

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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

10:30 A.M.
Thursday, April 11, 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 March 14, 2019.
 - b. Approve Resolution No. 19-31 Approving Associate Membership by the City of Sacramento in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to the Associate Membership of the City in the Authority.
 - c. Approve Resolution No. 19-32 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 Sacramento.
2. Approve Resolution No. 19-33 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 Academy of Our Lady of Peace, 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 No. 19-34 of the California Enterprise Development Authority Making Determinations With Respect to the Financing of Facilities for the Benefit of 30831 Huntwood Avenue LLC, Nanoscale Combinatorial Synthesis, Inc, and/or a Related Entity and Declaring its Intent to Reimburse Certain Expenditures from Proceeds of Indebtedness and Authorizing Related Actions.
4. Approve Resolution No. 19-35 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 Loyola High School of Los Angeles, and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.
5. Approve contract extension for James Marta & Associates to conduct the CEDA annual audit for fiscal years 2018-2019 and 2019-2020.

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

Public Hearing (Action Items 6 and 7)

6. Approve Resolution No. 19-36 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 Vallejo.
7. Approve Resolution No. 19-37 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 Victorville.

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)
2150 River Plaza Drive, Suite 275
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 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
Sandra Barcenas)
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.

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

MINUTES
Regular Meeting
*****TELECONFERENCE MEETING*****
CEDA BOARD OF DIRECTORS
Thursday, March 14, 2019

Teleconference Locations

California Association for Local
Economic Development
(contact Helen Schaubmayer)
2150 River Plaza Dr. Suite 275
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1010 10th Street, Suite 5003
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, Board Chair of the California Enterprise Development Authority, called the meeting to order at 10:30am.

Roll Call

Members Present: Jason Crawford
Keith Boggs
Mather Kearney
Gurbax Sahota
Kevin Ham*

*Joined late

CALED Management/Staff

Present: Helen Schaubmayer

Public: Sam Balisy, Kutak Rock

Statement of Disclosure

None

Action Items

1. Approve Consent Agenda.
 - a. Approve Minutes from the Regular Meeting on February 28, 2019.

Motion: Board Member Kevin Ham made the motion to approve the Consent Agenda. 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
Kevin Ham	Aye
Mather Kearney	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye

2. Approve Resolution No. 19-30 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 Research Facilities for the Benefit of La Jolla Institute For Immunology, 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 La Jolla Institute for Immunology is a non-profit biomedical research institute dedicated to improving human health and fighting disease through cutting-edge immunology research. Founded in 1988, the Institute recently ranked among the top five immunology research organizations in the world. Twenty-three faculty members and 300 employees work on and support efforts to analyze how immune system functioning influences a broad array of disorders—from rheumatoid arthritis to infectious disease to cancer. La Jolla Institute for Immunology requests that the Authority facilitate the issuance of revenue obligations in an aggregate principal amount not to exceed \$10,000,000 to finance costs related to real property and improvements, consisting of the purchase of scientific research equipment and its installation. Sam Balisy with Kutak Rock stated that this deal came from our partners at First Republic Bank.

Motion: *Board Member Jason Crawford made the motion to approve Resolution No. 19-30. Board Member Kevin Ham seconded the motion on the floor.*

The motion passed with the following roll call vote:

Jason Crawford	Aye
Kevin Ham	Aye
Mather Kearney	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye

Public Comment

Chair Report

Board Chair Gurbax Sahota stated that one of CEDA’s partners, Kirk Dowdell, informed her that one of the largest CEDA deals, Great Park Ice in Irvine, has recently celebrated its grand opening and might be of interest to the CEDA board to tour while they are nearby at the CALED conference. Kirk served as the financial advisor on this project.

PACE Report

Other Business

Adjournment

Motion: *Board Member Keith Boggs 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 10:36 am by voice vote.*

Staff Report

Actions Requested	Approve Resolution No. 19-31 Approving Associate Membership by the City of Sacramento in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to the Associate Membership of the City in the Authority.
Public Benefits	Adoption of Resolution No. 19-31 will allow CEDA to issue bonds and other tax-exempt financings within the City of Sacramento. CEDA's issuance costs and ongoing annual fees are competitive and/or lower than other conduit issuers. The savings realized by borrowers using CEDA conduit-financing programs can then be used to further expand the underlying business and/or hire additional employees.
Recommendation	Staff recommends approval of Resolution No. 19-31 Approving Associate Membership by the City of Sacramento in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to Associate Membership of the Cities in the Authority.

RESOLUTION NO. 19-31

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

RESOLUTION APPROVING ASSOCIATE MEMBERSHIP BY THE CITY OF SACRAMENTO IN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AND THE EXECUTION OF AN ASSOCIATE MEMBERSHIP AGREEMENT RELATING TO ASSOCIATE MEMBERSHIP OF THE CITY IN THE AUTHORITY

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 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, pursuant to Section 2.10 of the Agreement, a local agency may be admitted as an associate member of the Authority upon approval of the Board of Directors of the Authority and the adoption by the legislative body of the local agency of a resolution approving an Associate Membership Agreement; and

WHEREAS, the City of Sacramento (the “Public Entity”) desires to join the Authority and has passed the requisite resolution approving the Public Entity becoming an associate member of the Authority and has approved an Associate Membership Agreement (the “Associate Membership Agreement”); and

WHEREAS, the Board of Directors desires to admit the Public Entity into the Authority as an associate member;

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

Section 1. The Public Entity is hereby admitted as a new associate member of the Authority.

Section 2. The Chair or the Vice Chair of the Board of Directors is hereby authorized to execute the Associate Membership Agreement with the Public Entity. All actions heretofore taken by the officers, or their respective designees, employees and agents of the Authority in connection with the Authority’s entry into the Associate Membership Agreement with the Public Entity are hereby ratified and confirmed.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 11th of April 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 April 11th, 2019.

Helen Schaubmayer, Assistant Secretary

Staff Report

Action Requested	Approve Resolution No. 19-32 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 Sacramento.
Project Background	<p>The State of California, like many other states, declared its intention to promote green initiatives. On July 21, 2008, the State legislature passed AB 811 (commonly known as PACE or Property Assessed Clean Energy legislation) and other interpretative bills to facilitate energy and water efficiency retrofits to existing buildings.</p> <p>Ultimately, legislation provided a mechanism, which allowed property owners to consent to assessment of their property to pay for capital improvements for energy and water efficiency and installation of renewable energy generators (e.g. solar photovoltaic panels, fuel cells, small wind turbines).</p> <p>The California Property Assessed Clean Energy Program (“California PACE Program”) was developed by Figtree Energy Resource Company to provide a financing mechanism and template for a municipal energy and water efficiency program.</p> <p>It is necessary for CEDA to declare its intention to commence assessment district proceedings within the jurisdictions, which have approved the California PACE Program. The adoption of the Resolution of Intention is the first step in a two-step process necessary for the implementation of CEDA’s California PACE Program in the participating member jurisdictions. These Resolutions declare the intention of the Board of Directors to form an assessment district in order to cause the financing of energy and water efficiency improvements within the boundaries of participating public agencies. Also, these Resolutions (i) direct Figtree Energy Resource Company, administrator of the California PACE Program, to prepare and file with the Board of Directors, a program report in compliance with California Streets and Highways Code and (ii) set May 23, 2019 for the public hearing required for the formation of the assessment district.</p> <p>After the public hearing, the Board of Directors of CEDA will be presented with a resolution of formation for the creation of the assessment district. At that time, the Board of Directors will determine whether to proceed with financing on the terms and conditions presented.</p>
Recommendation	Staff recommends approval of Resolution No. 19-32 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 Sacramento.

RESOLUTION NO. 19-32

RESOLUTION 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 SACRAMENTO

WHEREAS, the California Enterprise Development Authority (“CEDA”) is a joint powers authority organized and existing pursuant to the Joint Exercise of Powers Act (Government Code Section 6500 et seq.) and that certain Joint Exercise of Powers Agreement (the “Agreement”) dated as of June 1, 2006, among the cities of Eureka, Lancaster and Selma; and

WHEREAS, CEDA is authorized under the Agreement and Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California and in accordance with Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California (“Chapter 29”) to authorize assessments to finance the installation of distributed generation renewable energy sources, energy efficiency, and water efficiency improvements that are permanently fixed to real property (“Authorized Improvements”); and

WHEREAS, CEDA has obtained authorization from the City of Sacramento (the “City”) to conduct assessment proceedings and to enter into contractual assessments to finance the installation of Authorized Improvements within the jurisdictional boundaries of the City pursuant to Chapter 29; and

WHEREAS, CEDA desires to declare its intention to establish a Figtree PACE program (“Figtree PACE”) in the City, pursuant to which CEDA, subject to certain conditions set forth below, would enter into contractual assessments to finance the installation of Authorized Improvements in the City.

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

Section 1. Findings. The Board of Directors hereby finds and determines the following:

- (a) The above recitals are true and correct and are incorporated herein by this reference.
- (b) Energy and water conservation efforts, including the promotion of Authorized Improvements to residential, commercial, industrial, or other real property, are necessary to address the issue of global climate change and the reduction of greenhouse gas emissions in the City.
- (c) The upfront cost of making residential, commercial, industrial, or other real property more energy and water efficient, along with the fact that most commercial loans for that purpose are due on the sale of the property, prevents many property owners from installing Authorized Improvements.

- (d) A public purpose will be served by establishing a contractual assessment program, to be known as Figtree PACE, pursuant to which CEDA will finance the installation of Authorized Improvements to residential, commercial, industrial, or other real property in the City.

Section 2. Determination of Public Interest. The Board of Directors hereby determines that (a) it would be convenient, advantageous, and in the public interest to designate an area, which shall encompass the entire geographic territory within the boundaries of the City, within which CEDA and property owners within the City may enter into contractual assessments to finance the installation of Authorized Improvements pursuant to Chapter 29 and (b) it is in the public interest for CEDA to finance the installation of Authorized Improvements in the City pursuant to Chapter 29.

Section 3. Identification of Authorized Improvements. CEDA hereby declares its intention to make contractual assessment financing available to property owners to finance installation of Authorized Improvements, including but not limited to those improvements detailed in the Report described in Section 8 hereof (the “Report”), as that Report may be amended from time to time.

Section 4. Identification of Boundaries. Contractual assessments may be entered into by property owners located within the entire geographic territory of the City.

Section 5. Proposed Financing Arrangements. Under Chapter 29, CEDA may issue bonds, notes or other forms of indebtedness (the “Bonds”) pursuant to Chapter 29 that are payable by contractual assessments. Division 10 (commencing with Section 8500) of the Streets & Highways Code of the State (the “Improvement Bond Act of 1915”) shall apply to any indebtedness issued pursuant to Chapter 29, insofar as the Improvement Bond Act of 1915 is not in conflict with Chapter 29. The creditworthiness of a property owner to participate in the financing of Authorized Improvements will be based on the criteria developed by Figtree Energy Financing (the “Program Administrator”) upon consultation with Figtree PACE Program underwriters or other financial representatives, CEDA general counsel and bond counsel, and as shall be approved by the Board of Directors of CEDA. In connection with indebtedness issued under the Improvement Bond Act of 1915 that is payable from contractual assessments, serial and/or term improvement bonds or other indebtedness shall be issued in such series and shall mature in such principal amounts and at such times (not to exceed 20 years from the second day of September next following their date), and at such rate or rates of interest (not to exceed the maximum rate permitted by applicable law) as shall be determined by Board of Directors at the time of the issuance and sale of the indebtedness. The provisions of Part 11.1 of the Improvement Bond Act of 1915 shall apply to the calling of the bonds. It is the intention of CEDA to create a special reserve fund for the bonds under Part 16 of the Improvement Bond Act of 1915. Neither CEDA, nor any of its members participating in the Figtree PACE Program, shall advance available surplus funds from its treasury to cure any deficiency in the redemption fund to be created with respect to the indebtedness; provided, however, that this determination shall not prevent CEDA or any of its members from, in their sole discretion, so advancing funds. The Bonds may be refunded under Division 11.5 of the California Streets and Highways Code or other applicable laws permitting refunding, upon the conditions specified by and upon determination of CEDA.

CEDA hereby authorizes the Program Administrator, upon consultation with CEDA general counsel, bond counsel and the Figtree PACE underwriter, to commence preparation of documents and take necessary steps to prepare for the issuance of bonds, notes or other forms of indebtedness as authorized by Chapter 29.

In connection with the issuance of bonds payable from contractual assessments, CEDA expects to obligate itself, through a covenant with the owners of the bonds, to exercise its foreclosure rights with respect to delinquent contractual assessment installments under specified circumstances.

Section 6. Public Hearing. Pursuant to the Act, CEDA hereby orders that a public hearing be held before CEDA Board (the “Board”), at 2150 River Plaza Drive, Suite 275, Sacramento, CA 95833, on Thursday, May 23, 2019, at 10:30 AM, for the purposes of allowing interested persons to object to, or inquire about, the proposed Figtree PACE Program. The public hearing may be continued from time to time as determined by the Board for a time not exceeding a total of 180 days.

At the time of the hearing, the Report described in Section 8 hereof shall be summarized, and the Board shall afford all persons who are present an opportunity to comment upon, object to, or present evidence with regard to the proposed Figtree PACE Program, the extent of the area proposed to be included within the boundaries of the assessment district, the terms and conditions of the draft assessment contract described in Section 8 hereof (the “Contract”), or the proposed financing provisions. Following the public hearing, CEDA may adopt a resolution confirming the Report (the “Resolution Confirming Report”) or may direct the Report’s modification in any respect, or may abandon the proceedings.

The Board hereby orders the publication of a notice of public hearing once a week for two successive weeks. Two publications in a newspaper published once a week or more often, with at least five days intervening between the respective publication dates not counting such publication dates, are sufficient. The period of notice will commence upon the first day of publication and terminate at the end of the fourteenth day. The first publication shall occur not later than 20 days before the date of the public hearing.

Section 7. Notice to Water and Electric Providers. Pursuant to Section 5898.24 of the Streets & Highways Code, written notice of the proposed contractual assessment program within the City to all water and electric providers within the boundaries of the City has been provided.

Section 8. Report. The Board hereby directs the Program Administrator to prepare the Report and file said Report with the Board at or before the time of the public hearing described in Section 6 hereof containing all of the following:

- a) A map showing the boundaries of the territory within which contractual assessments are proposed to be offered, as set forth in Section 4 hereof.
- b) A draft contractual assessment contract (the “Contract”) specifying the terms and conditions of the agreement between CEDA and a property owner within the City.

- c) A statement of CEDA's policies concerning contractual assessments including all of the following:
 - (1) Identification of types of Authorized Improvements that may be financed through the use of contractual assessments.
 - (2) Identification of the CEDA official authorized to enter into contractual assessments on behalf of CEDA.
 - (3) A maximum aggregate dollar amount of contractual assessments.
 - (4) A method for setting requests from property owners for financing through contractual assessments in priority order in the event that requests appear likely to exceed the authorization amount.
- d) A plan for raising a capital amount required to pay for work performed in connection with contractual assessments. The plan may include the sale of a bond or bonds or other financing relationship pursuant to Section 5898.28 of Chapter 29. The plan (i) shall include a statement of, or method for determining, the interest rate and time period during which contracting property owners would pay any assessment, (ii) shall provide for any reserve fund or funds, and (iii) shall provide for the apportionment of all or any portion of the costs incidental to financing, administration and collection of the contractual assessment program among the consenting property owners and CEDA.
- e) A report on the results of the discussions with the City Auditor-Controller described in Section 10 hereof, concerning the additional fees, if any, that will be charged to CEDA for inclusion of the proposed contractual assessments on the general property tax roll of the City, and a plan for financing the payment of those fees.

Section 9. Nature of Assessments. Assessments levied pursuant to Chapter 29, and the interest and any penalties thereon, will constitute a lien against the lots and parcels of land on which they are made, until they are paid. Unless otherwise directed by CEDA, the assessments shall be collected in the same manner and at the same time as the general taxes of the City on real property are payable, and subject to the same penalties and remedies and lien priorities in the event of delinquency and default.

Section 10. Consultations with City Auditor-Controller. CEDA hereby directs the Program Administrator to enter into discussions with the City Auditor-Controller in order to reach agreement on what additional fees, if any, will be charged to CEDA for incorporating the proposed contractual assessments into the assessments of the general taxes of the City on real property.

Section 11. Preparation of Current Roll of Assessment. Pursuant to Section 5898.24(c), CEDA hereby designates the Program Administrator as the responsible party for annually preparing the current roll of assessment obligations by assessor's parcel number on property subject to a voluntary contractual assessment.

Section 12. Procedures for Responding to Inquiries. The Program Administrator shall establish procedures to promptly respond to inquiries concerning current and future estimated liability for a voluntary contractual assessment.

Section 13. Effective Date. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 11th day of April, 2019.

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY

By: _____
Gurbax Sahota, Chair

ATTEST:

Helen Schaubmayer, Assistant Secretary

Staff Report

Action Requested	Approve Resolution No. 19-33 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 Academy of Our Lady of Peace, 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)	Academy of Our Lady of Peace
Borrower Description	<p>Academy of Our Lady of Peace is an all-girls college preparatory day school for girls in grades 9 through 12. The Academy enrolls around 750 girls and is located on a 22-acre campus in San Diego's North Park neighborhood. Founded in 1882, the Academy is San Diego's oldest continually operating high school. In addition to the Academy's college-prep program, it offers a Science, Technology, Engineering, and Mathematics (STEM) certification, access to online courses, requires 85 hours of service, and provides opportunities for service learning immersions and cultural trips, among various other activities.</p> <p>Web site: https://www.aolp.org/</p> <p>Academy of Our Lady of Peace has requested that the Authority facilitate the issuance of revenue obligations in an aggregate principal amount not to exceed \$20,000,000 to finance and refinance the acquisition, construction, renovation, installation, equipping and furnishing of educational facilities located on the Borrower's approximately 22-acre campus at 4860 Oregon Street, 2710, 2728, 2736 and 2746 Copley Avenue, 2544 and 2604 Collier Avenue, and 4910 Uvada Place, San Diego, California 92116, consisting of classroom, a science and innovation center, a performing arts center (including a 240-seat theater, student performance and practice areas, private and group studios and faculty offices), parking facilities and other educational facilities and paying certain costs of issuance.</p>
Public Benefits	The tax-exempt financing will allow Academy of Our Lady of Peace to complete renovation, improvement, and construction projects at a lower cost, enabling them to put savings back into their programs.
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. 19-33 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 Academy of Our Lady of Peace, 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. 19-33

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 EDUCATIONAL FACILITIES FOR THE BENEFIT OF ACADEMY OF OUR LADY OF PEACE, 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 County of San Diego, California (the "County") 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 Academy of Our Lady of Peace (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 \$20,000,000 (the "Obligations"), the proceeds of which are to be loaned to the Borrower to (a) finance and refinance the acquisition, construction, renovation, installation, equipping and furnishing of educational facilities located on the Borrower's approximately 22-acre

campus at 4860 Oregon Street, 2710, 2728, 2736 and 2746 Copley Avenue, 2544 and 2604 Collier Avenue, and 4910 Uvada Place, San Diego, California 92116, consisting of classroom, a science and innovation center, a performing arts center (including a 240-seat theater, student performance and practice areas, private and group studios and faculty offices), parking facilities and other ancillary educational facilities (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 and/or taxable loans from Umpqua 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 the County and surrounding community through the educational services conducted 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 \$20,000,000 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 County has held the requisite hearing and the Board of Supervisors of the County 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 11th day of April, 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 April 11, 2019.

Helen Schaubmayer, Assistant Secretary

Attachment I

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, Academy of Our Lady of Peace, 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 March 14, 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 \$20,000,000 (the “Obligations”).

1. Umpqua 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): 3.2548%.
 - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$352,500 (which includes the lender’s origination fee of \$50,000 and the Authority’s issuer fee of \$37,500).
 - 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: \$19,647,500.
 - 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): \$28,592,296.67.
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 Authority is authorized to make this document available to the public at the Meeting of the Authority.

Staff Report

Action Requested	Approve Resolution No. 19-34 of the California Enterprise Development Authority Making Determinations With Respect to the Financing of Facilities for the Benefit of 30831 Huntwood Avenue LLC, Nanoscale Combinatorial Synthesis, Inc, and/or a Related Entity and Declaring its Intent to Reimburse Certain Expenditures from Proceeds of Indebtedness and Authorizing Related Actions.
Borrower(s)	30831 Huntwood Avenue LLC (Borrower) / Nanoscale Combinatorial Synthesis, Inc. dba Nanosyn (Occupant)
Borrower Description	<p>Nanosyn is a privately-held chemistry-based enterprise headquartered in Santa Clara and founded in 1998 by a group of industry experts specializing in the design, synthesis, and analysis of small molecule organic compounds for the pharmaceutical industry. In 2003 and 2004, two of Nanosyn's patents were issued and the company uses this technology to generate revenue and to continually develop leading technology based upon automation, robotics, and computational techniques. Web site: http://nanosyn.com/</p> <p>Nanosyn requests that the Authority facilitate the issuance of revenue obligations in an aggregate principal amount not to exceed \$9,000,000 to finance the purchase and improvements, including ADA compliance and purchase and installation of equipment and reactors, of the manufacturing facility in Hayward. This 35,000 square-foot property on a 1.88-acre lot will be used to supplement two existing laboratories in Santa Clara and Santa Rosa. The site's improvements are anticipated to be completed by January 2021 and initial hires are expected to be 9 employees with the capacity to employ up to 50 employees.</p>
Public Benefits	The tax-exempt financing will allow Nanosyn to purchase property at lower financing costs allowing them to develop and manufacturing life-saving medicines at the facility.
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	Resolution No. 19-34 of the California Enterprise Development Authority Making Determinations With Respect to the Financing of Facilities for the Benefit of 30831 Huntwood Avenue LLC, Nanoscale Combinatorial Synthesis, Inc, and/or a Related Entity and Declaring its Intent to Reimburse Certain Expenditures from Proceeds of Indebtedness and Authorizing Related Actions.

RESOLUTION NO. 19-34

A RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY MAKING DETERMINATIONS WITH RESPECT TO THE FINANCING OF FACILITIES FOR THE BENEFIT OF 30831 HUNTWOOD AVENUE LLC, NANOSCALE COMBINATORIAL SYNTHESIS, INC, AND/OR A RELATED ENTITY AND DECLARING ITS INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS AND AUTHORIZING RELATED ACTIONS

WHEREAS, pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, (commencing with Section 6500) (the "Act"), the Cities of Selma, Lancaster and Eureka, have entered into a Joint Powers Agreement, dated as of June 1, 2006 (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 in order to promote economic development, including specifically bonds issued for the purposes contained in the California Industrial Development Financing Act (constituting Title 10 of the California Government Code) (the "Financing Act") pursuant to Section 6547.7 of the Act; and

WHEREAS, 30831 Huntwood Avenue LLC, a California limited liability company, Nanoscale Combinatorial Synthesis, Inc., a California corporation, and/or a related or successor entity (collectively, the "Borrower") are each duly organized and existing under the laws of the State of California (the "State"), are each duly qualified to do business in the State, and, under their respective organizational documents, the Borrower is authorized to undertake the acquisition, construction, rehabilitation, equipping, furnishing and financing of buildings and facilities; and

WHEREAS, the Borrower has requested the Authority's assistance in financing and refinancing, through the use of tax-exempt and/or taxable obligations (the "Obligations"), (1) the purchase of the real property located at 30831 Huntwood Avenue, Hayward, California 94544 (the "Property"), (2) the rehabilitation and improvement of the Property; (3) the purchasing and installing of equipment and furnishings for use at the Property; (4) payment of capitalized interest with respect to the Obligations, and (5) payment of certain costs of issuance in connection with the Obligations (collectively, the "Project"); and

WHEREAS, the Borrower expects to pay certain expenditures (the "Reimbursable Expenditures") in connection with the Project prior to the issuance by the Authority of the Obligations for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, pursuant to Resolution 06-01 adopted by the Board of Directors on July 14, 2006, the Chair of the Board of Directors executed a reimbursement certificate, dated February

13, 2019 (the “Reimbursement Certificate”) for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations; and

WHEREAS, subject to the satisfaction of the conditions to the issuance of the Obligations set forth in this Resolution, the Authority reasonably expects that Obligations in an aggregate amount not expected to exceed \$9,000,000 will be issued to finance the costs of the Project and that certain of the proceeds of the Obligations will be used to reimburse the Reimbursable Expenditures;

NOW, THEREFORE, the Board of Directors of the California Enterprise Development Authority does resolve as follows:

Section 1. This Resolution is adopted for purposes of ratifying the execution of the Reimbursement Certificate and establishing compliance with the Act and the Financing Act. This Resolution does not bind the Authority to make any expenditure, incur any indebtedness, or proceed with the financing of the Project.

Section 2. Based on the representations of the Borrower, the Board of Directors of the Authority hereby finds and determines:

a. That the use of the Project for manufacturing purposes is in accord with Section 91503 of the Financing Act;

b. That the use of the Project is likely to produce employment benefits by securing or increasing the number of employees of the Borrower and any other direct users of the Project or the compensation for such employment;

c. That the issuance of the Obligations by the Authority in the amount sufficient to finance all or a portion of the cost of the Project is likely to be a substantial factor in the accrual of each of such public benefits from the use of the Project; and

d. That the proposed financing of the Project is otherwise in accord with the purposes and requirements of the Financing Act.

Section 3. The Board of Directors of the Authority hereby declares its reasonable official intent to use proceeds of the Obligations to finance the costs of the Project and to reimburse the Borrower for the Reimbursable Expenditures.

Section 4. In no event shall the Obligations constitute a pledge of the faith and credit of the State or any political corporation, subdivision or agency of the State, including the members of the Authority, and neither the State nor any political corporation, subdivision or agency of the State, including the members of the Authority, shall be liable to make any appropriation for the repayment of the Obligations. The Obligations shall constitute a special, limited obligation of the Authority payable solely from the revenues or other sources provided for in a loan agreement and proceedings to be provided for hereafter.

Section 5. The issuance of the Obligations is subject to the following conditions: (a) the Authority and the Borrower shall have first agreed to mutually acceptable terms for the

Obligations and mutually acceptable terms and conditions of the loan agreement or other financing agreement, tax regulatory agreement and other related documents for the issuance of the Obligations, (b) all requisite governmental approvals shall have first been obtained, and (c) a resolution approving the financing documents to which the Authority will be a party shall have been adopted by the Board of Directors of the Authority.

Section 6. The Chair of the Board of Directors of the Authority is hereby requested and authorized to file such information with the California Debt Limit Allocation Committee (the “Committee”) as may be required for the Authority to receive volume cap allocation from the Committee for the Obligations.

Section 7. All actions heretofore taken by the officers, or their respective designees, employees and agents of the Authority in connection with the financing of the Project are hereby ratified and confirmed. The officers and their designees, employees and agents of the Authority are hereby authorized to take any and all actions in connection with the financing of the Project and as may be necessary and consistent with the purposes of this Resolution.

Section 8. This Resolution shall take effect from and after its adoption.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the California Enterprise Development Authority at its meeting thereof held April 11, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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 April 11, 2019.

By _____
Helen Schaubmayer, Assistant Secretary

Staff Report

Action Requested	Approve contract extension for James Marta & Associates to conduct the CEDA annual audit for fiscal years 2018-2019 and 2019-2020.
Staff Discussion	<p>Staff recommends a two-year contract extension with James Marta & Associates to conduct the CEDA annual audit for the fiscal years 2018-2019 and 2019-2020.</p> <p>James Marta & Associates consistently provides a high-quality product and does an exceptional job with CEDA's audit. Additionally, James Marta & Associates has a strong familiarity with CEDA's PACE program, particularly with the complicated residential PACE bank accounts and processes.</p>
Recommendation	Staff recommends approval of the contract extension for James Marta & Associates to conduct the CEDA annual audit for fiscal years 2018-2019 and 2019-2020.

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

Date: April 11, 2019
To: Board of Directors
From: CALED Staff

Subject: Formation of Assessment District in connection with the FIGTREE PACE Program in the Cities of Vallejo and Victorville and confirming related Program Report.

RECOMMENDATION

Approve Resolution No. 19-36 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 Vallejo.

Approve Resolution No. 19-37 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 Victorville.

FISCAL IMPACT

There are no fiscal impacts to the California Enterprise Development Authority from the adoption of the attached resolutions.

INTRODUCTION

On Thursday, February 28, 2019, the Board of Directors approved Resolutions of Intention for the Cities of Vallejo and Victorville.

These Resolutions declared its intent to include the jurisdictions of the participating member entities in an energy and water efficiency district. The resolutions among other things, briefly described the proposed arrangements for funding the FIGTREE PACE Program and directed Dividend Finance, LLC, the Program Administrator, to prepare a report as required by AB 811. Subsequently, April 11, 2019 was set as the date for a public hearing on the Program.

The proposed Resolutions for each public entity are the final step in a two-step process necessary for the implementation of the FIGTREE PACE Program in participating member jurisdictions.

BACKGROUND

The resolutions passed by CEDA declaring its intent also directed the program administrator to prepare and file with the CEDA board a Program report that complies with AB 811. AB 811 requires the report to provide all of the following:

1. A map showing the boundaries of the territories within which contractual assessments are proposed to be offered.
2. A draft contract specifying the terms and conditions that would be agreed upon by a property owner and the California Enterprise Development Authority.
3. A statement of CEDA policies concerning contractual assessments including all of the following:
 - a. Identification of types of facilities, distributed generation renewable energy sources, or energy efficiency improvements that may be financed through the use of contractual assessments.
 - b. Identification of the CEDA official authorized to enter into contractual assessments on behalf of the member jurisdiction.
 - c. A maximum aggregate dollar amount of contractual assessments.
 - d. A method for setting requests from property owners for financing through contractual assessments in priority order in the event that requests appear likely to exceed the authorization amount.
 - e. Description of criteria for determining the underwriting requirements.
 - f. Safeguards that will be used to ensure that the total annual property taxes and assessments on the property will not exceed 5 percent of the property's market value.
4. A plan for raising a capital amount required to pay for work performed pursuant to contractual assessments, including a statement of or method for determining the interest rate and time period during which contracting property owners would pay any assessment; and the apportionment of all or any portion of the costs incidental to financing, administration, and collection of the contractual assessment program among the consenting property owners and CEDA.
5. A report on the results of the consultations with the City Auditor-Controller's Office of each participating member jurisdiction regarding the additional fees that will be charged to the participating property owner for incorporating the proposed contractual assessments into the assessments of general taxes of the city on real property, and a plan for financing the payment of those fees.

The program report was prepared and filed as required.

Pursuant to AB 811, CEDA provided notice of the public hearing by publishing a notice once a week for two weeks in regional publications of participating members.

CONCLUSION

Adoption of these Resolutions is the final step required by CEDA in the required assessment district proceedings. At the conclusion of adopting these Resolutions, the Program will commence accepting applications for the provision of financing for participating property owners. Once a sufficient number of property owners have entered the Program, staff will bring before the board for approval the terms of the financing of the assessment districts.

RESOLUTION 19-36

A RESOLUTION 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

CITY OF VALLEJO

WHEREAS, on February 28, 2019, the Board of Directors (the “Board of Directors”) of the California Enterprise Development Authority, a joint powers financing agency organized and existing pursuant to the Marks Roos Local Bond Pooling Act (“CEDA”), adopted a resolution declaring its intention to order the implementation of a contractual assessment program to finance the installation of distributed generation renewable energy sources, energy efficiency, seismic retrofits, electric vehicle charging infrastructure and water efficiency improvements (the “Resolution of Intention”) pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the “Act”); and

WHEREAS, Chapter 29 authorizes CEDA to enter into contractual assessments to finance the installation of Authorized Improvements in the City of Vallejo (the “City”); and

WHEREAS, the Resolution of Intention directed Dividend Finance, LLC (the “Program Administrator”) to prepare and file with the Board of Directors a report (the “Report”) in accordance with Section 5898.22 of the Act, and the Program Administrator has filed said Report with the Board of Directors; and

WHEREAS, the Resolution of Intention set the time and place for a hearing on the proposed Figtree Property Assessed Clean Energy Program (“PACE Program”) described in the Report; and

WHEREAS, the Resolution of Intention described the proposed arrangements for funding which may include bonds, notes or other forms of indebtedness. Indebtedness issued pursuant to the Act will be repaid by voluntary contractual assessments; and

WHEREAS, on April 11, 2019, following notice duly given in accordance with law, the Board of Directors held a full and fair public hearing on the Report, and matters relating thereto, at which interested persons were afforded the opportunity to comment upon, object to, or present evidence with regard to the proposed Figtree PACE Program or any of its particulars, including the extent of the area proposed to be included within PACE Program, the terms and conditions of the draft contract with landowners (as further described herein, the “Assessment Contract”) assessment, and the proposed financing provisions; and

WHEREAS, the Report sets forth each of the items required to be contained therein pursuant to Section 5898.22 of the Act; and

WHEREAS, the Board of Directors, having considered all oral and written testimony, desires to confirm the Report and proceed with the establishment of the Figtree PACE Program in the City of Vallejo;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF DIRECTORS OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AS FOLLOWS:

Section 1. The recitals set forth hereinabove are true and correct in all respects.

Section 2. The Board of Directors finds and determines that all actions required to be taken and all conditions required to be satisfied prior to action by the Board of Directors pursuant to law, including the Act, have been taken and satisfied.

Section 3. The Board of Directors hereby confirms the Report and approves the formation of the contractual assessment program in connection with the PACE Program. The Board of Directors also confirms the levy of assessments for the financed amount of the improvements and approves a cost recovery annual administrative assessment to be added to the annual levy within the parameters of the Report. The Board of Directors directs the establishment of the PACE Program and the implementation thereof as provided in the Report and in accordance with the applicable law.

Section 4. The Program Administrator is directed to cause to be recorded in the office of the County Recorder in which a participating property resides, concurrently with the instrument creating the voluntary contractual assessment, a document entitled "Payment of Contractual Assessment Required" pursuant to Section 5898.24(d) of the Act. The County Recorder shall only be responsible for examining such document and determining that it contains the information required by Section 5898.24(d)(2)(A), (E) and (F) of the Act and for indexing the document under the names of the persons and entities identified in Section 5898.24(d)(2)(A) and (E) of the Act. The County Recorder shall not examine any other information contained in such document.

Section 5. The Board of Directors hereby designates the Program Administrator as the office responsible for annually preparing the current roll of assessment obligations by assessor's parcel number on property subject to a voluntary contractual assessment and directs the Program Administrator to establish procedures to promptly respond to inquiries concerning current and future estimated liability for a voluntary contractual assessment; provided that neither the Program Administrator nor the Board of Directors shall be liable if any estimate of future voluntary contractual assessment liability is inaccurate or for any failure of any seller to request notice pursuant to the Act or to provide the notice to a buyer.

Section 6. The Program Administrator is hereby authorized and directed to do all acts and things which may be required of him or her by this Resolution, or which may be necessary or desirable in carrying out the PACE Program as described in the Report, and all matters incidental thereto, including without limitation, to make clarifying changes to the Report; after consulting with counsel, to modify the draft application and the draft Assessment Contract set forth in the

Report; and to modify the schedule of eligible improvements attached to the Report as deemed necessary or desirable.

Section 7. This Resolution shall be effective upon its adoption by the Board of Directors.

The foregoing Resolution was on the 11th day of April 2019, adopted by the Board of Directors of the California Enterprise Development Authority.

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY

By: _____
Gurbax Sahota, Chair

ATTEST:

By: _____
Helen Schaubmayer, Assistant Secretary

RESOLUTION 19-37

A RESOLUTION 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

CITY OF VICTORVILLE

WHEREAS, on February 28, 2019, the Board of Directors (the “Board of Directors”) of the California Enterprise Development Authority, a joint powers financing agency organized and existing pursuant to the Marks Roos Local Bond Pooling Act (“CEDA”), adopted a resolution declaring its intention to order the implementation of a contractual assessment program to finance the installation of distributed generation renewable energy sources, energy efficiency, seismic retrofits, electric vehicle charging infrastructure and water efficiency improvements (the “Resolution of Intention”) pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the “Act”); and

WHEREAS, Chapter 29 authorizes CEDA to enter into contractual assessments to finance the installation of Authorized Improvements in the City of Victorville (the “City”); and

WHEREAS, the Resolution of Intention directed Dividend Finance, LLC (the “Program Administrator”) to prepare and file with the Board of Directors a report (the “Report”) in accordance with Section 5898.22 of the Act, and the Program Administrator has filed said Report with the Board of Directors; and

WHEREAS, the Resolution of Intention set the time and place for a hearing on the proposed Figtree Property Assessed Clean Energy Program (“PACE Program”) described in the Report; and

WHEREAS, the Resolution of Intention described the proposed arrangements for funding which may include bonds, notes or other forms of indebtedness. Indebtedness issued pursuant to the Act will be repaid by voluntary contractual assessments; and

WHEREAS, on April 11, 2019, following notice duly given in accordance with law, the Board of Directors held a full and fair public hearing on the Report, and matters relating thereto, at which interested persons were afforded the opportunity to comment upon, object to, or present evidence with regard to the proposed Figtree PACE Program or any of its particulars, including the extent of the area proposed to be included within PACE Program, the terms and conditions of the draft contract with landowners (as further described herein, the “Assessment Contract”) assessment, and the proposed financing provisions; and

WHEREAS, the Report sets forth each of the items required to be contained therein pursuant to Section 5898.22 of the Act; and

WHEREAS, the Board of Directors, having considered all oral and written testimony, desires to confirm the Report and proceed with the establishment of the Figtree PACE Program in the City of Victorville;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF DIRECTORS OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AS FOLLOWS:

Section 1. The recitals set forth hereinabove are true and correct in all respects.

Section 2. The Board of Directors finds and determines that all actions required to be taken and all conditions required to be satisfied prior to action by the Board of Directors pursuant to law, including the Act, have been taken and satisfied.

Section 3. The Board of Directors hereby confirms the Report and approves the formation of the contractual assessment program in connection with the PACE Program. The Board of Directors also confirms the levy of assessments for the financed amount of the improvements and approves a cost recovery annual administrative assessment to be added to the annual levy within the parameters of the Report. The Board of Directors directs the establishment of the PACE Program and the implementation thereof as provided in the Report and in accordance with the applicable law.

Section 4. The Program Administrator is directed to cause to be recorded in the office of the County Recorder in which a participating property resides, concurrently with the instrument creating the voluntary contractual assessment, a document entitled "Payment of Contractual Assessment Required" pursuant to Section 5898.24(d) of the Act. The County Recorder shall only be responsible for examining such document and determining that it contains the information required by Section 5898.24(d)(2)(A), (E) and (F) of the Act and for indexing the document under the names of the persons and entities identified in Section 5898.24(d)(2)(A) and (E) of the Act. The County Recorder shall not examine any other information contained in such document.

Section 5. The Board of Directors hereby designates the Program Administrator as the office responsible for annually preparing the current roll of assessment obligations by assessor's parcel number on property subject to a voluntary contractual assessment and directs the Program Administrator to establish procedures to promptly respond to inquiries concerning current and future estimated liability for a voluntary contractual assessment; provided that neither the Program Administrator nor the Board of Directors shall be liable if any estimate of future voluntary contractual assessment liability is inaccurate or for any failure of any seller to request notice pursuant to the Act or to provide the notice to a buyer.

Section 6. The Program Administrator is hereby authorized and directed to do all acts and things which may be required of him or her by this Resolution, or which may be necessary or desirable in carrying out the PACE Program as described in the Report, and all matters incidental thereto, including without limitation, to make clarifying changes to the Report; after consulting with counsel, to modify the draft application and the draft Assessment Contract set forth in the

Report; and to modify the schedule of eligible improvements attached to the Report as deemed necessary or desirable.

Section 7. This Resolution shall be effective upon its adoption by the Board of Directors.

The foregoing Resolution was on the 11th day of April 2019, adopted by the Board of Directors of the California Enterprise Development Authority.

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY

By: _____
Gurbax Sahota, Chair

ATTEST:

By: _____
Helen Schaubmayer, Assistant Secretary