

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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

10:30 A.M.

Thursday, January 31, 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 January 17, 2019.
2. Approve Resolution No. 19-18 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 facilities for the benefit of Orangewood Foundation and/or a Related or Successor Entity and authorizing the execution of certain documents and other matters related thereto.

### 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)  
180 Promenade Cir., Room 386  
Sacramento, CA 95834

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  
Stephanie Givans)  
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<sup>th</sup> Floor  
Los Angeles, CA 90071

County of Stanislaus  
(contact Keith Boggs or Sheryl  
Swartz)  
1010 10<sup>th</sup> Street, Room 5003  
Modesto, CA 95354

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

This agenda can be obtained at [www.ceda.caed.org](http://www.ceda.caed.org). The California Enterprise Development Authority complies with the Americans with Disabilities Act (ADA) by ensuring that the facilities are accessible to persons with disabilities and by providing this notice and information in alternative formats when requested. If you need further assistance, you may contact us before the meeting at (916) 448-8252, ext. 16.

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

**MINUTES**  
**Regular Meeting**  
**\*\*\*TELECONFERENCE MEETING \*\*\***  
**CEDA BOARD OF DIRECTORS**  
**Thursday, January 17, 2019**

**Teleconference Locations**

California Association for Local  
Economic Development  
(contact Helen Schaubmayer)  
2150 River Plaza Drive  
Sacramento, CA 95833

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  
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

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(contact Carrie Rogers or  
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County of Stanislaus  
(contact Keith Boggs or Sheryl  
Swartz)  
1010 10<sup>th</sup> Street, Suite 5003  
Modesto, CA 95354

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

**Call to Order**

Gurbax Sahota, Board Chair of the California Enterprise Development Authority, called the meeting to order at 10:31am.

**Roll Call**

Members Present: Keith Boggs  
Jason Crawford  
Mather Kearney  
Aaron Laurel  
Carrie Rogers  
Gurbax Sahota

CALED Management/Staff

Present: Helen Schaubmayer

Public: Sam Balisy, Kutak Rock  
Peter Grabell, Dividend Finance  
Jacob Roth, Dividend Finance

**Statement of Disclosure**

None

**Action Items**

1. Approve Consent Agenda.

**Motion:** Board Member Keith Boggs made the motion to approve the Consent Agenda. Board Member Jason Crawford seconded the motion on the floor.

*The motion passed with the following roll call vote:*

Keith Boggs	Aye
Jason Crawford	Aye

Mather Kearney	Aye
Aaron Laurel	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye

2. Approve Resolution No. 19-03 Authorizing the Issuance and Sale of California Enterprise Development Authority Revenue Bonds (The Berkeley Repertory Theatre Project), Series 2019, for the Purpose of Financing and Refinancing Facilities for the Benefit of The Berkeley Repertory Theatre, a California Nonprofit Public Benefit Corporation, and/or a Related or Successor Entity; Providing the Terms and Conditions for the Sale and Issuance of Said Bonds and Other Matters Relating Thereto and Authorizing the Execution of Certain Documents Herein Specified.

**Discussion:** Helen briefed the board that The Berkeley Repertory Theatre was founded in 1968 and is known for its high-quality productions of new work and adaptations of the classics performed in its 400-seat Peet’s Theatre and its 600-seat Roda Theatre. Annually, over 200,000 people attend its productions and 21,000 students benefit from its educational programs. The Berkeley Repertory Theatre requests the Authority to issue Revenue Bonds in the aggregate principal amount not to exceed \$40,000,000 to refinance outstanding debt incurred by the Borrower used to finance and refinance the costs related to theatrical, educational and administrative facilities located at 2015, 2025 and 2071 Addison Street, Berkeley. Funding will also be used to finance the related costs for an approximately 47,794 square foot, 7-story live/work building consisting of 45 apartment units to house visiting artists, fellowship program participants and/or theatre professionals, classroom space, loading and backstage space.

**Motion:** Board Member Carrie Rogers made the motion to approve Resolution No. 19-03. 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
Mather Kearney	Aye
Aaron Laurel	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye

Board Chair Gurbax Sahota opened the public hearing portion. After hearing no comments, Gurbax closed the public hearing portion.

**Public Hearing (Action Items 3 through 10)**

3. Approve Resolution No. 19-04 of the California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming the Report Regarding the Establishment of a Contractual Assessment Program to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure and Water Efficiency Improvements; Confirming Assessments to be Levied Within the Parameters of the Report; and Taking Certain Other Actions in the City of Blue Lake.
4. Approve Resolution No. 19-05 of the California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming the Report Regarding the Establishment of a Contractual Assessment Program to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure and Water Efficiency Improvements; Confirming Assessments to be Levied Within the Parameters of the Report; and Taking Certain Other Actions in the City of Colton.

5. Approve Resolution No. 19-06 of the California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming the Report Regarding the Establishment of a Contractual Assessment Program to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure and Water Efficiency Improvements; Confirming Assessments to be Levied Within the Parameters of the Report; and Taking Certain Other Actions in the City of Duarte.
6. Approve Resolution No. 19-07 of the California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming the Report Regarding the Establishment of a Contractual Assessment Program to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure and Water Efficiency Improvements; Confirming Assessments to be Levied Within the Parameters of the Report; and Taking Certain Other Actions in the City of Marysville.
7. Approve Resolution No. 19-08 of the California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming the Report Regarding the Establishment of a Contractual Assessment Program to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure and Water Efficiency Improvements; Confirming Assessments to be Levied Within the Parameters of the Report; and Taking Certain Other Actions in the City of Moorpark.
8. Approve Resolution No. 19-09 of the California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming the Report Regarding the Establishment of a Contractual Assessment Program to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure and Water Efficiency Improvements; Confirming Assessments to be Levied Within the Parameters of the Report; and Taking Certain Other Actions in the City of Redondo Beach.
9. Approve Resolution No. 19-10 of the California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming the Report Regarding the Establishment of a Contractual Assessment Program to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure and Water Efficiency Improvements; Confirming Assessments to be Levied Within the Parameters of the Report; and Taking Certain Other Actions in the City of Torrance.
10. Approve Resolution No. 19-11 of the California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming the Report Regarding the Establishment of a Contractual Assessment Program to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure and Water Efficiency Improvements; Confirming Assessments to be Levied Within the Parameters of the Report; and Taking Certain Other Actions in the City of West Covina.

**Discussion:** Helen briefed the Board this is the final step in the two-step process to join the PACE program.

**Motion:** Board Member Jason Crawford made the motion to approve Resolution No's 19-04 – 19-11. 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

Mather Kearney	Aye
Aaron Laurel	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye

11. Rescind Resolution 14-126 and Declaring Intention to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, and Water Efficiency Improvements in the City of Monrovia.
12. Rescind Resolution 16-75 and Declaring Intention to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, and Water Efficiency Improvements in the City of Sausalito.

**Discussion:** Peter Grabell with Dividend Finance provided a staff report for the rescission item numbers 11 through 21. The rescissions are due to a clean-up effort taken on between Dividend and Kutak where issues were found on some resolutions approved by the CEDA board in the past. Examples of such issues include notices being run in the wrong paper, for only one week rather than two, or incomplete date entered on the resolution. The rescinded resolutions and newly-approved resolutions will properly onboard these jurisdictions in the PACE program. Board member Keith Boggs stated that there a lot of rescissions and asked why and is there an appropriate QA going forward. Peter replied that some go back three years and were never dealt with from previous staff. Some issues were related to staff changes and are now being rectified properly going forward. Board Chair Gurbax Sahota stated that approval of rescissions will be grouped based on similar verbiage as these have changed over the years based on PACE offerings.

**Motion:** Board Member Carrie Rogers made the motion to rescind Resolution No's 14-126 and 16-75. Board Member Jason Crawford seconded the motion on the floor.

*The motion passed with the following roll call vote:*

Keith Boggs	Aye
Jason Crawford	Aye
Mather Kearney	Aye
Aaron Laurel	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye

13. Rescind Resolution No. 18-12 of the California Enterprise Development Authority 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 Milpitas.
14. Rescind Resolution No. 18-84 of the California Enterprise Development Authority 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 Moreno Valley.
15. Rescind Resolution No. 18-27 of the California Enterprise Development Authority 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 Point Arena.
16. Rescind Resolution No. 17-113 of the California Enterprise Development Authority 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 Sunnyvale.

**Motion:** Board Member Mather Kearney made the motion to rescind Resolution No's 18-12, 18-84, 18-27, and 17-113. 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
Mather Kearney	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye

17. Rescind Resolution No. 18-37 of the California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming the Report Regarding the Establishment of a Contractual Assessment Program to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure and Water Efficiency Improvements; Confirming Assessments to be Levied Within the Parameters of the Report; and Taking Certain Other Actions in the City of Milpitas.
18. Rescind Resolution No. 15-01 of The Board Of Directors Of The California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming The Report Regarding the Establishment of a Contractual Assessment Program To Finance Distributed Generation Renewable Energy Sources and Energy and Water Efficiency Improvements; Confirming Assessments To Be Levied Within The Parameters Of The Report; and Taking Certain Other Actions in the City of Monrovia.
19. Rescind Resolution No. 18-92 of the California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming the Report Regarding the Establishment of a Contractual Assessment Program to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure and Water Efficiency Improvements; Confirming Assessments to be Levied Within the Parameters of the Report; and Taking Certain Other Actions in the City of Moreno Valley.
20. Rescind Resolution No. 16-82 of The Board Of Directors Of The California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming The Report Regarding the Establishment of a Contractual Assessment Program To Finance Distributed Generation Renewable Energy Sources and Energy and Water Efficiency Improvements; Confirming Assessments To Be Levied Within The Parameters Of The Report; and Taking Certain Other Actions in the City of Sausalito.
21. Rescind Resolution No. 18-66 of the California Enterprise Development Authority Making Certain Findings and Determinations in Connection with and Confirming the Report Regarding the Establishment of a Contractual Assessment Program to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, Seismic Retrofits, Electric Vehicle Charging Infrastructure and Water Efficiency Improvements; Confirming Assessments to be Levied Within the Parameters of the Report; and Taking Certain Other Actions in the City of Sunnyvale.

**Motion:** *Board Member Keith Boggs made the motion to rescind Resolution No's 18-37, 15-01, 18-92, 16-82, and 18-66. Board Member Jason Crawford seconded the motion on the floor.*

*The motion passed with the following roll call vote:*

Keith Boggs	Aye
Jason Crawford	Aye
Mather Kearney	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye

22. Approve Resolution No. 19-12 of the California Enterprise Development Authority Declaring Intention to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, and Water Efficiency Improvements in the City of Monrovia.
23. Approve Resolution No. 19-13 of the California Enterprise Development Authority Declaring Intention to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency, and Water Efficiency Improvements in the City of Sausalito.

**Discussion:** Helen briefed the Board that these actions put the jurisdictions of the rescinded resolutions back in the process of joining the PACE program. The resolution of intention is the first step in the two-step process to join the PACE program.

**Motion:** Board Member Keith Boggs made the motion to approve Resolution No's 19-12 and 19-13. Board Member Jason Crawford seconded the motion on the floor.

*The motion passed with the following roll call vote:*

Keith Boggs	Aye
Jason Crawford	Aye
Mather Kearney	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye

24. Approve Resolution No. 19-14 of the California Enterprise Development Authority 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 Milpitas.
25. Approve Resolution No. 19-15 of the California Enterprise Development Authority 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 Moreno Valley.
26. Approve Resolution No. 19-16 of the California Enterprise Development Authority 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 Point Arena.
27. Approve Resolution No. 19-17 of the California Enterprise Development Authority 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 Sunnyvale.

**Motion:** Board Member Aaron Laurel made the motion to approve Resolution No's 19-14 – 19-17. Board Chair Gurbax Sahota seconded the motion on the floor.

*The motion passed with the following roll call vote:*

Keith Boggs	Aye
Jason Crawford	Aye
Mather Kearney	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye

**Public Comment**

**Chair Report**

Gurbax Sahota provided an update on annual debt reporting required by the Treasurer's office for bond issuances. CEDA passed on this responsibility to the borrower to complete this detailed report and sent the notice out to applicable borrowers. There were many questions and concerns expressed to CEDA partners and even some of the partners have difficulty in completing the form. Gurbax will request a deadline extension from the Treasurer's office and additional training as well as push back on the reporting requirements for small-sized issuers like CEDA. Sam Balisy added that CEDA obligations use a bank which monitors the payments and use of funds from the project. It is also unclear how this burdensome reporting will be used.

**PACE Report**

Peter Grabell stated that Dividend Finance is increasing C-PACE staff, internal and external sales staff, and expects to increase the number of C-PACE issuances this year.

**Other Business**

**Adjournment**

**Motion:** *Board Member Jason Crawford made the motion to adjourn the meeting. Board Member Aaron Laurel seconded the motion on the floor. Board Chair, Gurbax Sahota adjourned the meeting at 10:56 am by voice vote.*



## Staff Report

<b>Action Requested</b>	Approve Resolution No. 19-18 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 facilities for the benefit of Orangewood Foundation and/or a Related or Successor Entity and authorizing the execution of certain documents and other matters related thereto.
<b>Borrower(s)</b>	Orangewood Foundation
<b>Borrower Description</b>	<p>Orangewood Foundation provides support to over 2,000 current and former foster children throughout Orange County. Its programs focus on four areas: basic needs, housing, life skills &amp; employment, and education. The Foundation's headquarters are located in Santa Ana where it conducts its administrative and grant writing programs. Additionally, this location houses a drop-in center for transitional age youth (18-24) that provides job training, access to computers, showers, laundry facilities, a kitchen, a clothing closet, and case management. Web site: <a href="https://orangewoodfoundation.org/">https://orangewoodfoundation.org/</a></p> <p>Orangewood Foundation requests the Authority to make one or more loans in the aggregate principal amount not to exceed \$1,170,000 to refinance the cost of the acquisition, construction, installation, equipping and furnishing of facilities containing approximately 22,340 square feet of space and located at 1575 and 1615 E. 17th Street, Santa Ana, California and to pay costs of issuance in connection with the financing.</p>
<b>Public Benefits</b>	The tax-exempt financing will allow Orangewood Foundation to put realized savings back into their operations.
<b>Eligibility and Policy Review</b>	<p>CEDA staff has reviewed the project. The proposed financing is eligible pursuant to state and federal law and addresses the objectives contained in CEDA's Bond Issuance Policies and Procedures</p> <ul style="list-style-type: none"> <li>■ The Borrower is capable of meeting the obligations incurred under the financing documents;</li> <li>■ The Payments to be made are adequate to pay the expenses of CEDA in connection with the financing and to pay debt service;</li> <li>■ Proposed financing is appropriate for the project.</li> </ul>
<b>Recommendation</b>	Staff recommends approval of Resolution No. 19-18 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 facilities for the benefit of Orangewood Foundation and/or a Related or Successor Entity and authorizing the execution of certain documents and other matters related thereto.

## RESOLUTION NO. 19-18

### 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 FACILITIES FOR THE BENEFIT OF ORANGEWOOD FOUNDATION 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 "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 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 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 Santa Ana (the "City") is an associate member of the Authority and is authorized to acquire and dispose of property, both real and personal; and

**WHEREAS**, pursuant to the provisions of the Act, the Authority may, at its option, issue bonds, rather than certificates of participation, and enter into a loan agreement, financing agreement or similar agreement for the purposes of promoting economic development; and

**WHEREAS** Orangewood Foundation, a California nonprofit public benefit corporation (the "Borrower"), has submitted an application to the Authority requesting the Authority to make one or more loans (collectively, the "Borrower Loan") in the aggregate principal amount not to exceed \$1,170,000 to the Borrower for the purpose of (a) refinancing the cost of the acquisition, construction, installation, equipping and furnishing of facilities containing approximately 22,340 square feet of space and located at 1575 and 1615 E. 17th Street, Santa Ana, California, (the "Facilities") and (b) paying certain costs of issuance in connection with such financing; and

**WHEREAS**, the Authority intends to use the proceeds of one or more tax-exempt loans from Farmers and Merchants Bank of Long Beach or its successor (the “Lender”), to the Authority (collectively, the “Authority Loan” and, together with the Borrower Loan, the “Loans”) to make the Borrower Loan; and

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

(a) A proposed form of Loan Agreement (the “Loan Agreement”), by and among the Lender, the Authority and the Borrower; and

(b) A proposed form of Assignment Agreement (the “Assignment Agreement”), by and between the Authority 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 Authority by the Borrower based on a good faith estimates by the Lender; and

**WHEREAS**, the Facilities provide significant benefits to the residents of the City through the services provided by the Borrower and, based on representations of the Borrower, the financing of the Facilities through the Authority will result in demonstrable savings in effective interest rate; and

**WHEREAS**, the Council of the City is scheduled to hold a public hearing and adopt a resolution approving the Authority Loan to refinance the Facilities pursuant to Section 147(f) of the Code on February 5, 2019 (the “City Approval”).

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of the Authority, as follows:

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

**Section 2.** Subject to the City Approval, the Authority hereby approves of the entering into the Authority 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 Authority understands that the payments under the Borrower Loan will be assigned to the Lender to satisfy the Authority’s payments under the Authority Loan. The payments to be made by the Authority to the Lender under the Authority Loan will be satisfied solely from payments made by the Borrower to the Lender (as assignee of the Authority) under the Borrower Loan.

**Section 3.** The proposed form of the Loan Agreement, by and among the Lender, the Authority and the Borrower, on file with the Secretary of the Authority, is hereby approved. The Chair or the Vice Chair of the Board of Directors (individually, an “Authorized Signatory” and, collectively, the “Authorized Signatories”), acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Loan Agreement in substantially the form filed with the Authority prior to this meeting, with such changes and insertions therein consistent with the stated terms of this Resolution as the Authorized Signatory

executing the same, with the advice of counsel to the Authority, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the Loan Agreement.

**Section 4.** The proposed form of the Assignment Agreement, by and between the Authority and the Lender, on file with the Secretary of the Authority, is hereby approved. Each Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Assignment Agreement in substantially the form filed with the Authority prior to this meeting, with such changes and insertions therein consistent with the stated terms of this Resolution as the Authorized Signatory executing the same, with the advice of counsel to the Authority, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the Assignment Agreement.

**Section 5.** Subject to the City Approval, the Authority approves the Authority 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 \$1,170,000 in accordance with the terms of and to be secured by the Loan Agreement. Repayment of the principal of, premium, if any, and the interest on, the Authority Loan shall be made solely from the revenues to be received by the Authority from the Borrower Loan pursuant to the Loan Agreement, and the Authority Loan shall not be deemed to constitute a debt or liability of the State of California or any political subdivision thereof. The Authority Loan shall bear interest at the rate or rates set forth in the Loan Agreement.

**Section 6.** All assignments, consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the borrowing of amounts from the Lender and the making of the Borrower Loan to the Borrower, any of the foregoing which may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Facilities, any assignment by 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 Authority, and such officers are hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officers may deem necessary or desirable to further the purposes of this Resolution.

**Section 7.** All actions heretofore taken by the officials and agents of the Authority with respect to the Authority Loan and the Borrower Loan are hereby approved, confirmed and ratified, and the officials of the Authority and their authorized designees are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all certificates, agreements and documents, including, without limitation, a tax certificate and agreement, which they or the Authority's counsel or the Lender's counsel may deem necessary or advisable in order to consummate the Borrower Loan and the Authority Loan and otherwise to effectuate the purposes of this Resolution, and the Secretary or Assistant Secretary of the Authority is authorized to attest the execution of such certificates, agreements and documents.

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

**Section 9.** Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed or delivered until the City has held the requisite hearing and has approved the issuance of the Authority 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 31<sup>th</sup> day of January, 2019.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

Attest:

By \_\_\_\_\_  
Helen Schaubmayer, 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 January 31, 2019.

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Helen Schaubmayer, Assistant Secretary

## Attachment I

### PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, Orangewood Foundation, a California nonprofit public benefit corporation (the “Borrower”), has provided the following required information to the California Enterprise Development Authority (the “Authority”), as conduit financing provider, prior to the Authority’s regular meeting on January 31, 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 \$1,170,000.00 (the “Obligations”).

1. Farmers and Merchants Bank of Long Beach, as private placement lender, engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows (as further detailed in Schedule A attached hereto):
  - 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): 4.1587%.
  - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$15,151.00.
  - 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: \$1,154,849.00.
  - 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): \$1,406,915.89.
2. The good faith estimates provided above were based on the information in Schedule A 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 Authority is authorized to make this document available to the public at the Meeting of the Authority.

## SCHEDULE A

Principal Amount of Obligations	\$1,170,000.00
Interest Rate on Obligations	3.75%
Estimated Costs of Issuance	\$15,151.00
Maturity Date	March 1, 2029
First Payment Date	March 1, 2019