

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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

**10:30 A.M.
Thursday, September 7, 2017
Teleconference Phone Information
(712) 775-7031 - Conference Code: 895081223**

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

Action Items

1. Approve Minutes from the Regular Meetings on August 17, 2017 and August 24, 2017.
2. Approve Resolution No. 17-61 Authorizing the Issuance of the California Enterprise Development Authority Commercial Property Assessed Clean Energy (Pace-M1) Limited Obligation Improvement Bonds, Series 2017-2, 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.

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

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

California Association for Local Economic Development (contact Helen Schaubmayer) 550 Bercut Drive, Suite G Sacramento, CA 95811	City of Vista (contact Kevin Ham or Reception) 200 Civic Center Dr. Vista, CA 92084	Sacramento Municipal Utility District (contact Mather Kearney) 6301 S Street Sacramento, CA 95817
City of Santa Clarita (contact Jason Crawford or Marilyn Sourgose) 23920 Valencia Blvd., Suite 100 Santa Clarita, CA 91355	City of Lakeport (contact Margaret Silveira or Hilary Britton) 225 Park Street Lakeport, CA 95453	Los Angeles County Economic Development Corporation (LAEDC) (contact Carrie Rogers or Linden Johnson) 444 S. Flower St., 37 th Floor Los Angeles, CA 90071
County of Stanislaus (contact Keith Boggs or Sheryl Swartz) 1010 10 th Street Modesto, CA 95354	City of West Sacramento (contact Aaron Laurel or Polly Harris) 1110 West Capitol Avenue, 3 rd Floor West Sacramento, CA 95691	

This agenda can be obtained at 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

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CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

disabilities and by providing this notice and information in alternative formats when requested. If you need further assistance, you may contact us before the meeting at (916) 448-8252, ext. 16.

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

MINUTES
Regular Meeting
*****TELECONFERENCE MEETING *****
CEDA BOARD OF DIRECTORS
Thursday, August 17, 2017

Teleconference Locations

California Association for Local Economic Development (contact Helen Schaubmayer) 550 Bercut Drive, Suite G Sacramento, CA 95811	City of Vista (contact Kevin Ham or Reception) 200 Civic Center Dr. Vista, CA 92084	Sacramento Municipal Utility District (contact Mather Kearney) 6301 S Street Sacramento, CA 95817
City of Santa Clarita (contact Jason Crawford or Marilyn Sourgose) 23920 Valencia Blvd., Suite 100 Santa Clarita, CA 91355	City of Lakeport (contact Margaret Silveira or Hilary Britton) 225 Park Street Lakeport, CA 95453	Los Angeles County Economic Development Corporation (LAEDC) (contact Carrie Rogers or Linden Johnson) 444 S. Flower St., 37 th Floor Los Angeles, CA 90071
County of Stanislaus (contact Keith Boggs or Sheryl Swartz) 1010 10 th Street, Suite 5003 Modesto, CA 95354	City of West Sacramento (contact Aaron Laurel or Polly Harris) 1110 West Capitol Avenue, 3 rd Floor West Sacramento, CA 95691	

Call to Order

Gurbax Sahota, Board Chair of the California Enterprise Development Authority, called the meeting to order at 10:33 am.

Roll Call

Members Present: Mather Kearney
Aaron Laurel
Gurbax Sahota

CALED Management/Staff

Present: Jillian Boyd

Public: *Sam Balisy, Kutak Rock, LLC
Christine Padilla, Dividend Finance

*Joined Late

Statement of Disclosure

None

Action Items

1. Approve Minutes from the Regular Meetings on July 20, 2017.

Motion: Board Member Aaron Laurel made the motion to approve minutes from the Regular Meeting on July 20, 2017. Board Member Mather Kearney seconded the motion on the floor. The motion passed with the following roll call vote:

Mather Kearney	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye

2. Approve Resolution No. 17-53 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 the Cost of Acquiring, Improving, Installing, Equipping and Furnishing Certain Facilities for the Benefit of Child Care Resource Center, Inc. and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

Motion: Board Member Aaron Laurel made the motion to approve Resolution No. 17-53. Board Chair Gurbax Sahota seconded the motion on the floor. The motion passed with the following roll call vote:

Mather Kearney	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye

Discussion: Gurbax stated the staff report provided details regarding the project and confirmed that everyone had a chance to review and gave the opportunity to ask any questions.

3. Approve Resolution No. 17-54 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, Constructing, Developing, Installing, Improving, Equipping and Furnishing Certain Educational Facilities for the Benefit of Escuela Bilingue Internacional, Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

Motion: Board Member Mather Kearney made the motion to approve Resolution No. 17-54. Board Member Aaron Laurel seconded the motion on the floor. The motion passed with the following roll call vote:

Mather Kearney	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye

Discussion: Gurbax stated the staff report provided details regarding the project and confirmed that everyone had a chance to review and gave the opportunity to ask any questions.

4. Approve Resolution No. 17-55 Approving Associate Membership of the City of Berkeley in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.
5. Approve Resolution No. 17-56 Approving Associate Membership of the City of Cupertino in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.

6. Approve Resolution No. 17-57 Approving Associate Membership of the County of Glenn in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.

Motion: Board Member Aaron Laurel made the motion to approve Resolution No. 's 17-55 through 17-57. Board Member Mather Kearney seconded the motion on the floor. The motion passed with the following roll call vote:

Mather Kearney	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye

Discussion: Gurbax stated that all three of these jurisdictions are joining CEDA to participate in PACE program.

7. Approve Resolution No. 17-58 and Declaring Intention to Finance Installation of Distributed Generation Renewable Energy, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure, and Water Efficiency Improvements in the City of Berkeley
8. Approve Resolution No. 17-59 and Declaring Intention to Finance Installation of Distributed Generation Renewable Energy, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure, and Water Efficiency Improvements in the City of Cupertino.
9. Approve Resolution No. 17-60 and Declaring Intention to Finance Installation of Distributed Generation Renewable Energy, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure, and Water Efficiency Improvements in the County of Glenn.

Motion: Board Member Mather Kearney made the motion to approve Resolution No. 's 17-58 through 17-60. Board Member Aaron Laurel seconded the motion on the floor. The motion passed with the following roll call vote:

Mather Kearney	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye

Discussion: Gurbax stated this is the first step in a two-step process to join the PACE program.

Public Comment

Chair Report

PACE Report

Other Business

Adjournment

Motion: Board Member Aaron Laurel made the motion to adjourn the meeting. Board member Mather Kearney seconded the motion on the floor. Board Chair Gurbax Sahota adjourned the meeting at 10:42 am by voice vote.

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

MINUTES
Board Orientation Breakfast
Mission Inn Hotel & Spa
Riverside, CA
CEDA BOARD OF DIRECTORS
Thursday, August 24, 2017

Meeting Location

The Mission Inn Hotel & Spa
3649 Mission Avenue
Riverside, CA 92501

Call to Order

Gurbax Sahota, Board Chair of the California Enterprise Development Authority, called the meeting to order at 8:08am.

Roll Call

Members Present: Keith Boggs
Jason Crawford
Kevin Ham*
Mather Kearney
Aaron Laurel
Carrie Rogers
Gurbax Sahota
Margaret Silveira*

*Joined late

CALED Management/Staff

Present: Jillian Boyd
Kristy Nong
Helen Schaubmayer
Michelle Stephens

Public: Kelly Calhoun, City of Pleasant Hill
Jessica Gonzales, City of Anaheim
Michael Karlosky, Dividend Finance
Larry Kosmont, Kosmont Companies
Malinda Matson, Economic Development Administration
Mike Nuby, Southern California Edison
Jim Simon, RSG
Larry Vaupel, City of Redding
David Zehnder, Economic & Planning Systems

Board Orientation

Gurbax briefed the Board on the PACE program and the partnership with Dividend Finance. Gurbax mentioned the Figtree PACE program was acquired by Dividend Finance through a merger. Michael Karlosky briefed the Board on his background and his role at Dividend. Michael discussed the partnership with CEDA and Kutak Rock, LLC, CEDA's counsel. Michael provided background on the differences between PACE providers and what makes Dividend unique in the market. Michael updated the Board on a few issues in Kern County and Bakersfield.

Public Comment

Board members that work for municipalities expressed feeling caught between the CEDA PACE program and real estate agents and requested that marketing material be provided to educate the public on providers how our program is different from other providers. Michael also provided information on what kinds of improvements qualify for commercial PACE and how many commercial loans has CEDA completed. Michael shared within PACE, there is a lot of potential and the business is growing.

Adjournment

Motion: *Board Member Aaron Laurel made the motion to adjourn the meeting. Board member Jason Crawford seconded the motion on the floor. Board Chair Gurbax Sahota adjourned the meeting at 8:52 am.*

Staff Report

Action Requested	Approve Resolution No. 17-61 Authorizing the Issuance of the California Enterprise Development Authority Commercial Property Assessed Clean Energy (Pace-M1) Limited Obligation Improvement Bonds, Series 2017-2, 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.	
Project Description	The series of the bonds are in an amount not to exceed \$1,100,000. The proceeds of such bonds will be used to make property-assessed energy efficiency improvements to parcels within the PACE District.	
	The projects include:	
	Property Owner and Address	Description of Improvements being financed
	Golden Road Brewery 2210 E. Orangewood Avenue, Anaheim, CA 92806	Solar PV and New Roof
Public Benefits	<p>The Program seeks to provide multiple benefits to those property owners who are desirous of the following:</p> <ul style="list-style-type: none"> • Saving money by reducing their utility bill • Improving their residence or business • Promoting energy conservation • Stimulating the local economy <p>The Program provides a local stimulus to the economy through local energy conservation-related job creation.</p> <p>Added benefits include:</p> <ul style="list-style-type: none"> • Sales tax revenues from energy and water efficiency improvement installations • Fee revenues from permits issued for the Construction Work • Cleaner communities <p>For property owners, the benefits include:</p> <ul style="list-style-type: none"> • A no-money-down means of financing energy and water efficiency improvements • Fixed-rate assessment financing repaid and amortized up to 20 years • Financing without requiring a property appraisal <p>Reduced utility costs through energy efficiency improvements</p>	

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 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.• Proposed financing is appropriate for the project.
Recommendation	<p>Staff recommends approval of Resolution No. 17-61 Authorizing the Issuance of the California Enterprise Development Authority Commercial Property Assessed Clean Energy (Pace-M1) Limited Obligation Improvement Bonds, Series 2017-2, 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.</p>

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

RESOLUTION NO. 17-61

RESOLUTION AUTHORIZING THE ISSUANCE OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY (PACE-M1) LIMITED OBLIGATION IMPROVEMENT BONDS, SERIES 2017-2, 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

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

WHEREAS, the Authority is authorized by the Agreement and the Act to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements, or to enter into loan agreements in order to promote economic development; and

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

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

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

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

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

WHEREAS, the Authority desires at this time to provide for the funding of the Program by the authorization of the issuance of not to exceed \$1,100,000 California Enterprise Development Authority Commercial Property Assessed Clean Energy (PACE-M1) Limited Obligation Improvement Bonds, Series 2017-2 (the “2017-2 Bonds”) pursuant to that certain Master Indenture of Trust (the “Master Indenture”), by and between the Authority and Deutsche Bank National Trust Company, or another trustee designated by the Authority from time to time (the “Trustee”), and that certain Supplemental Indenture of Trust No. 9 (the “Supplemental Indenture No. 9” and, together with the Master Indenture, the “Indenture”) by and between the Authority and the Trustee, each on file with the Secretary of the Authority; and

WHEREAS, the Series 2017-2 Bonds shall be issued pursuant to Section 5898, et seq. of the California Streets and Highways Code and the Assessment District Act of 1915 (codified at California Streets and Highways Code Section 8500 et seq.); and

WHEREAS, the Series 2017-2 Bonds are secured by the assessments and each installment thereof (the “Assessment Installments”), including interest and penalties thereon, and the Assessment Liens shall constitute a lien against the Property on which they are recorded, until the same shall be paid; and

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

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

WHEREAS, the Series 2017-2 Bonds will be sold pursuant to the Bond Purchase Agreement to Figtree PACE Bond Holdings, LLC, a Delaware limited liability company, or its affiliate or assignee, as purchaser (the “Purchaser”).

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

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

Section 2. The Authority hereby authorizes the issuance of the Series 2017-2 Bonds in the principal amount not to exceed \$1,100,000 and the sale of the Series 2017-2 Bonds to the Purchaser pursuant to the terms of the Bond Purchase Agreement. The Series 2017-2 Bonds and the interest thereon shall be special, limited obligations of the Authority, and payment of the principal of, redemption premium, if any, and interest on, the Series 2017-2 Bonds shall be made solely from payment of assessment liens made by the property owners pursuant to their

assessment contracts and certain moneys held under the Indenture, and the Series 2017-2 Bonds shall not be deemed to constitute a general obligation of the Authority or of any member of the Authority or an obligation or commitment by the Authority to expend any of its funds other than from certain funds received from the payment of assessment liens by property owners.

Section 3. The Chair or the Vice Chair of the Board of Directors of the Authority (individually, an “Authorized Signatory” and, collectively, the “Authorized Signatories”), acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver Supplemental Indenture No. 9 and the Bond Purchase Agreement each in substantially the form filed with the Authority prior to this meeting, with such changes and insertions therein consistent with the stated terms of this Resolution as the Authorized Signatory executing the same, with the advice of the Authority’s counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The Authority hereby authorizes the issuance of the Series 2017-2 Bonds upon the terms as provided in the Master Indenture and Supplemental Indenture No. 9 in a principal amount of up to \$1,100,000. The Series 2017-2 Bonds shall mature not more than 20 years from the date of issuance thereof. The Series 2017-2 Bonds shall be payable as to interest on March 2 and September 2 commencing the first such date following the issuance thereof, with optional and mandatory redemption provisions of principal thereof as set forth in Supplemental Indenture No. 9.

Section 5. The interest rate on the Series 2017-2 Bonds shall not exceed 8.00% per annum. The costs of issuance and other Program expenses to be funded from the net available proceeds of the Series 2017-2 Bonds shall be in such amounts as provided in Supplemental Indenture No. 9 and a requisition signed by an Authorized Signatory.

Section 6. The Series 2017-2 Bonds shall be executed by the manual or facsimile signature of the Chair or the Vice Chair of the Board of Directors of the Authority and attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority in the form set forth in and otherwise in accordance with the Indenture.

Section 7. The Series 2017-2 Bonds, when so executed, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Series 2017-2 Bonds by executing the Trustee's Certificate of Authentication appearing thereon and to deliver the Bonds, when duly executed and authenticated, to the Purchaser, in accordance with written instructions executed on behalf of the Authority by any Authorized Signatory, which instructions said Authorized Signatory is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Series 2017-2 Bonds to the Purchaser in accordance with the Bond Purchase Agreement, upon payment of the purchase price thereof.

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

appropriate, not inconsistent with the terms of this Resolution and of the Indenture to effect the execution, authentication and delivery of the Bonds to the Purchaser, including, without limitation: giving the written order of the Authority for the authentication and delivery of the Bonds by the Trustee, furnishing of appropriate certificates, closing documents and other documents contemplated by this Resolution, the Master Indenture, Supplemental Indenture No. 9 or the Bond Purchase Agreement. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the documents and certificates contemplated by this Resolution.

Section 9. All approvals, assignments, consents, directions, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, including, without limitation, any of the foregoing which may be necessary or desirable in connection with any amendment of such documents, or any redemption, purchase or defeasance of the Series 2017-2 Bonds, may be given or taken by any Authorized Signatory, without further authorization by the Board of Directors of the Authority, and each Authorized Signatory is hereby authorized and directed to give any such approval, consent, direction, notice, order or request and to take any such action which such Authorized Signatory, with the advice of bond counsel and legal counsel to the Authority, may deem necessary or desirable to further the purposes of this Resolution.

Section 10. All actions of the officers, directors, employees and agents of the Authority in conformity with the purpose and intent of this Resolution and in furtherance of the issuance and sale of the Series 2017-2 Bonds, as contemplated by this Resolution and the documents referred to herein, whether heretofore or hereafter taken, shall be and are hereby ratified, confirmed and approved.

Section 11. The provisions of this Resolution are hereby declared to be separable, and if any action, phrase or provision is for any reason declared to be invalid, such declaration does not affect the validity of the remainder of the sections, phrases and provisions.

This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 7th day of September, 2017.

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY

By _____
Gurbax Sahota, Chair

By _____
Helen Schaubmayer, Assistant Secretary

CERTIFICATE

I, Helen Schaubmayer, Assistant Secretary of the California Enterprise Development Authority hereby certify the foregoing to be a full, true and correct copy of Resolution No. 17-61 of the Board of Directors of the California Enterprise Development Authority duly adopted at its meeting of September 7, 2017.

By _____
Helen Schaubmayer, Assistant Secretary