containing all of the following:

- a) A map showing the boundaries of the territory within which contractual assessments are proposed to be offered, as set forth in Section 4 hereof.
- b) A draft contractual assessment contract (the “Contract”) specifying the terms and conditions of the agreement between CEDA and a property owner within the City.
- c) A statement of CEDA’s policies concerning contractual assessments including all of the following:
  - (1) Identification of types of Authorized Improvements that may be financed through the use of contractual assessments.
  - (2) Identification of the CEDA official authorized to enter into contractual assessments on behalf of CEDA.
  - (3) A maximum aggregate dollar amount of contractual assessments.
  - (4) A method for setting requests from property owners for financing through contractual assessments in priority order in the event that requests appear likely to exceed the authorization amount.
- d) A plan for raising a capital amount required to pay for work performed in connection with contractual assessments. The plan may include the sale of a bond or bonds or other financing relationship pursuant to Section 5898.28 of Chapter 29. The plan (i) shall include a statement of, or method for determining, the interest rate and time period during which contracting property owners would pay any assessment, (ii) shall provide for any reserve fund or funds, and (iii) shall provide for the apportionment of all or any portion of the costs incidental to financing, administration and collection of the contractual assessment program among the consenting property owners and CEDA.
- e) A report on the results of the discussions with the County Auditor-Controller described in Section 10 hereof, concerning the additional fees, if any, that will be charged to CEDA for inclusion of the proposed contractual assessments on the general property tax roll of the County, and a plan for financing the payment of those fees.

**Section 9. Nature of Assessments.** Assessments levied pursuant to Chapter 29, and the interest and any penalties thereon, will constitute a lien against the lots and parcels of land on which they are made, until they are paid. Unless otherwise directed by CEDA, the assessments shall be collected in the same manner and at the same time as the general taxes of the County on real property are payable, and subject to the same penalties and remedies and lien priorities in the event of delinquency and default.

**Section 10. Consultations with County Auditor-Controller.** CEDA hereby directs the Program Administrator to enter into discussions with the County Auditor-Controller in order to reach agreement on what additional fees, if any, will be charged to CEDA for incorporating the proposed contractual assessments into the assessments of the general taxes of the County on real property.

**Section 11. Preparation of Current Roll of Assessment.** Pursuant to Section 5898.24(c), CEDA hereby designates the Program Administrator as the responsible party for annually preparing the current roll of assessment obligations by assessor’s parcel number on property subject to a voluntary contractual assessment.

**Section 12. Procedures for Responding to Inquiries.** The Program Administrator shall establish procedures to promptly respond to inquiries concerning current and future estimated liability for a voluntary contractual assessment.

**Section 13. Effective Date.** This resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** this 13<sup>th</sup> day of November, 2014.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

ATTEST:

\_\_\_\_\_  
Michelle Stephens, Assistant Secretary

## Staff Report

<b>Action Requested</b>	Approve Resolution 14-102 Authorizing the Issuance and Sale of California Enterprise Development Authority Insured Revenue Bonds (Casa de las Campanas, Inc. Project), Series 2014, for the Purpose of Financing Facilities for the Benefit of Casa de las Campanas, Inc., 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>	Casa de las Campanas, Inc.
<b>Borrower Description</b>	<p>Nestled among the rolling hills of northern San Diego County, Casa de las Campanas overlooks Lake Hodges, distant mountains and a western sky alive with painted sunsets. Our beautiful campus is adjacent to the 170-acre Rancho Bernardo community park and Ed Brown Senior Center. Plus, there are 10 golf courses within a 15-minute drive. Casa provides flexible dining plans, housekeeping, scheduled transportation, 24-hour campus security, and an emergency communications system. Health services are also available including in-apartment care, assisted living, memory care and long-term skilled nursing care, if needed.</p> <p>This resolution would approve the amount not to exceed \$20,000,000 to finance the costs of acquisition, construction, installation, furnishing and equipping of improvements to the Borrower's continuing care retirement facility located at 18655 West Bernardo Drive, San Diego, California 92127.</p>
<b>Public Benefits</b>	Casa de las Campanas provides a safe and healthy environment for seniors living in San Diego County.
<b>Local Approval</b>	The Board of Supervisors of the County of San Diego will approve review the financing on September 16, 2014.
<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 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>
<b>Recommendation</b>	Staff recommends approval of Resolution 14-102.

**RESOLUTION NO. 14-102**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY INSURED REVENUE BONDS (CASA DE LAS CAMPANAS, INC. PROJECT), SERIES 2014, FOR THE PURPOSE OF FINANCING FACILITIES FOR THE BENEFIT OF CASA DE LAS CAMPANAS, INC., 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 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**, 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**, the Borrower has requested that the Authority issue its Insured Revenue Bonds (Casa de las Campanas, Inc. Project), Series 2014, in an aggregate principal amount not to exceed \$19,000,000 (the "Bonds") for the benefit of the Borrower pursuant to the Act to finance the costs of acquisition, construction, installation, furnishing and equipping of improvements to the Borrower's continuing care retirement facility located at 18655 West Bernardo Drive, San Diego, California 92127 (the "Facilities"); and

**WHEREAS**, in accordance with the requirements of Section 147(f) of the Code and the Act, the Board of Supervisors of the County adopted, on September 16, 2014, a resolution approving the issuance of the Bonds in order to finance the Facilities; and

**WHEREAS**, the Bonds will be issued pursuant to a Bond Indenture (the "Indenture") between the Authority and U.S. Bank National Association, as trustee (the "Trustee"); and

**WHEREAS**, the Authority will loan the proceeds of the Bonds to the Borrower and the Borrower will agree to repay the loan pursuant to a Loan Agreement (the “Loan Agreement”) by and between the Authority and the Borrower; and

**WHEREAS**, the Bonds will be insured by the Office of Statewide Health Planning and Development of the Health and Human Services Agency of the State of California (the “Office”) pursuant to the terms of a Contract of Insurance (the “Contract of Insurance” by and among the Authority, the Borrower and the Office; and

**WHEREAS**, there have been filed with the Secretary of the Authority the following documents:

(a) the proposed form of the Indenture, including the form of the Bonds as Exhibit A thereto, pursuant to which the Bonds will be issued and secured;

(b) the proposed form of the Loan Agreement pursuant to which the Borrower will agree to repay the loan;

(c) the proposed form of the Contract of Insurance pursuant to which the Office will insure the payment of principal and interest on the Bonds;

(d) the proposed form of a Regulatory Agreement (the “Regulatory Agreement”) by and among the Authority, the Borrower and the Office; and

(e) the proposed form of the Bond Purchase Agreement (the “Purchase Agreement”), by and between City National Bank, as purchaser (the “Purchaser”) and the Authority, and approved by the Borrower.

**WHEREAS**, the Facilities are expected to provide significant benefits to the residents of the County in providing multi-level housing, non-acute healthcare and related services to the elderly residents of the County; and

**WHEREAS**, the financing for the Borrower through the Authority will result in a more economical and efficient funding process because of the Authority’s expertise in conduit financings; and

**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 financing the Project.

**Section 2.** the Authority hereby authorizes and approves (i) the issuance of the Bonds on a tax-exempt basis pursuant to and in accordance with the provisions of the Loan Agreement and the Indenture, in an aggregate principal amount not to exceed \$19,000,000, (ii) the insurance of the Bonds in accordance with the terms of the Contract of Insurance and the Regulatory Agreement, (iii) the sale of the Bonds in accordance with the terms of the Purchase Agreement to

the Purchaser, and (iv) the loan of the proceeds thereof to the Borrower pursuant to the provisions of the Loan Agreement.

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

**Section 3.** The proposed form of the Loan Agreement relating to the Bonds, between 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 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 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 the Authority Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 4.** The proposed form of the Indenture relating to the Bonds, between the Authority and the Trustee, on file with the Secretary of the Authority, is hereby approved. Any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver to the Trustee the Indenture 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 Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dates, maturity dates, interest rates, interest payment dates, denominations, forms, registration privileges or requirements, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

**Section 5.** The proposed form of the Contract of Insurance relating to the Bonds, among the Authority, the Borrower and the Office, on file with the Secretary of the Authority, is hereby approved. Any 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 Contract of Insurance 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 such Authorized Signatory executing the same, with the advice of the Authority Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 6.** The proposed form of the Regulatory Agreement relating to the Bonds, among the Authority, the Borrower and the Office, on file with the Secretary of the Authority, is hereby approved. Any 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 Regulatory 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 such Authorized Signatory executing the same, with the advice of the Authority Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof

**Section 7.** The proposed form of the Purchase Agreement relating to the Bonds, between the Purchaser and the Authority and approved by the Borrower, on file with the Secretary of the Authority, is hereby approved. Any 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 Purchase 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 such Authorized Signatory executing the same, with the advice of the Authority Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 8.** 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 Indenture.

**Section 9.** The 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 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 Bonds to the Purchaser in accordance with the Purchase Agreement, upon payment of the purchase price thereof.

**Section 10.** 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 a tax regulatory agreement or certificate and other appropriate certificates, closing documents and other documents contemplated by this Resolution, the Indenture, the Loan Agreement, the Contract of Insurance, the Regulatory Agreement and the 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 11.** All approvals, 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 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 12.** 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 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 13.** 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 14.** This Resolution shall take effect from and after its adoption. 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.

PASSED AND ADOPTED this 13<sup>th</sup> day of November, 2014.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

ATTEST:

By \_\_\_\_\_  
Michelle Stephens, Assistant Secretary

I, the undersigned, the duly appointed and qualified Assistant Secretary of the California Enterprise Development Authority, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said Authority at a duly called meeting of the Board of Directors of said Authority held in accordance with law on November 13, 2014.

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Michelle Stephens, Assistant Secretary

## Staff Report

<b>Action Requested</b>	Approve Resolution 14-103 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 Financing and Refinancing the Cost of Acquisition, Construction, Installation, Renovation and Equipping of Certain Facilities for the Benefit of Esalen Institute, Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
<b>Borrower(s)</b>	Esalen Institute
<b>Borrower Description</b>	<p>For half a century, Esalen has been a primary thought leader of the culture; generating and promoting new ideas, methods, and connections that have transformed our world. In Esalen's next half-century of creative influence, they honor their rich legacy, celebrate their initiatives and their outreach today, and embrace their common human future in an emergent world culture of tomorrow.</p> <p>This resolution approves to to \$11,000,000 to be used on the following items:</p> <ul style="list-style-type: none"> <li>• Refinancing a seller note and existing debt</li> <li>• Rebuilding employee housing that was destroyed in a 2011 fire</li> <li>• Renovation and Expansion of the lodge</li> </ul>
<b>Public Benefits</b>	Rebuilding the employee housing meets a critical need for affordable housing options on the Big Sur Coast. This will help reduce commute times for local employees and significantly improve the quality of housing. After the fire, employees were moved to temporary dwellings, many of which are inadequate for long-term living arrangements. The rebuilt housing will meet ADA standards, be more energy efficient, and will include upgraded water sourcing and sanitation systems.
<b>Local Approval</b>	The Board of Supervisors of the County of Monterey will review the financing on December 2, 2014.
<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 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>
<b>Recommendation</b>	Staff recommends approval of Resolution 14-102.

## RESOLUTION NO. 14-103

### 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 FINANCING AND REFINANCING THE COST OF ACQUISITION, CONSTRUCTION, INSTALLATION, RENOVATION AND EQUIPPING OF CERTAIN FACILITIES FOR THE BENEFIT OF ESALEN INSTITUTE, 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 Monterey (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**, Esalen Institute, a California nonprofit corporation (the "Borrower"), has submitted an application to the Authority requesting the Authority to make a loan (the "Borrower Loan") in the aggregate principal amount not to exceed \$11,000,000 to the Borrower to (i) finance and refinance the cost of acquisition, construction, renovation, installation, equipping and furnishing of approximately 67,000 square feet of residential, lodge, meeting, and miscellaneous building space spread across approximately 165 acres (collectively the "Facilities"), all located at 55000, 54105 and 54850 Highway 1, Big Sur, California, comprising assessor parcel numbers 421-011-005, 421-011-006, 421-011-007, 421-011-008 and 421-011-018 (collectively, the "Property"), and (ii) paying certain costs of issuance in connection with the Obligations; and

**WHEREAS**, the Authority intends to use the proceeds of a tax-exempt loan from Lender to the Authority (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 the Loan Agreement, by and among Compass Mortgage Corporation (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”); and

**WHEREAS**, in accordance with the requirements of Section 147(f) of the Code, the Board of Supervisors of the County plan to adopt, on December 2, 2014, a resolution approving the issuance of the Authority Loan in order to finance and refinance the Facilities located in the County (the “Board of Supervisors Approval”); and

**WHEREAS**, the Facilities provide significant benefits to the residents of the County and surrounding community through the cultural and educational services provided by the Borrower and, based on representations of the Borrower, the financing and 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 financing and refinancing the Facilities.

**Section 2.** Subject to the receipt of the Board of Supervisors Approval, 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.** Subject to the receipt of the Board of Supervisors Approval, 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 \$11,000,000 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 November 13, 2014.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

ATTEST:

By \_\_\_\_\_  
Michelle Stephens, Assistant Secretary

I, the undersigned, the duly appointed and qualified Assistant Secretary of the California Enterprise Development Authority, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said Authority at a duly called meeting of the Board of Directors of said Authority held in accordance with law on November 13, 2014.

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Michelle Stephens, Assistant Secretary