

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

REGULAR MEETING

TELECONFERENCE MEETING NOTICE and AGENDA

LOCATIONS LISTED BELOW

10:30 A.M.

Thursday, March 19, 2020

Teleconference Phone Information

(712) 775-7031 - Conference Code: 183724#

Call to Order and Roll Call Statement of Disclosure

Action Items

1. Consent Agenda
 - a. Approve Minutes from the Regular Meeting on February 20, 2020.
2. Approve Resolution 20-06 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 the Cost of Acquisition, Construction, Installation, Renovation and Equipping of Certain Facilities for the Benefit of Society for the Prevention of Cruelty to Animals of Monterey County, Inc., Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
3. Approve Resolution 20-07 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 Acquiring, Improving, Renovating, Remodeling, Furnishing and Equipping Certain Facilities for the Benefit of Tri-Valley Montessori School, Providing the Terms and Conditions for such Loan Agreement and Other Matters Relating Thereto.
4. Approve Resolution 20-08 of the California Enterprise Development Authority Authorizing and Approving a Supplement to the Indenture Between the California Enterprise Development Authority and Wells Fargo Bank, National Association for the Benefit of the Hindu Community and Cultural Center, and Authorizing and Approving other Actions with Respect to Such Amendment.

Public Comment

Chair Report

PACE Report

Other Business

Adjournment

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

California Association for Local
Economic Development
(contact Michelle Stephens)
2150 River Plaza Dr., Suite 275
Sacramento, CA 95833

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

County of Stanislaus

Redding City Hall
(contact Larry Vaupel or Erica Thomas)
777 Cypress Ave.
Redding, CA 96001

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

City of West Sacramento
(contact Aaron Laurel or

Sacramento Municipal Utility
District
(contact Mather Kearney)
6301 S Street
Sacramento, CA 95817

City of Anaheim
(contact Jessica Gonzales or
Amanda Wicker)
201 S. Anaheim Blvd., Ste. 1003
Anaheim, CA 92805

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

(contact Keith Boggs or Sheryl Swartz) Sandra Barcenas
1010 10th Street 1110 West Capitol Avenue, 3rd Floor
GSA Purchasing – 5th Floor West Sacramento, CA 95691
GSA Director's Office
Modesto, CA 95354

This agenda can be obtained at <https://ceda.caled.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, February 20, 2020

Teleconference Locations

California Association for Local
Economic Development
(contact Michelle Stephens)
2150 River Plaza Dr. Suite 275
Sacramento, CA 95833

Redding City Hall
(contact Larry Vaupel or Erica
Thomas)
777 Cypress Ave.
Redding, CA 96001

Sacramento Municipal Utility District
(contact Mather Kearney)
6301 S Street
Sacramento, CA 95817

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

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

City of Anaheim
(contact Jessica Gonzales or
Amanda Wicker)
201 S. Anaheim Blvd., Ste. 1003
Anaheim, CA 92805

County of Stanislaus
(contact Keith Boggs or Sheryl
Swartz)
1010 10th Street
GSA Purchasing – 5th Floor
GSA Director's Office
Modesto, CA 95354

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

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:

Keith Boggs
Jason Crawford
Gurbax Sahota
Larry Vaupel

CALED Management/
Staff Present:

Michelle Stephens
Alphonse Wilfred

Public:

Jessica Shaham

Statement of Disclosure

None

Action Items

1. Approve Consent Agenda.
 - a. Approve Minutes from the Regular Meeting on January 30, 2020.
 - b. Approve Resolution 20-04 Approving Associate Membership by the County of El Dorado in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to the Associate Membership of the County in the Authority.

Motion: Board Member Keith Boggs made the motion to approve the Minutes and the approval of the County of El Dorado membership. Board Member Jason Crawford seconded the motion on the floor.

The motion passed unanimously by voice vote

2. Approve Resolution 20-05 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to which the California Enterprise Development Authority will Make One or More Loans for the Purpose of Financing and Refinancing the Cost of Acquiring, Developing, Constructing, Installing, Equipping and Furnishing Affordable Housing Facilities for the Benefit of VVSD Escondido, LLC and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

Discussion: Michelle presented the staff report to the board notifying them that this deal is refinancing their existing loan.

Motion: Board Member Jason Crawford made the motion to approve Resolution 20-05. Board Member Larry Vaupel seconded the motion on the floor.

The motion passed with the following roll call vote:

Keith Boggs	Aye
Jason Crawford	Aye
Gurbax Sahota	Aye
Larry Vaupel	Aye

Public Comment

Chair Report

Gurbax notified the board that during the 40th Anniversary Dinner at the CALED Conference, CALED will recognize the founding members and cities of CEDA. Gurbax also mentioned that her email has been hacked, so members should ignore the email if they see it as suspicious and asking for gift cards.

PACE Report

Jessica updated the board on the R-PACE bonding, which is now expected to be closed by March 10, 2020. They have switched to a new trustee, Bank of New York Mellon, who might be their permanent trustee moving forward.

Other Business

Adjournment

Motion: Keith Boggs made the motion to adjourn the meeting. Gurbax Sahota seconded the motion on the floor. Gurbax Sahota adjourned the meeting at 10:39 am by voice vote.

Staff Report

Action Requested	Approve Resolution 20-06 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 the Cost of Acquisition, Construction, Installation, Renovation and Equipping of Certain Facilities for the Benefit of Society for the Prevention of Cruelty to Animals of Monterey County, Inc., Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
Borrower(s)	Society for the Prevention of Cruelty to Animals (SPCA) for Monterey County, Inc.
Borrower Description	<p>The Society for the Prevention of Cruelty to Animals (SPCA) for Monterey County is a nonprofit, independent, donor-supported humane society that has been serving the animals and people of Monterey County since 1905. SPCA for Monterey County is not a chapter of any other SPCA or Humane Society and they do not have a parent organization or receive any funding from places like HSUS or the ASPCA. As the heart of animal rescue and protection SPCA for Monterey County:</p> <ul style="list-style-type: none"> • Operate the only open admission shelter in Monterey County. SPCA for Monterey County doors are open to all animals in need from dogs and cats to horses, wildlife, exotics, and more. • Rescue, rehabilitate, and rehome homeless, neglected, and abused pets, horses, and barn animals. • Provide loving shelter, skilled veterinary care, and SPCA for Monterey County TLC (Treatment Learning and Compassion) Program to homeless animals. • Investigate animal cruelty and neglect. • Reduce pet overpopulations through affordable spay and neuter services. • Keep pets in homes with behavior training programs, our free Pet Food Bank, Pet Meals collaboration with Meals on Wheels, and more. • Operate the only Wildlife Rescue and Rehabilitation Center in SPCA for Monterey County. • Provide disaster preparedness and response. • Educate children and adults about humane treatment of animals. <p>The \$6 million in financing for SPCA of Monterey County includes:</p> <ul style="list-style-type: none"> • Construction and renovation of an approximately 2,900 square foot facility dedicated to animal care • Approximately 3,200 square foot facility including an animal training pavilion open to the public for dog training classes, staff offices, ADA compliant restrooms, and meal preparation, storage and private consultation rooms • An existing education center which will be remodeled to include ADA compliant restrooms and • Related infrastructure and other related facilities all located at 1002 Monterey-Salinas Highway 68, Monterey, California 93940.
Public Benefits	The tax-exempt financing will allow Society for the Prevention of Cruelty to Animals for Monterey County, Inc. to realize savings that can be put into purchasing and rehabilitating real property.
Eligibility and Policy Review	<p>CEDA staff has reviewed the project. The proposed financing is eligible pursuant to state and federal law and addresses the objectives contained in CEDA’s Bond Issuance Policies and Procedures</p> <ul style="list-style-type: none"> ■ The Borrower is capable of meeting the obligations incurred under the financing documents; ■ The Payments to be made are adequate to pay the expenses of CEDA in connection with the financing and to pay debt service; and ■ Proposed financing is appropriate for the project.
Recommendation	Staff recommends approval 20-06 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 the Cost of Acquisition, Construction, Installation, Renovation and Equipping of Certain Facilities for the Benefit of Society for the Prevention of Cruelty to Animals of Monterey County, Inc., Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

RESOLUTION NO. 20-06

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 THE COST OF ACQUISITION, CONSTRUCTION, INSTALLATION, RENOVATION AND EQUIPPING OF CERTAIN FACILITIES FOR THE BENEFIT OF SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS OF MONTEREY COUNTY, INC., 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 "Issuer") was organized; and

WHEREAS, the Issuer 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 Issuer 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 Issuer and is authorized to acquire and dispose of property, both real and personal; and

WHEREAS, pursuant to the provisions of the Act, the Issuer 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, the Society for the Prevention of Cruelty to Animals for Monterey County, Inc., a nonprofit public benefit corporation (the "Borrower"), duly organized and existing under the laws of the State of California, has submitted an application to the Issuer requesting the Issuer to make one or more loans (the "Borrower Loans") in the aggregate principal amount not to exceed \$6,000,000 to the Borrower to (a) finance the cost of constructing, improving, rehabilitating, equipping, installing and furnishing of (i) an approximately 2,900 square foot facility dedicated to animal care, including behavioral training and recovery space, dog kennels, indoor and outdoor play yards for dogs, staff offices, restrooms, and storage and meal

preparation rooms, (ii) an approximately 3,200 square foot facility including an animal training pavilion open to the public for dog training classes, staff offices, ADA compliant restrooms, and meal preparation, storage and private consultation rooms, (iii) an existing education center which will be remodeled to include ADA compliant restrooms and (iv) related infrastructure and other related facilities all located at 1002 Monterey-Salinas Highway 68, Monterey, California 93940 (collectively, the “Facilities”); and (b) pay certain costs of issuance in connection with the transaction; and

WHEREAS, the Issuer intends to use the proceeds of one or more tax-exempt loans from First Republic Bank or its successor (the “Lender”), to the Issuer (collectively, the “Issuer Loans” and, together with the Borrower Loans, the “Loans”) to make the Borrower Loans; and

WHEREAS, there have been placed on file with the Issuer prior to this meeting the following documents and agreements:

(a) A proposed form of the Loan Agreement, by and among First Republic Bank (the “Lender”), the Issuer and the Borrower (the “Loan Agreement”); and

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

WHEREAS, pursuant to California Government Code Section 5852.1, certain information regarding the Loans, attached hereto as Attachment I, has been presented to the Issuer by the Borrower based on a good faith estimates by the Lender; and

WHEREAS, the Facilities provide significant benefits to the residents of the County by providing increased animal care, adoption and educational services to the residents of the County and also providing new employment opportunities for residents of the County and, based on representations of the Borrower, the financing of the Facilities through the Issuer 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 Issuer finds that it is in the public interest to assist the Borrower in financing the Facilities.

Section 2. The Issuer hereby approves of the entering into the Issuer Loans on a tax-exempt basis and using the proceeds thereof to make the Borrower Loans pursuant to the terms and provisions of the Loan Agreement. The Issuer understands that the payments under the Borrower Loans will be assigned to the Lender to satisfy the Issuer’s payments under the Issuer Loans. The payments to be made by the Issuer to the Lender under the Issuer Loans will be satisfied solely from payments made by the Borrower to the Lender (as assignee of Issuer) under the Borrower Loans.

Section 3. The proposed form of the Loan Agreement by and among the Lender, the Issuer and the Borrower, on file with the Secretary of the Issuer, 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 Issuer, to execute and deliver the Loan Agreement in substantially the form filed with the Issuer 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 Issuer, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Issuer is authorized to attest the execution of the Loan Agreement.

Section 4. The proposed form of the Assignment Agreement by and between the Issuer and the Lender, on file with the Secretary of the Issuer, is hereby approved. Each Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute and deliver the Assignment Agreement in substantially the form filed with the Issuer 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 Issuer, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Issuer is authorized to attest the execution of the Assignment Agreement.

Section 5. The Issuer approves the Issuer Loans on a tax-exempt basis and the making of the Borrower Loans to the Borrower in an amount not to exceed \$6,000,000 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 Issuer Loans shall be made solely from the revenues to be received by the Issuer from the Borrower Loans pursuant to the Loan Agreement, and the Issuer Loans shall not be deemed to constitute a debt or liability of the State or any political subdivision thereof. The Issuer Loans 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 Loans 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 Loans, may be given or taken by an Authorized Signatory without further authorization by this Board of Directors of the Issuer, 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 Issuer with respect to the Issuer Loans and the Borrower Loans are hereby approved, confirmed and ratified, and the officials of the Issuer 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 Issuer’s counsel or the Lender’s counsel may deem necessary or advisable in order to consummate the Borrower Loans and the Issuer Loans and otherwise to effectuate the purposes of this Resolution, and the Secretary or Assistant Secretary of the Issuer is authorized to attest the execution of such certificates, agreements and documents.

Section 8. The provisions of this Resolution are hereby declared to be separable, and if any action, phrase or provision is for any reason declared to be invalid, such declaration does not affect the validity of the remainder of the sections, phrases and provisions.

Section 9. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed or delivered until the County has held the requisite hearing and the Board of Supervisors of the County has approved the making of the Issuer Loans pursuant to Section 147(f) of the Code.

Section 10. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this March 19th, 2020.

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 March 19, 2020.

Michelle Stephens, Assistant Secretary

ATTACHMENT I
PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, The Society for the Prevention of Cruelty to Animals for Monterey County, Inc., a California nonprofit public benefit corporation (the “Borrower”), has provided the following required information to the California Enterprise Development Authority (the “Issuer”), as conduit financing provider, prior to the Issuer’s regular meeting on March 19, 2020 (the “Meeting”) of its Board of Directors (the “Board”) at which Meeting, the Board will consider the authorization of conduit revenue obligations, which obligations are reasonably expected to be in the aggregate principal amount of \$6,000,000 (the “Obligations”).

1. First Republic Bank, as private placement lender, engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows:
 - A. The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Obligations (to the nearest ten-thousandth of one percent): 3.0207% (assumes an interest rate of 2.85% through maturity).
 - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$130,000.
 - C. The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$5,970,000.
 - D. The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$9,032,927.95.
2. The good faith estimates provided above were based on the information which was presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at

the time of the issuance of the Obligations. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Issuer is authorized to make this document available to the public at the Meeting of the Issuer.

Staff Report

Action Requested	Approve Resolution 20-07 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 Acquiring, Improving, Renovating, Remodeling, Furnishing and Equipping Certain Facilities for the Benefit of Tri-Valley Montessori School, Providing the Terms and Conditions for such Loan Agreement and Other Matters Relating Thereto.
Borrower(s)	Tri-Valley Montessori School
Borrower Description	<p>Tri-Valley Montessori School is a nationally recognized model of Montessori education, attracting the best and brightest educators and staff. Its state-of-the-art campus, including an edible garden maintained by the children, is situated on a hill with a stunning view of the entire Tri-Valley. Valley Montessori School is committed to sustainability and the environment and has earned a California Green Business Certification making them the only school in the Tri-Valley, and just one of three in the state of California, with this distinguished honor.</p> <p>Tri-Valley Montessori School currently employs 81 people, with which they serve 415 students and have been serving the community since 1976. 15% of their students receive financial assistance funded through their budget. Tuition discounts are valued at over \$500,000/year. They are the only three-way accredited independent school in the state of California (American Montessori Society, WASC, and CAIS). Their community annually hosts Kids against Hunger, packing more than 12,000 meals for people in need. They also host a Fun Run annually raising money for Leukemia Society.</p> <p>Tri-Valley Montessori School plans to use and not exceed \$7 million in proceeds of the Obligations to:</p> <ul style="list-style-type: none"> • Refinance prior obligations of which were used to finance and refinance the construction, renovation, retrofitting, improvement and equipping of the Borrower’s educational and administrative facilities located at 1273 N. Livermore Avenue, Livermore, California 94551 • Pay the costs of issuance associated with the issuance of the Obligations.
Public Benefits	The tax-exempt financing will allow Tri-Valley Montessori School to realize savings that can be put into purchasing and rehabilitating real property.
Eligibility and Policy Review	<p>CEDA staff has reviewed the project. The proposed financing is eligible pursuant to state and federal law and addresses the objectives contained in CEDA’s Bond Issuance Polices and Procedures</p> <ul style="list-style-type: none"> ■ The Borrower is capable of meeting the obligations incurred under the financing documents; ■ The Payments to be made are adequate to pay the expenses of CEDA in connection with the financing and to pay debt service; and ■ Proposed financing is appropriate for the project.
Recommendation	Staff recommends approval 20-07 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 Acquiring, Improving, Renovating, Remodeling, Furnishing and Equipping Certain Facilities for the Benefit of Tri-Valley Montessori School, Providing the Terms and Conditions for such Loan Agreement and Other Matters Relating Thereto.

RESOLUTION NO. 20-07

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT 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 ACQUIRING, IMPROVING, RENOVATING, REMODELING, FURNISHING AND EQUIPPING CERTAIN FACILITIES FOR THE BENEFIT OF TRI-VALLEY MONTESSORI SCHOOL, PROVIDING THE TERMS AND CONDITIONS FOR SUCH LOAN AGREEMENT AND OTHER MATTERS RELATING THERETO

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the “JPA 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 “Issuer”) was organized; and

WHEREAS, the Issuer is authorized by the Agreement and the Act to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements, or enter into financing agreements to, among other things, finance or refinance facilities owned and/or leased and operated by organizations described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, pursuant to the provisions of the Act, the public agencies which are members of the Issuer 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 Alameda (the “County”) is an associate member of the Issuer and is authorized to acquire and dispose of property, both real and personal, pursuant to the provisions of Article 1, Chapter 5, Part 2 of Division 3 of Title 4 of the Government Code of the State of California; and

WHEREAS, pursuant to the provisions of the Act, the Issuer 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, Tri-Valley Montessori School, a California nonprofit corporation (the “Borrower”), has submitted an application to the Issuer requesting the issuer to make a loan in the aggregate principal amount of not to exceed \$7,000,000 to the Borrower to (i) refinance prior obligations of the Borrower, the proceeds of which were used to finance and refinance the construction, renovation, retrofitting, improvement and equipping of the Borrower’s educational and administrative facilities located at 1273 N. Livermore Avenue, Livermore, California 94551 to

be owned and operated by the Borrower (the “Facilities”) and (ii) pay certain costs of issuance in connection with such refinancing.; and

WHEREAS, pursuant to a loan agreement, dated as of March 1, 2020 (or such other date as approved by the Issuer) (the “Loan Agreement”), among the Lender, the Issuer and the Borrower, the Lender will make a loan (the “Issuer Loan”) to the Issuer, and the Issuer will loan the proceeds of the Issuer Loan to the Borrower (the “Borrower Loan” and, together with the Issuer Loan, the “Loan”) for the purpose, among others, of refinancing the Facilities ; and

WHEREAS, based on representations of the Borrower, the Borrower is expected to provide significant public benefits to the residents of the County and surrounding communities and the refinancing for the Borrower through the Issuer will result in demonstrable savings in effective interest rate; and

WHEREAS, there have been placed on file with the Issuer prior to this meeting the following documents and agreements:

1. A proposed form of the Loan Agreement; and
2. A proposed form of Assignment Agreement, between the Issuer and the Lender (the “Assignment Agreement”); and

WHEREAS, pursuant to California Government Code Section 5852.1, certain information regarding the Loans, attached hereto as Attachment I, has been presented to the Issuer by the Borrower based on a good faith estimates by the Lender;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Enterprise Development Authority (the “Board”), as follows:

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

Section 2. The Issuer hereby approves of the entering into the Issuer Loan, the interest with respect to which will be excluded from gross income for federal income tax purposes, and using the proceeds thereof to make the Borrower Loan pursuant to the terms and provisions of the Loan Agreement. The Issuer understands that the payments under the Borrower Loan will be assigned to the Lender to satisfy the Issuer’s payments under the Issuer Loan. The payments to be made by the Issuer to the Lender under the Issuer Loan will be satisfied solely from payments made by the Borrower to the Lender (as assignee of Issuer) under the Borrower Loan.

Section 3. The proposed form of the Loan Agreement by and among the Lender, the Issuer and the Borrower, on file with the Secretary of the Issuer, 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 Issuer, to execute and deliver the Loan Agreement in substantially the form filed with the Issuer 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 Issuer, may require or approve, such approval to be

conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Issuer is authorized to attest the execution of the Loan Agreement.

Section 4. The proposed form of the Assignment Agreement by and between the Issuer and the Lender, on file with the Secretary of the Issuer, is hereby approved. Each Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute and deliver the Assignment Agreement in substantially the form filed with the Issuer 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 Issuer, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Issuer is authorized to attest the execution of the Assignment Agreement.

Section 5. The Issuer approves the Issuer Loan, the interest with respect to which will be excluded from gross income for federal income tax purposes, and the making of the Borrower Loan to the Borrower in an amount not to exceed \$7,000,000 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 Issuer Loan shall be made solely from the revenues to be received by the Issuer from the Borrower Loan pursuant to the Loan Agreement, and the Issuer Loan shall not be deemed to constitute a debt or liability of the State or any political subdivision thereof. The Issuer 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 Issuer, 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 Issuer with respect to the Issuer Loan and the Borrower Loan are hereby approved, confirmed and ratified, and the officials of the Issuer 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 Issuer's counsel or the Lender's counsel may deem necessary or advisable in order to consummate the Borrower Loan and the Issuer Loan and otherwise to effectuate the purposes of this Resolution, and the Secretary or Assistant Secretary of the Issuer is authorized to attest the execution of such certificates, agreements and documents.

Section 8. The provisions of this Resolution are hereby declared to be separable, and if any action, phrase or provision is for any reason declared to be invalid, such declaration does not affect the validity of the remainder of the sections, phrases and provisions.

Section 9. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed or delivered until the County has held the requisite hearing and the Board of Supervisors of the County has approved the making of the Issuer Loan pursuant to Section 147(f) of the Code.

Section 10. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 19th day of March, 2020.

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 Issuer at a duly called meeting of the Board of Directors of said Issuer held in accordance with law on March 19, 2020.

By _____
Member, Board of Directors

ATTACHMENT I
PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, Tri-Valley Montessori School, a California nonprofit public benefit corporation (the “Borrower”), has provided the following required information to the California Enterprise Development Authority (the “Issuer”), as conduit financing provider, prior to the Issuer’s regular meeting on March 19, 2020 (the “Meeting”) of its Board of Directors (the “Board”) at which Meeting, the Board will consider the authorization of conduit revenue obligations in the aggregate principal amount not to exceed \$7,000,000 (the “Obligations”).

1. First Republic Bank, as a private placement lender, engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows:
 - A. The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Obligations (to the nearest ten-thousandth of one percent): 2.6707% (assuming an interest rate of 2.55%)
 - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$110,500
 - C. The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$6,889,500
 - D. The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$10,054,259.73
2. The good faith estimates provided above were based on the information which was presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of the issuance of the Obligations. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Issuer is authorized to make this document available to the public at the Meeting of the Issuer.

Staff Report

Action Requested	Approve Resolution 20-08 of the California Enterprise Development Authority Authorizing and Approving a Supplement to the Indenture Between the California Enterprise Development Authority and Wells Fargo Bank, National Association for the Benefit of the Hindu Community and Cultural Center, and Authorizing and Approving other Actions with Respect to Such Amendment.
Borrower(s)	Hindu Community and Cultural Center (HCCC)
Borrower Description	<p>Hindu Community and Cultural Center (HCCC) was established in 1977 with the goal of offering religious services to Hindu community. In the last 35 years, the HCCC has evolved into an established institution as a place of worship with the needed services for the community.</p> <p>The Shiva-Vishnu Temple is offering religious services for the Hindu community both at the temple and at the residence of devotees. HCCC also serves the community needs through human services, youth & education, and cultural events.</p> <p>This project is a reissuance of the California Enterprise Development Authority Variable Rate Revenue Bonds (The Hindu Community and Cultural Center Project) Series 2015. HCCC has used the proceeds of the Series 2015 Bonds to:</p> <ul style="list-style-type: none"> • Finance and refinance the cost of acquisition, construction, renovation and equipping of the Borrower’s community and cultural facilities located at 1200 - 1240 Arrowhead Avenue, Livermore, California 94551 and a non-contiguous parcel of approximately 4.00 acres on the east side of Arrowhead Avenue.
Public Benefits	The tax-exempt financing will allow Hindu Community and Cultural Center to realize savings that can be put into purchasing and rehabilitating real property.
Eligibility and Policy Review	<p>CEDA staff has reviewed the project. The proposed financing is eligible pursuant to state and federal law and addresses the objectives contained in CEDA’s Bond Issuance Policies and Procedures</p> <ul style="list-style-type: none"> ■ The Borrower is capable of meeting the obligations incurred under the financing documents; ■ The Payments to be made are adequate to pay the expenses of CEDA in connection with the financing and to pay debt service; and ■ Proposed financing is appropriate for the project.
Recommendation	Staff recommends approval 20-08 Resolution of the California Enterprise Development Authority Authorizing and Approving a Supplement to the Indenture Between the California Enterprise Development Authority and Wells Fargo Bank, National Association for the Benefit of the Hindu Community and Cultural Center, and Authorizing and Approving other Actions with Respect to Such Amendment.

RESOLUTION NO. 20-08

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AUTHORIZING AND APPROVING A SUPPLEMENT TO THE INDENTURE BETWEEN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AND WELLS FARGO BANK, NATIONAL ASSOCIATION FOR THE BENEFIT OF THE HINDU COMMUNITY AND CULTURAL CENTER, AND AUTHORIZING AND APPROVING OTHER ACTIONS WITH RESPECT TO SUCH SUPPLEMENT

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

WHEREAS, the Authority is authorized by the Agreement and the Act to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements, or enter into 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 Alameda (the “County”) is an associate member of the Authority; and

WHEREAS, in March 2015, the Authority adopted Resolution No. 13-53 (the “Resolution”) approving the issuance of its revenue bonds in an aggregate principal amount not to exceed \$4,630,000 for the benefit of The Hindu Community and Cultural Center, a California nonprofit public benefit corporation (the “Borrower”) for the purpose of refinancing the cost of acquisition, construction, installation, equipping and furnishing of the real property and improvements of the Borrower located at 1200 – 1240 Arrowhead Avenue, Livermore, California 94551 and a noncontiguous parcel of approximately 4.00 acres on the east side of Arrowhead Avenue (the “Project”) and paying certain costs of issuance in connection with the issuance of its revenue bonds; and

WHEREAS, pursuant to the Resolution, the Authority and Wells Fargo Bank, National Association, as trustee (the “Trustee”) entered into an Indenture of Trust, dated as of March 1, 2015, (the “Original Indenture”), providing for the issuance of up to \$4,630,000 aggregate principal amount of its Variable Rate Revenue Bonds (The Hindu Community and Cultural Center Project), Series 2015 (the “Bonds”); and

WHEREAS, the Authority and the Borrower entered into a Loan Agreement, dated as of March 1, 2013, pursuant to which the Authority loaned the proceeds of the Bonds to the Borrower for the purpose of, among other things, financing the Project; and

WHEREAS, all of the Bonds were sold to Wells Fargo Bank, National Association (the “Bank”) and the Bank is the sole holder of the Bonds; and

WHEREAS, the Borrower and the Bank desire to modify the terms of the Indenture through the execution of a First Supplement to Indenture of Trust (the “First Supplement”) and a First Amendment to Continuing Covenant Agreement, such that the Bonds are deemed to be “reissued” for federal income tax purposes (such reissued Bonds being herein referred to as the “Reissued Bonds”), and the Reissued Bonds are deemed to refinance the Project; and

WHEREAS, there has been filed with the Secretary of the Authority a proposed form of the First Supplement, by and between the Trustee and the Authority; and

WHEREAS, based on representations of the Borrower, the Project provides significant public benefits to the residents of the County and surrounding communities and the refinancing for the Borrower through the Authority will result in demonstrable savings in effective interest rate; and

WHEREAS, pursuant to Section 8.02 of the Original Indenture, the Original Indenture may be amended or supplemented by the Authority and the Trustee with the written consent of the Holders of a majority in aggregate principal amount of the Bonds Outstanding; and

WHEREAS, the Authority has determined to approve and authorize the execution of the First Supplement and to take and authorize certain other actions in connection with the foregoing;

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 by approving the issuance of the Reissued Bonds and the First Supplement.

Section 2. The Authority hereby approves the issuance of the Reissued Bonds. The proposed form of the First Supplement, between the Authority and the Trustee and approved by the Bank 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 First Supplement 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 Bond Counsel to the Authority, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The Authorized Signatories, each acting alone, are hereby authorized and directed to execute all documents, certificates and instruments necessary or appropriate to

accomplish the purposes of this Resolution which they or Bond Counsel to the Authority may deem necessary or advisable in order to effectuate the purposes of this Resolution.

Section 4. All actions heretofore taken by the officers and employees of the Authority with respect to the First Supplement are hereby approved, confirmed and ratified, and the officers and employees of the Authority are hereby authorized and directed, jointly and severally, to do any and all things and to effectuate the purposes of this Resolution.

Section 5. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed or delivered until the County has held the requisite hearing and has approved the issuance of the Reissued Bonds pursuant to Section 147(f) of the Code.

Section 6. 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 7. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 19th day of March, 2020.

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 March 19, 2020.

Michelle Stephens, Assistant Secretary