

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

REGULAR MEETING

TELECONFERENCE MEETING NOTICE and AGENDA LOCATIONS LISTED BELOW

10:30 A.M.

Thursday, January 9, 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 December 19, 2019.
2. Approve Resolution of the California Enterprise Development Authority Authorizing and Approving an Amended and Restated Master Loan Agreement Pursuant to which The California Enterprise Development Authority will be Deemed to “Reissue” a Loan in an Aggregate Amount Not to Exceed \$12,000,000 Originally Made for The Purpose of Financing Certain Educational Facilities Owned by The Rector, Wardens and Vestrymen of The Church of St. Matthew’s Parish, in San Mateo, California, Providing the Terms and Conditions for Such Amended and Restated Master 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
(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
(contact Keith Boggs or Sheryl Swartz)
1010 10th Street
GSA Purchasing – 5th Floor
GSA Director’s Office
Modesto, CA 95354

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
Sandra Barcnas)
1110 West Capitol Avenue, 3rd Floor
West Sacramento, CA 95691

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

This agenda can be obtained at <https://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, December 19, 2019

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 10:31 am.

Roll Call

Members Present:

Keith Boggs
Jason Crawford
Jessica Gonzales
Aaron Laurel
Gurbax Sahota
Margaret Silveira
Larry Vaupel

CALED Management/
Staff Present:

Michelle Stephens
Alphonse Wilfred

Public:

Sam Balisy, Kutak Rock

Statement of Disclosure

None

Action Items

1. Approve Consent Agenda.
 - a. Approve Minutes from the Regular Meeting on December 5, 2019.

Discussion: Gurbax mentioned that there needs to be more clarity for the audit portion of the

December 5th minutes. She wanted to amend the minutes to add the following language: in their (James Marta & Company) opinion, the financial statements referred to in the audit present fairly, in all material respects, the respective financial position of CEDA

Motion: *Board Member Margaret Silveira made the motion to approve the Minutes with amendments. Board Member Keith Boggs seconded the motion on the floor.*

The motion passed with the following roll call vote:

Keith Boggs	Aye
Jason Crawford	Aye
Jessica Gonzales	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye
Margaret Silveira	Aye
Larry Vaupel	Aye

2. Approve Resolution 19-74 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 & Refinancing The Cost of Acquiring, Developing, Constructing, Installing, Equipping and Furnishing Healthcare Facilities for the Benefit of Communicare Health Centers 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 discussed with the board that this is a \$6 million tax-exempt deal for financing and refinancing a building in Davis, California. Sam Balisy stated that the deal should be closed by January.

Motion: *Board Member Jason Crawford made the motion to approve Resolution 19-74. Board Member Aaron Laurel seconded the motion on the floor.*

The motion passed with the following roll call vote:

Keith Boggs	Aye
Jason Crawford	Aye
Jessica Gonzales	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye
Margaret Silveira	Aye
Larry Vaupel	Aye

3. Approve Resolution 19-75 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 Refinancing The Cost of Acquiring, Developing, Constructing, Installing, Equipping and Furnishing Healthcare Facilities for The Benefit of Communicare Health Centers 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 discussed with the board that this is a \$1.6 million tax-exempt deal for refinancing a building in Woodland, California. Sam Balisy stated that this is a refinancing project and consolidating loans.

Motion: *Board Member Aaron Laurel made the motion to approve Resolution 19-75. Board*

Member Margaret Silveira seconded the motion on the floor.

The motion passed with the following roll call vote:

Keith Boggs	Aye
Jason Crawford	Aye
Jessica Gonzales	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye
Margaret Silveira	Aye
Larry Vaupel	Aye

Public Comment

Chair Report

Gurbax had no report and Michelle said that there will be a meeting on Thursday, January 9, 2020 at 10:30am.

PACE Report

Other Business

Aaron asked Sam if they are doing a project with CommuniCare in West Sacramento. Sam said that they are still in the beginnings of a conversation, so not yet.

Adjournment

Motion: *Aaron Laurel made the motion to adjourn the meeting. Margaret Siveira seconded the motion on the floor. Gurbax Sahota adjourned the meeting at 10:43 am by voice vote.*

Staff Report

Action Requested	Approve 20-01 Resolution of the California Enterprise Development Authority Authorizing and Approving an Amended and Restated Master Loan Agreement Pursuant to which The California Enterprise Development Authority will be Deemed to “Reissue” a Loan in an Aggregate Amount Not to Exceed \$12,000,000 Originally Made for The Purpose of Financing Certain Educational Facilities Owned by The Rector, Wardens and Vestrymen of The Church of St. Matthew’s Parish, in San Mateo, California, Providing the Terms and Conditions for Such Amended and Restated Master Loan Agreement and Other Matters Relating Thereto Herein Specified.
Borrower(s)	The Rector, Wardens and Vestrymen of the Church of St. Matthew’s Parish
Borrower Description	<p>St. Matthew’s Episcopal Day School is located at 16 Baldwin Ave in San Mateo. The Church has been located at the site continuously since 1865. The Church established the School in 1953 and it has operated continuously since then. The School offers an enriched program with a balance of traditional and innovative methods.</p> <p>St. Matthew’s Day School is requesting to “reissue” \$12,000,000 in financing which was originally made in 2013 for the following reason:</p> <ul style="list-style-type: none"> • The construction, improvement and equipping of certain of Borrower’s preschool through eighth-grade educational facilities located at 16 Baldwin Avenue, San Mateo, California 94401
Public Benefits	The tax-exempt financing will allow The Rector, Wardens and Vestrymen of the Church of St. Matthew’s Parish 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 of 20-01 Resolution of the California Enterprise Development Authority Authorizing and Approving an Amended and Restated Master Loan Agreement Pursuant to which The California Enterprise Development Authority will be Deemed to “Reissue” a Loan in an Aggregate Amount Not to Exceed \$12,000,000 Originally Made for The Purpose of Financing Certain Educational Facilities Owned by The Rector, Wardens and Vestrymen of The Church of St. Matthew’s Parish, in San Mateo, California, Providing the Terms and Conditions for Such Amended and Restated Master Loan Agreement and Other Matters Relating Thereto Herein Specified.

RESOLUTION NO. 20 - 01

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AUTHORIZING AND APPROVING AN AMENDED AND RESTATED MASTER LOAN AGREEMENT PURSUANT TO WHICH THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY WILL BE DEEMED TO “REISSUE” A LOAN IN AN AGGREGATE AMOUNT NOT TO EXCEED \$12,000,000 ORIGINALLY MADE FOR THE PURPOSE OF FINANCING CERTAIN EDUCATIONAL FACILITIES OWNED BY THE RECTOR, WARDENS AND VESTRYMEN OF THE CHURCH OF ST. MATTHEW’S PARISH, IN SAN MATEO, CALIFORNIA, PROVIDING THE TERMS AND CONDITIONS FOR SUCH AMENDED AND RESTATED MASTER LOAN AGREEMENT AND OTHER MATTERS RELATING THERETO HEREIN SPECIFIED

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 City of San Mateo (the “City”) is an associate member of the Authority; and

WHEREAS, pursuant to the provisions of the Act, the Authority may, at its option, issue bonds or other evidences of indebtedness, rather than certificates of participation, and enter into a loan agreement; and

WHEREAS, in July 2013, pursuant to its Resolution No. 13-19, the Authority previously loaned to The Rector, Wardens and Vestrymen of the Church of St. Matthew’s Parish, in San Mateo, California (the “Borrower”), the aggregate principal amount of \$12,000,000 (the “Borrower Loan”), from the proceeds of a loan made to the Authority in the aggregate principal amount of \$12,000,000 (the “Authority Loan” and, together with the Borrower Loan, the “Loan”) by First Republic Bank (the “Lender”) pursuant to a Master Loan Agreement (the “Original Master Loan Agreement”), by and among the Lender, the Authority and the Borrower, which loan proceeds (net of issuance costs) were used by the Borrower to finance the construction,

improvement and equipping of certain of Borrower's preschool through eighth-grade educational facilities located at 16 Baldwin Avenue, San Mateo, California 94401 (the "Project"); and

WHEREAS, the terms of the Original Master Loan Agreement are being amended by the parties thereto, through the execution of an Amended and Restated Master Loan Agreement (as so amended and restated, the "Master Loan Agreement"), such that the Loan is deemed to be "reissued" for federal income tax purposes (such reissued Authority Loan being herein referred to as the "Reissued Authority Loan" and such reissued Borrower Loan being herein referred to as the "Reissued Borrower Loan" and, together with the Reissued Authority Loan, the "Reissued Loan"), and the Reissued Loan is deemed to refinance the Project; and

WHEREAS, there has been filed with the Secretary of the Authority a proposed form of the Master Loan Agreement, by and among the Lender, the Authority and the Borrower; and

WHEREAS, in accordance with the requirements of Section 147(f) of the Code and the Treasury Regulations thereunder, prior to the issuance of the Reissued Authority Loan, the City Council of the City has conducted a public hearing and adopted a resolution approving the "reissuance" of the Authority Loan in order to refinance the Project; and

WHEREAS, the Borrower is expected to provide significant benefits to the residents of the City and surrounding communities and will also create and retain employment opportunities for residents of the City and surrounding communities over the long term; and

WHEREAS, the refinancing 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;

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

Section 1. The Board hereby finds and determines that the foregoing recitals are true and correct. The Board finds that it is in the public interest to assist the Borrower in refinancing the Project.

Section 2. The Authority hereby approves of the issuance of the Reissued Authority Loan and the amendment and restatement of the Original Master Loan Agreement by entering into the Master Loan Agreement. The Authority understands that the payments under the Reissued Borrower Loan have been assigned to the Lender to satisfy the Authority's payments under the Reissued Authority Loan. The payments made by the Authority to the Lender under the Reissued Authority Loan are satisfied solely from payments made by the Borrower to the Lender (as assignee of Authority) under the Reissued Borrower Loan. The Reissued Authority Loan shall not be deemed to constitute a debt or liability of the State or any political subdivision thereof. The Reissued Authority Loan shall bear interest at the rate or rates set forth in the Master Loan Agreement.

Section 3. The proposed form of the Master Loan Agreement by and among the Authority, the Lender and the Borrower, on file with the Secretary of the Authority, is hereby approved in substantially the form presented to and considered at the meeting of the Board. 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 Master 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 Master Loan Agreement.

Section 4. The proposed form of the Omnibus Amendment to Loan Documents (the “Omnibus Agreement”) by and among the Authority, the Lender, the Borrower and The Day School Foundation, as guarantor of the Borrower, is hereby approved. Each of 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 Omnibus 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.

Section 5. 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 effectiveness of the Reissued Authority Loan and the Reissued Borrower Loan, 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 Project, any assignment by the Lender to an affiliate of the Lender or qualified institutional buyer or any prepayment of the Reissued Authority Loan and the Reissued Borrower Loan, may be given or taken by the Chair or the Vice Chair or any designee of either of them 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 6. All actions heretofore taken by the officials and agents of the Authority with respect to the Reissued Authority Loan and the Reissued Borrower Loan are hereby approved, confirmed and ratified, and the officials of the Authority 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 counsel may deem necessary or advisable in order to consummate the Reissued Borrower Loan and the Reissued 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 7. 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 January 9, 2020.

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY

By: _____
Gurbax Sahota, Chair

ATTEST:

By: _____
Michelle Stephens, Assistant Secretary