

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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

10:30 A.M.

Thursday, December 20, 2018

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 6, 2018.
2. Approve Resolution No. 18-117 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 Educational Facilities for the Benefit of Wilshire Boulevard Temple, and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

Chair Report PACE Report Other Business Adjournment

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

California Association for Local
Economic Development
(contact Helen Schaubmayer)
550 Bercut Drive, Suite G
Sacramento, CA 95811

City of Vista
(contact Kevin Ham or
Reception)
200 Civic Center Dr.
Vista, CA 92084

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

City of Santa Clarita
(contact Jason Crawford or
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., 37th Floor
Los Angeles, CA 90071

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

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

This agenda can be obtained at www.ceda.caed.org. The California Enterprise Development Authority complies with the Americans with Disabilities Act (ADA) by ensuring that the facilities are accessible to persons with 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.

550 Bercut Drive, Suite G, Sacramento, CA 95811 • (916) 448-8252, ext. 16

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

MINUTES
Regular Meeting
*****TELECONFERENCE MEETING *****
CEDA BOARD OF DIRECTORS
Thursday, December 6, 2018

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Call to Order

Gurbax Sahota, Board Chair of the California Enterprise Development Authority, called the meeting to order at 10:30am.

Roll Call

Members Present: Jason Crawford
Carrie Rogers
Gurbax Sahota
Margaret Silveira

CALED Management/Staff

Present: Helen Schaubmayer

Public: Jessica Shaham, Kutak Rock

Statement of Disclosure

None

Action Items

1. Approve Consent Agenda.

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

The motion passed with the following roll call vote:

Jason Crawford	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye
Margaret Silveira	Aye

2. Approve Resolution No. 18-115 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 Educational Facilities for the Benefit of Wildwood School, Inc., and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

Discussion: Helen briefed the board that Wildwood School, Inc. is a fully-accredited coeducational, private school in West Los Angeles that has been in operation since 1971. Currently, it has around 740 students enrolled in grades K-12 with the student body divided into multi-age classes. Wildwood School, Inc. requests the Authority to facilitate the issuance of revenue obligations in an aggregate principal amount not to exceed \$17,000,000 to finance and refinance costs related to educational facilities located at 12201 Washington Place, Los Angeles and at 11811 Olympic Boulevard, Los Angeles.

Motion: Board Member Margaret Silveira made the motion to approve Resolution No. 18-115. Board Member Carrie Rogers seconded the motion on the floor.

The motion passed with the following roll call vote:

Jason Crawford	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye
Margaret Silveira	Aye

3. Approve Resolution No. 18-116 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 of Certain Facilities for the Benefit of St. Paul’s Episcopal Home, Inc., St. Paul’s Retirement Homes Foundation, St. Paul’s Villa, Inc. and Community Eldercare of San Diego, and/or A Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

Discussion: Helen briefed the board that since 1960, St. Paul’s Senior Homes & Services has been dedicated to serving the physical, spiritual and social needs of the elderly and community. St. Paul’s provides independent living and skilled nursing communities as well as an intergenerational day care program and Program of All-inclusive Care for the Elderly (PACE). This financing allows St. Paul’s to add a third service location in El Cajon (San Diego County) for its PACE Program. St. Paul’s Episcopal Home, Inc. and its affiliates request the Authority to make one or more loans in the aggregate principal amount not to exceed \$4,950,000 for reimbursing costs related to eldercare and related facilities located at 1306 Broadway, El Cajon.

Motion: Board Member Carrie Rogers made the motion to approve Resolution No. 18-116. Board Member Jason Crawford seconded the motion on the floor.

The motion passed with the following roll call vote:

Jason Crawford	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye
Margaret Silveira	Aye

Public Comment

Chair Report

Gurbax Sahota provided an update that the office will move at the end of the year into temporary space as the new office tenant improvements will take between 90 and 120 days from contract signature. Helen briefed the Board that there will be a CEDA meeting on December 20th.

PACE Report

Other Business

Adjournment

Motion: *Board Member Margaret Silveira made the motion to adjourn the meeting. Board Member Jason Crawford seconded the motion on the floor. Board Chair, Gurbax Sahota adjourned the meeting at 10:38 am by voice vote.*

Staff Report

Action Requested	Approve Resolution No. 18-117 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 Educational Facilities for the Benefit of Wilshire Boulevard Temple, 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)	Wilshire Boulevard Temple
Borrower Description	<p>Founded in 1862 under a different name, but renamed to Wilshire Boulevard Temple (WBT) in 1929, the temple is one of the oldest and highly-respected reform Jewish congregations in the country. WBT has two locations to serve communities in the Los Angeles area: the historic Erika J. Glazer Family Campus in Wilshire Center/Koreatown and the Audrey and Sydney Irmas Campus in West Los Angeles. Both campuses offer services and worship, adult programs, life cycle events, volunteer and social action opportunities, as well as cultural and educational events with many of the cultural activities open to the wider public. A final phase in the temple's master building plans is the Audrey Irmas Pavilion which will be an inspiring gathering place for the entire community. Web site: https://www.wbtla.org/</p> <p>Wilshire Boulevard Temple requests that the Authority facilitate the issuance of revenue obligations in an aggregate principal amount not to exceed \$50,000,000 to finance the design, development, construction, improvement and equipping of the Audrey Irmas Pavilion located at 3643 Wilshire Boulevard, Los Angeles, California 90010-2798 (corner of South Harvard Boulevard and Wilshire Boulevard) consisting of an approximately 55,000 square foot cultural facility with a grand ballroom, meeting and conference rooms, performance spaces, a rooftop garden, and a catering kitchen and for paying costs of issuance.</p>
Public Benefits	The tax-exempt financing will allow Wilshire Boulevard Temple to put realized savings back into their operations.
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; ■ Proposed financing is appropriate for the project.
Recommendation	Staff recommends approval of Resolution No. 18-117 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 Educational Facilities for the Benefit of Wilshire Boulevard Temple, 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. 18-117

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 THE COST OF ACQUIRING, DEVELOPING, CONSTRUCTING, INSTALLING, EQUIPPING AND FURNISHING EDUCATIONAL FACILITIES FOR THE BENEFIT OF WILSHIRE BOULEVARD TEMPLE, 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 Los Angeles, California (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 Wilshire Boulevard Temple (or a successor or related entity) (the "Borrower"), a California nonprofit religious corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), has requested that the Authority facilitate the issuance of revenue obligations in an aggregate principal amount not to exceed \$50,000,000 (the "Obligations"), the proceeds of which are to be loaned to the Borrower to (a) finance the design, development, construction, improvement and equipping of the Audrey Irmas Pavilion on the real property located at 3643 Wilshire Boulevard, Los Angeles, California 90010-2798 (corner of South Harvard Boulevard and Wilshire Boulevard) consisting

of an approximately 55,000 square foot cultural facility with a grand ballroom, meeting and conference rooms, performance spaces, a rooftop garden, and a catering kitchen (together, 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 First Republic Bank or its successor (the “Lender”), to the Authority (collectively, the “Authority Loan”) 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 each City and surrounding community through the cultural 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;

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 financing the Facilities.

Section 2. 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. 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 \$50,000,000 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 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 the respective City Council of each City has approved the making 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 20th day of December, 2018.

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 December 20, 2018.

Helen Schaubmayer, Assistant Secretary

Attachment I

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, Wilshire Boulevard Temple, a California nonprofit religious 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 December 20, 2018 (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 \$50,000,000 (the “Obligations”).

1. First Republic Bank, as private placement lender, engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows:
 - A. The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Obligations (to the nearest ten-thousandth of one percent): 3.4631%.
 - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$320,425 (which includes the lender’s origination fee of \$165,000 and the Authority’s issuer fee of \$35,000).
 - 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: \$49,679,575.
 - 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): \$72,429,088.
2. The good faith estimates provided above were based on the information in Schedule I 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.