

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

REGULAR MEETING

TELECONFERENCE MEETING NOTICE and AGENDA

LOCATIONS LISTED BELOW

10:30 A.M.

Thursday, December 19, 2019

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 5, 2019.
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 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.
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.

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

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 Barcenas)
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

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

GSA Director's Office
Modesto, CA 95354

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 5, 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 10:30 am.

Roll Call

Members Present:

Keith Boggs
Jason Crawford
Jessica Gonzales
Mather Kearney (10:33)
Aaron Laurel
Gurbax Sahota
Margaret Silveira
Larry Vaupel (10:33)

CALED Management/
Staff Present:

Helen Schaubmayer
Michelle Stephens

Public:

Drew Sakaue, James Marta & Company LLP

Statement of Disclosure

None

Action Items

1. Approve Consent Agenda.
 - a. Approve Minutes from the Regular Meeting on November 21, 2019.

Motion: Board Member Margaret Silveira made the motion to approve the Consent Agenda. Board Member Aaron Laurel seconded the motion on the floor.

The motion passed by voice vote.

2. Review and Approve Audit and Audit Findings.

Discussion: Drew Sakauye, James Marta & Company, LLP presented the audit report to the Board and let them know that there were no issues with the audit.

Motion: Board Member Jason Crawford made the motion to approve the audit and audit findings. Board Member Jessica Gonzales seconded the motion on the floor.

The motion passed with the following roll call vote:

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

3. Approve Contribution to support Economic Development.

Discussion: Michelle Stephens gave the staff report and explained how the contribution would be used for CALED Conference Scholarships and that CEDA would be credited for providing the scholarships. Keith Boggs asked about the criteria for the scholarships. Gurbax Sahota mentioned that the main criteria was that the applicant be in a CEDA-member jurisdiction. She said that Michelle would send the application as well as past recipients to the Board.

Motion: Board Member Keith Boggs made the motion to approve the contribution. 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
Mather Kearney	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 may be a meeting needed next week but that she did not know for sure yet.

PACE Report

Peter was not on the line but Gurbax let the Board know that Dividend Finance is supporting the CALED conference as a lunch sponsor as well as doing a session.

Other Business

Adjournment

Motion: *Margaret Silveira made the motion to adjourn the meeting. Mather Kearney seconded the motion on the floor. Gurbax Sahota adjourned the meeting at 10:47 am by voice vote.*

Staff Report

Action Requested	Approve 19-74 Resolution 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.
Borrower(s)	CommuniCare Health Centers-Davis Property
Borrower Description	<p>CommuniCare Health Centers is a Federally Qualified Health Center providing health care to those in need since 1972. CommuniCare provides comprehensive health care services delivered by a dedicated team of providers and support staff through our clinic sites and outreach programs. Their goal is to develop and maintain a long-term, healing partnership with each of their patients, while ensuring the best possible health outcomes. Serving communities throughout the Yolo County region, CommuniCare provides health services for one in every eight residents of the area. Their services include primary medical and dental health care, behavioral health services, substance use treatment, health education and support services.</p> <p>CommuniCare Health Centers has requested \$6,000,000 in financing for the following reasons:</p> <ul style="list-style-type: none"> • Financing and refinancing the cost of the construction, installation, rehabilitation, renovation, equipping and furnishing of an approximately 13,200 square foot administrative and healthcare facility located at 2051 John Jones Road in Davis, California including all structures and improvements located thereon • Paying certain costs of issuance in connection with such financing
Public Benefits	The tax-exempt financing will allow CommuniCare 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 19-74 Resolution 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.

RESOLUTION NO. 19-74

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 ONE OR MORE LOANS FOR THE PURPOSE OF FINANCING AND 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

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 "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 Yolo (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, financing agreement or similar agreement for the purposes of promoting economic development; and

WHEREAS CommuniCare Health Centers, a California nonprofit public benefit corporation (the "Borrower"), has submitted an application to the Issuer requesting the Issuer to make one or more loans (collectively, the "Borrower Loan") in the aggregate principal amount not to exceed \$6,000,000 to the Borrower for the purpose of (i) financing and refinancing the cost of the construction, installation, rehabilitation, renovation, equipping and furnishing of an approximately 13,200 square foot administrative and healthcare facility located at 2051 John Jones Road, Davis, California 95616, including all structures and improvements located thereon

(collectively, the “Facilities”), and (ii) paying certain costs of issuance in connection with such financing; and

WHEREAS, the Issuer intends to use the proceeds of one or more tax-exempt loans from First Northern Bank of Dixon, a California state-chartered bank, or its successor (the “Lender”), to the Issuer (collectively, the “Issuer Loan Obligation” and together with the Borrower Loan, the “Loans”) to make the Borrower Loan; 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 (the “Loan Agreement”), by and among the Lender, the Issuer and the Borrower; and

(b) A proposed form of the Assignment Agreement (the “Assignment Agreement”), by and between the Issuer and the Lender; 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 and surrounding community through the healthcare services provided by the Borrower and, based on representations of the Borrower, the financing of the Facilities through the Issuer will result in demonstrable savings in effective interest rate; and

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Issuer, 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 Loan Obligation, 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 Obligation. The payments to be made by the Issuer to the Lender under the Issuer Loan Obligation will be satisfied solely from payments made by the Borrower to the Lender (as assignee of the 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 Obligation, 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 \$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 Loan Obligation 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 Obligation shall not be deemed to constitute a debt or liability of the State of California or any political subdivision thereof. The Issuer Loan Obligation 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 the Lender to an affiliate of the 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 Obligation 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 Obligation 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 County Board of Supervisors have approved the making of the Issuer Loan Obligation 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 December, 2019.

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 December 19, 2019.

Michelle Stephens, Assistant Secretary

Attachment I

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, CommuniCare Health Centers, 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 December 19, 2019 (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 \$6,000,000 (the “Obligations”).

1. First Northern Bank of Dixon, a California state-chartered 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): 2.3289%.
 - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$70,000.
 - 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: \$5,930,000.
 - 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): \$8,566,933.61.
2. The good faith estimates provided above were based on 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 19-75 Resolution 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.
Borrower(s)	CommuniCare Health Centers-Woodland Property
Borrower Description	<p>CommuniCare Health Centers is a Federally Qualified Health Center providing health care to those in need since 1972. CommuniCare provides comprehensive health care services delivered by a dedicated team of providers and support staff through our clinic sites and outreach programs. Their goal is to develop and maintain a long-term, healing partnership with each of their patients, while ensuring the best possible health outcomes. Serving communities throughout the Yolo County region, CommuniCare provides health services for one in every eight residents of the area. Their services include primary medical and dental health care, behavioral health services, substance use treatment, health education and support services.</p> <p>CommuniCare Health Centers has requested \$1,600,000 in financing for the following reasons:</p> <ul style="list-style-type: none"> • Refinancing the cost of acquiring, constructing, installing and equipping an approximately 21,000 square foot healthcare facility located at 215 West Beamer Street in Woodland, California, including all structures and improvements located thereon • Paying certain costs of issuance in connection with such refinancing
Public Benefits	The tax-exempt financing will allow CommuniCare 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 19-75 Resolution 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.

RESOLUTION NO. 19-75

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 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

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 “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 Yolo (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, financing agreement or similar agreement for the purposes of promoting economic development; and

WHEREAS CommuniCare Health Centers, a California nonprofit public benefit corporation (the “Borrower”), has submitted an application to the Issuer requesting the Issuer to make one or more loans (collectively, the “Borrower Loan”) in the aggregate principal amount not to exceed \$1,600,000 to the Borrower for the purpose of (a) refinancing the cost of acquiring, constructing, installing and equipping an approximately 21,000 square foot healthcare facility located at 215 West Beamer Street, Woodland, California 95695, including all structures and improvements located thereon (collectively, the “Facilities”) and (b) paying certain costs of issuance in connection with such refinancing; and

WHEREAS, the Issuer intends to use the proceeds of one or more tax-exempt loans from First Northern Bank of Dixon, a California state-chartered bank, or its successor (the “Lender”), to the Issuer (collectively, the “Issuer Loan Obligation” and, together with the Borrower Loan, the “Loans”) to make the Borrower Loan; 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 (the “Loan Agreement”), by and among the Lender, the Issuer and the Borrower; and

(b) A proposed form of the Assignment Agreement (the “Assignment Agreement”), by and between the Issuer and the Lender; 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 and surrounding community through the healthcare services provided by the Borrower and, based on representations of the Borrower, the refinancing of the Facilities through the Issuer will result in demonstrable savings in effective interest rate; and

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Issuer, 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 Obligation, 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 Obligation. The payments to be made by the Issuer to the Lender under the Issuer Loan Obligation will be satisfied solely from payments made by the Borrower to the Lender (as assignee of the 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 Obligation, 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 \$1,600,000 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 Obligation 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 Obligation shall not be deemed to constitute a debt or liability of the State of California or any political subdivision thereof. The Issuer Loan Obligation 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 the Lender to an affiliate of the 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 Obligation 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 Obligation 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 County Board of Supervisors have approved the making of the Issuer Loan Obligation 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 December, 2019.

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 December 19, 2019.

Michelle Stephens, Assistant Secretary

Attachment I

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, CommuniCare Health Centers, 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 December 19, 2019 (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 \$1,600,000.00 (the “Obligations”).

1. First Northern Bank of Dixon, a California state-chartered 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): 2.4867%.
 - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$50,000.
 - 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: \$1,550,000.
 - 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): \$2,210,803.63.
2. The good faith estimates provided above were based on 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.