

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

REGULAR MEETING

TELECONFERENCE MEETING NOTICE and AGENDA LOCATIONS LISTED BELOW

10:30 A.M.

Thursday, April 18, 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 April 11, 2019.
2. Approve Resolution No. 19-38 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.
3. Approve Resolution No. 19-39 of the California Enterprise Development Authority Authorizing and Approving a Financing Agreement Pursuant to Which the California Enterprise Development Authority Will Issue Revenue Bonds for the Purpose of Financing the Cost of Acquisition, Rehabilitation and Equipping of Certain Facilities for the Benefit of 30831 Huntwood Avenue LLC, Nanoscale Combinatorial Synthesis, Inc, and/or a Related Entity, Providing the Terms and Conditions for Such Financing 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) 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., 37 th Floor Los Angeles, CA 90071

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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, April 11, 2019

Teleconference Locations

California Association for Local
Economic Development
(contact Helen Schaubmayer)
2150 River Plaza Dr. 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 Givens)
23920 Valencia Blvd., Suite 100
Santa Clarita, CA 91355

City of Lakeport
(contact Margaret Silveira or Hilary
Britton)
225 Park Street
Lakeport, CA 95453

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, 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 10:31am.

Roll Call

Members Present: Jason Crawford
Keith Boggs
Kevin Ham
Gurbax Sahota

CALED Management/Staff

Present: Helen Schaubmayer

Public:

Sam Balisy, Kutak Rock
Peter Grabell, Dividend Finance
Jacob Roth, Dividend Finance
Mike Keeton, Dividend Finance
Michael Karlosky

Statement of Disclosure

None

Action Items

1. Approve 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.

Motion: Board Member Keith Boggs made the motion to approve the Consent Agenda. Board Member Kevin Ham seconded the motion on the floor.

The motion passed with the following roll call vote:

Keith Boggs	Aye
Jason Crawford	Aye
Kevin Ham	Aye
Gurbax Sahota	Aye

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.

Discussion: Helen briefed the board that 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 offers a STEM certification, access to online courses, requires 85 hours of community service, and provides opportunities for service learning immersions and cultural trips. 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 costs related to the Academy's educational facilities located in San Diego consisting of classroom, a science and innovation center, a performing arts center, parking facilities and other educational facilities.

Motion: Board Member Kevin Ham made the motion to approve Resolution No. 19-33. Board Member Jason Crawford seconded the motion on the floor.

The motion passed with the following roll call vote:

Keith Boggs	Aye
Jason Crawford	Aye
Kevin Ham	Aye
Gurbax Sahota	Aye

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.

Discussion: Helen briefed the board that this is an IDB project. The building occupant, 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. 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. This resolution is for reimbursement and the final resolution will be on next week's agenda.

Motion: Board Member Keith Boggs made the motion to approve Resolution No. 19-34. Board Member Jason Crawford seconded the motion on the floor.

The motion passed with the following roll call vote:

Keith Boggs	Aye
Jason Crawford	Aye
Kevin Ham	Aye
Gurbax Sahota	Aye

4. Gurbax Sahota stated that Action Item #4, Resolution No. 19-35, has been removed from this agenda and will be heard on another meeting.
5. Approve contract extension for James Marta & Associates to conduct the CEDA annual audit for fiscal years 2018-2019 and 2019-2020.

Discussion: Helen briefed the 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 therefore staff recommends a two-year contract extension with James Marta & Associates to conduct the CEDA annual audit.

Motion: Board Member Kevin Ham made the motion to approve the contract extension for James Marta & Associates. Board Member Jason Crawford seconded the motion on the floor.

The motion passed with the following roll call vote:

Keith Boggs	Aye
Jason Crawford	Aye
Kevin Ham	Aye
Gurbax Sahota	Aye

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

Public Hearing (Action Items 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

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

Motion: Board Member Jason Crawford made the motion to approve Resolution No. 's. 19-36 – 19-37. 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
Gurbax Sahota	Aye

Public Comment

Chair Report

Helen Schaubmayer stated that there will be a CEDA meeting next week.

PACE Report

Peter Grabell stated that an application for a PACE project near San Diego by the border for \$400,000 was submitted for energy improvements and will be a standalone PACE bond to be closed by the end of Q2.

Other Business

Sam Balisy thanked the board for their commitment on attending the CEDA meetings.

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 10:48 am by voice vote.

Staff Report

Action Requested	Approve Resolution No. 19-38 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.
Borrower(s)	Loyola High School of Los Angeles
Borrower Description	<p>Loyola High School of Los Angeles, founded in 1865, is an all-male, four-year, Jesuit college preparatory school. One hundred percent of Loyola’s graduates go on to either college or university. Loyola’s current enrollment is 1,241 and it employs 114 faculty, administrators and counselors. Loyola is located near downtown Los Angeles and draws students from over 200 zip codes. Admission is by entrance examination, recommendations and elementary school grades—approximately 45 percent of those who apply are enrolled. Web site: https://www.loyolahs.edu/</p> <p>Loyola High School of Los Angeles requests that the Authority make one or more loans in an aggregate principal amount not to exceed \$28,500,000 to refund the outstanding California Infrastructure and Economic Development Bank Variable Rate Demand Revenue Bonds (Loyola High School of Los Angeles) Series 2010 in the principal amount of approximately \$11,500,000 used to refinance the costs related to educational facilities, including science and administration buildings and parking and athletic program uses located at 1901 Venice Boulevard, Los Angeles, California 90006. This financing will also be used to finance or reimburse the school for the cost of design, development, acquisition, construction, rehabilitation, improvement and equipping of a new 35,000 square-foot multi-purpose facility (Xavier Center) located on the Loyola Campus; a new, modern, expanded banquet kitchen to support school and community events; enhancements to secure the main gateway to the Loyola Campus with a new guard house and state-of-the-art security technology; and costs of issuance.</p>
Public Benefits	The tax-exempt financing will allow Academy of Our Lady of Peace to refinance and finance 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. 19-38 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.

RESOLUTION NO. 19-38

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 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

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 Loyola High School of Los Angeles (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 make one or more loans in an aggregate principal amount not to exceed \$28,500,000 (the "Borrower Loans"), to the Borrower to (a) (i) refund the outstanding California Infrastructure and Economic Development Bank Variable Rate Demand Revenue Bonds (Loyola High School of Los Angeles) Series 2010 in the principal amount of approximately \$11,500,000 the proceeds of which were used to refinance the cost of acquisition, construction, renovation and

general development of certain educational facilities, including (A) the acquisition of real property for the construction of a science building, (B) the construction and general development of the science building (Hannon Hall) and a portion of a lecture hall and administration building (Ardolf Hall), (C) the renovation and general development of a portion of an administration building (Ruppert Hall) and (D) the acquisition of real property for parking and athletic program uses, all relating to the Corporation's educational facilities located at 1901 Venice Boulevard, Los Angeles, California 90006 (the "Loyola Campus") and (ii) finance or reimburse the school for the cost of design, development, acquisition, construction, rehabilitation, improvement and equipping of (A) a new 35,000 square foot multi-purpose facility located on the Loyola Campus intended to replace the current multi-purpose building, Xavier Hall, originally constructed in 1964, (B) a new, modern, expanded banquet kitchen to support school and community events, (C) enhancements to secure the main gateway to the Loyola Campus with a new guard house and state-of-the-art security technology to manage campus safety and access control and (D) other ancillary educational facilities (collectively, the "Facilities"); and (b) pay 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 Loans" and, together with the Borrower Loans, the "Loans") to make the Borrower Loans; and

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

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

(b) A proposed form of Assignment Agreement (the "Assignment Agreement"), by and between the Authority and the Lender; and

WHEREAS, pursuant to California Government Code Section 5852.1, certain information regarding the Loans, attached hereto as Attachment I, has been presented to the Authority by the Borrower based on a good faith estimates by the Lender; and

WHEREAS, the Facilities provide significant benefits to the residents of the City and surrounding community through the educational 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 Loans, 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 Loans pursuant to the terms and provisions

of the Loan Agreement. The Authority understands that the payments under the Borrower Loans will be assigned to the Lender to satisfy the Authority's payments under the Authority Loans. The payments to be made by the Authority to the Lender under the Authority Loans will be satisfied solely from payments made by the Borrower to the Lender (as assignee of the Authority) under the Borrower Loans.

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 Loans, the interest with respect to which will be excluded from gross income for federal income tax purposes, and the making of the Borrower Loans to the Borrower in an amount not to exceed \$28,500,000 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 Loans shall be made solely from the revenues to be received by the Authority from the Borrower Loans pursuant to the Loan Agreement, and the Authority Loans shall not be deemed to constitute a debt or liability of the State of California or any political subdivision thereof. The Authority Loans 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 Loans 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 Loans, 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 Loans and the Borrower Loans 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 Loans and the Authority Loans 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 City Council of the City has approved the making of the Authority Loans pursuant to Section 147(f) of the Code.

Section 10. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 18th 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 18, 2019.

Helen Schaubmayer, Assistant Secretary

ATTACHMENT I
PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, Loyola High School of Los Angeles, 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 April 18, 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 \$28,500,000 (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): 3.22657%
 - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$192,500.00
 - C. The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$28,457,500.00
 - D. The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$38,436,035.51
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.

Staff Report

Action Requested	Approve Resolution No. 19-39 of the California Enterprise Development Authority Authorizing and Approving a Financing Agreement Pursuant to Which the California Enterprise Development Authority Will Issue Revenue Bonds for the Purpose of Financing the Cost of Acquisition, Rehabilitation and Equipping of Certain Facilities for the Benefit of 30831 Huntwood Avenue LLC, Nanoscale Combinatorial Synthesis, Inc, and/or a Related Entity, Providing the Terms and Conditions for Such Financing Agreement and Other Matters Relating Thereto Herein Specified.
Borrower(s)	30831 Huntwood Avenue LLC (Borrower) / Nanoscale Combinatorial Synthesis, Inc. dba Nanosyn (Occupant)
Borrower Description	<p>The building occupant, 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>30831 Huntwood Avenue LLC and Nanoscale Combinatorial Synthesis, Inc., collectively requests the Authority to issue one or more series of tax-exempt and/or taxable bonds in the aggregate principal amount not to exceed \$9,000,000 to purchase the real property located at 30831 Huntwood Avenue, Hayward, California 94544; rehabilitate and improve the Property; install equipment and furnishings for use at the Property; pay capitalized interest with respect to the Bonds; and pay certain financing costs and costs of issuance in connection with the Bonds.</p>
Public Benefits	The tax-exempt financing will allow Nanosyn to purchase property at lower financing costs allowing them to develop and manufacture 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	Staff recommends approval of Resolution No. 19-39 of the California Enterprise Development Authority Authorizing and Approving a Financing Agreement Pursuant to Which the California Enterprise Development Authority Will Issue Revenue Bonds for the Purpose of Financing the Cost of Acquisition, Rehabilitation and Equipping of Certain Facilities for the Benefit of 30831 Huntwood Avenue LLC, Nanoscale Combinatorial Synthesis, Inc, and/or a Related Entity, Providing the Terms and Conditions for Such Financing Agreement and Other Matters Relating Thereto Herein Specified.

RESOLUTION NO. 19-39

RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AUTHORIZING AND APPROVING A FINANCING AGREEMENT PURSUANT TO WHICH THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY WILL ISSUE REVENUE BONDS FOR THE PURPOSE OF FINANCING THE COST OF ACQUISITION, REHABILITATION AND EQUIPPING OF CERTAIN FACILITIES FOR THE BENEFIT OF 30831 HUNTWOOD AVENUE LLC, NANOSCALE COMBINATORIAL SYNTHESIS, INC, AND/OR A RELATED ENTITY, PROVIDING THE TERMS AND CONDITIONS FOR SUCH FINANCING AGREEMENT AND OTHER MATTERS RELATING THERETO HEREIN SPECIFIED

WHEREAS, pursuant to the provisions of the Joint Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the "Act"), the cities of Eureka, Lancaster and Selma entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Enterprise Development Authority (the "Authority") was organized; and

WHEREAS, the Authority is authorized by the Agreement and the Act to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements, or enter into loan agreements to, among other things, 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, 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 Alameda (the "County") is an associate member of the Authority and is authorized to acquire and dispose of property, both real and personal; 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"), have submitted an application to the Authority requesting the Authority to issue one or more series of tax-exempt and/or taxable bonds in the aggregate principal amount not to exceed Nine Million Dollars (\$9,000,000) (the "Bonds"), and lend the proceeds of the Bonds to the Borrower (the "Borrower Loan") to (i) purchase the real property located at 30831 Huntwood Avenue, Hayward, California 94544 (the "Property"), (ii) rehabilitate and improve the Property; (iii) install equipment and furnishings for use at the Property; (iv) pay capitalized interest with respect to the Bonds; and (v) pay certain financing costs and costs of issuance in connection with the Bonds (collectively, the "Project").

WHEREAS, the Project constitutes “Facilities” within the meaning of the Financing Act and the Borrower is a “Company” within the meaning of the Financing Act; and

WHEREAS, the Authority will apply for an amount of State Ceiling (as defined in the Procedures of the California Debt Limit Allocation Committee (“CDLAC”) Implementing the Allocation of the State Ceiling on Qualified Private Activity Bonds) to be allocated to the issuance of bonds by the Authority for the Borrower (the “Allocation”); 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 the Financing Agreement, by and among Wells Fargo Bank, National Association (the “Purchaser”), the Authority and the Borrower (the “Financing Agreement”); and

(b) A proposed form of Assignment Agreement, between the Authority and the Purchaser (the “Assignment Agreement”); and

WHEREAS, pursuant to California Government Code Section 5852.1, certain information regarding the Bonds and the Borrower Loan, attached hereto as Attachment I, has been presented to the Authority by the Borrower based on a good faith estimates by the Lender; and

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

Section 1. The Authority finds that it is in the public interest to assist the Borrower in financing and refinancing the Project.

Section 2. The Authority hereby approves of the issuance of the California Enterprise Development Authority Revenue Bonds (30831 Huntwood Avenue LLC Project), Series 2019 (the “Series 2019 Bonds”) in an aggregate principal amount not to exceed Nine Million Dollars (\$9,000,000), the interest with respect to which will initially be includable in gross income for federal income tax purposes but, upon the satisfaction of certain conditions set forth in the Financing Agreement will be excluded from gross income for federal income tax purposes and use the proceeds thereof to make the Borrower Loan pursuant to the terms and provisions of the Financing Agreement. The Authority understands that the payments under the Borrower Loan will be assigned to the Purchaser.

Section 3. The proposed form of the Financing Agreement by and among the Purchaser, 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 Financing 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 Financing Agreement.

Section 4. The proposed form of the Assignment Agreement by and between the Authority and the Purchaser, 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. Following approval of the Allocation by CDLAC, the Authority will allocate the Allocation to the Series 2019 Bonds. The amount of Allocation in excess of the amount of new money Series 2019 Bonds issued and sold pursuant to Section 2 hereof, if any, shall automatically revert to CDLAC. The Secretary of the Authority is authorized and directed to file or cause to be filed on the Authority's behalf, within the time period required by CDLAC, the required notice to CDLAC. Upon receipt of notification from CDLAC, the Secretary is authorized to release to the Borrower the performance deposit held by the Authority in the amount prescribed by CDLAC.

Section 6. The Authority approves the issuance of the Series 2019 Bonds the interest with respect to which will initially be includable in gross income for federal income tax purposes but, upon the satisfaction of certain conditions set forth in the Financing Agreement, including receipt by the Authority of the Allocation from CDLAC, 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 \$9,000,000 in accordance with the terms of and to be secured by the Financing Agreement. Repayment of the principal of, premium, if any, and the interest on, the Bonds shall be made solely from the revenues to be received by the Authority from the Borrower Loan pursuant to the Financing Agreement, and the Bonds shall not be deemed to constitute a debt or liability of the State or any political subdivision thereof. The Bonds shall bear interest at the rate or rates set forth in the Financing Agreement.

Section 7. 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 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 Project, any assignment by Purchaser to an affiliate of Purchaser, 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 8. All actions heretofore taken by the officials and agents of the Authority with respect to the Bonds 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 Purchaser's counsel may deem necessary or advisable in order to consummate the issuance of the Bonds and the Borrower 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 9. 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 10. 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 issuance of the Bonds pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended

Section 11. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this April 18, 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 18, 2019.

Helen Schaubmayer, Assistant Secretary

Attachment I

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, 30831 Huntwood Avenue LLC, a California limited liability company, and Nanoscale Combinatorial Synthesis, Inc., a California corporation (collectively, the “Borrower”), have 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 April 18, 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 \$9,000,000 (the “Obligations”).

1. Wells Fargo Bank, National Association as private placement lender, engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows (as further detailed in Schedule A attached hereto):
 - A. The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Obligations (to the nearest ten-thousandth of one percent): 4.3832%.
 - B. The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$180,000.00.
 - C. The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$8,820,000.00.
 - D. The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$14,770,596.33.
2. The good faith estimates provided above were 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.