

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

REGULAR MEETING

TELECONFERENCE MEETING NOTICE and AGENDA LOCATIONS LISTED BELOW

10:30 A.M.

Thursday, July 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 July 11, 2019.
2. Approve Resolution No. 19-59 of the California Enterprise Development Authority Authorizing the Issuance and Sale of Lease Revenue Bonds in One or More Series in a Principal Amount Not to Exceed \$50,000,000 to Finance the Design, Development, Construction, Installation and Equipping of Three New Public Libraries for the Benefit of the County Of Riverside, Providing the Terms and Conditions for the Sale and Issuance of Said Bonds and Other Matters Relating Thereto and Authorizing the Execution of Certain Documents Herein Specified.

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	Redding City Hall (contact Larry Vaupel or Erica Thomas) 777 Cypress Ave. Redding, CA 96001	Sacramento Municipal Utility District (contact Mather Kearney) 6301 S Street Sacramento, CA 95817
City of Santa Clarita (contact Jason Crawford or Stephanie 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	City of Anaheim (contact Jessica Gonzales or Amanda Wicker) 201 S. Anaheim Blvd., Ste. 1003 Anaheim, CA 92805
County of Stanislaus (contact Keith Boggs or Sheryl Swartz) 1010 10 th Street GSA Purchasing – 5th Floor GSA Director's Office Modesto, CA 95354	City of West Sacramento (contact Aaron Laurel or Sandra Barcenas) 1110 West Capitol Avenue, 3 rd 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, July 11, 2019

Teleconference Locations

California Association for Local
Economic Development
(contact Helen Schaubmayer)
2150 River Plaza Dr. Suite 275
Sacramento, CA 95833

Redding City Hall
(contact Larry Vaupel or Erica
Thomas)
777 Cypress Ave.
Redding, CA 96001

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

City of Santa Clarita
(contact Jason Crawford or
Stephanie Givens)
23920 Valencia Blvd., Suite 100
Santa Clarita, CA 91355

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

City of Anaheim
(contact Jessica Gonzales or
Amanda Wicker)
201 S. Anaheim Blvd., Ste. 1003
Anaheim, CA 92805

County of Stanislaus
(contact Keith Boggs or Sheryl
Swartz)
1010 10th Street
GSA Purchasing – 5th Floor
GSA Director's Office
Modesto, CA 95354

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

Call to Order

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

Roll Call

Members Present: Kevin Boggs*
Jason Crawford
Jessica Gonzales
Aaron Laurel
Gurbax Sahota
Margaret Silveira
Larry Vaupel

*joined late

CALED Management/

Staff Present: Helen Schaubmayer

Public: Peter Grabell, Dividend Finance
David Mnatsakanyan, Kutak Rock

Statement of Disclosure

None

Action Items

1. Approve Consent Agenda.
 - a. Approve Minutes from the Regular Meeting on June 27, 2019.
 - b. Approve Resolution No. 19-57 Approving Associate Membership by the City of Temecula 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.

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

The motion passed by voice vote.

2. Approve Resolution No. 19-58 of the California Enterprise Development Authority Authorizing and Approving a Master Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make a Loan in An Aggregate Amount Not To Exceed \$25,000,000 for the Purpose of Refinancing the Construction, Renovation, Improvement, and Equipping of Certain Educational Facilities for the Benefit of Bentley School, Providing the Terms and Conditions for Such Master Loan Agreement and Other Matters Relating Thereto Herein Specified.

Discussion: Helen briefed the Board that, founded in 1920 and with a current enrollment of 700, Bentley School is a private college preparatory school in the East Bay. The School's lower and middle school campus (grades K-8) is located in Oakland, CA and the upper school (grades 9-12) campus is located in Lafayette, CA. This project for Bentley School is to refinance costs related to its educational facilities located in Oakland and Lafayette. The refinancing is in an amount not to exceed \$25,000,000 and is initially a taxable loan, which subsequently may be converted into a tax-exempt loan.

Motion: Board Member Larry Vaupel made the motion to approve Resolution No. 19-58. 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
Jessica Gonzales	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye
Margaret Silveira	Aye
Larry Vaupel	Aye

3. Appoint officers of the California Enterprise Development Authority (the "Authority").

Discussion: Board Chair Gurbax Sahota recommended Aaron Laurel as Vice Chair, based on his role as Chair of CALED and proposed Larry Vaupel for the role of Treasurer and Margaret Silveira for Secretary.

Motion: Board Member Jason Crawford made the motion to approve Aaron Laurel as Vice Chair, Larry Vaupel as Treasurer, and Margaret Silveira as Secretary. 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
Jessica Gonzales	Aye
Aaron Laurel	Aye
Gurbax Sahota	Aye
Margaret Silveira	Aye
Larry Vaupel	Aye

Public Comment

Chair Report

Helen stated that if projects are ready to bring to the CEDA board, there will be a meeting next week on July 18th.

PACE Report

Peter Grabell with Dividend Finance provided two updates to the PACE program. One, the PACE 2019-1 series closing has been delayed due to additional liens found on the property. Additionally, the program just received its first seismic retrofit projects for five affordable housing properties in the Los Angeles area.

Other Business

Adjournment

Motion: *Board Member Jessica Gonzales made the motion to adjourn the meeting. Board Member Margaret Silveira seconded the motion on the floor. Chair Gurbax Sahota adjourned the meeting at 10:39 am by voice vote.*

Staff Report

Action Requested	Approve Resolution No. 19-59 of the California Enterprise Development Authority Authorizing the Issuance and Sale of Lease Revenue Bonds in One or More Series in a Principal Amount Not to Exceed \$50,000,000 to Finance the Design, Development, Construction, Installation and Equipping of Three New Public Libraries for the Benefit of the County Of Riverside, Providing the Terms and Conditions for the Sale and Issuance of Said Bonds and Other Matters Relating Thereto and Authorizing the Execution of Certain Documents Herein Specified.
Borrower(s)	CFP Riverside, LLC c/o Community Facility Partners
Borrower Description	<p>Three state-of-the-art library facilities will be designed, developed, constructed and equipped using proceeds of this bond. The facilities will be leased by CFP Riverside, LLC, a Minnesota non-profit limited liability company, to the County of Riverside as public libraries. The new Library buildings will support a broad and diverse range of 21st century library services, programs and technology. Study rooms, adult and teen spaces, a children’s library, opportunity and community rooms will be features of the developments and provide amenities that were previously missing in the communities.</p> <p>CFP Riverside, LLC requests the Authority to issue and sell the Bonds in one or more series for the purpose of (a) designing, developing, constructing, installing and equipping (1) an approximately 25,000 square foot modern and state-of-the-art library and a parking lot to accommodate approximately 93 cars on the real property located at the corner of Winchester Road and Sky View Road in the unincorporated French Valley area of Riverside County (the “French Valley Library”), (2) an approximately 20,000 square foot modern and state-of-the-art library and a parking lot to accommodate approximately 76 cars on the real property located at the corner of Menifee Road and La Piedra Road in the incorporated city of Menifee, California (the “Menifee Library”), and (3) an approximately 15,500 square foot modern and state-of-the-art library and a parking lot to accommodate approximately 68 cars on the real property located at the corner of Palm Drive and Park Lane in the incorporated city of Desert Hot Springs, California (the “Desert Hot Springs Library” and (b) funding a debt service reserve fund for the Bonds, if necessary; (c) obtaining a bond insurance policy if such policy is deemed to be economical; and (d) paying capitalized interest, costs of issuance and other related transaction costs in connection with the issuance of the Bonds.</p>
Public Benefits	The tax-exempt financing will allow CFP Riverside, LLC to realize savings that can be put back into its operations.
Eligibility and Policy Review	<p>CEDA staff has reviewed the project. The proposed financing is eligible pursuant to state and federal law and addresses the objectives contained in CEDA’s Bond Issuance Policies and Procedures</p> <ul style="list-style-type: none"> ■ The Borrower is capable of meeting the obligations incurred under the financing documents; ■ The Payments to be made are adequate to pay the expenses of CEDA in connection with the financing and to pay debt service; ■ Proposed financing is appropriate for the project.
Recommendation	Staff recommends approval of Resolution No. 19-59 of the California Enterprise Development Authority Authorizing the Issuance and Sale of Lease Revenue Bonds in One or More Series in a Principal Amount Not to Exceed \$50,000,000 to Finance the Design, Development, Construction, Installation and Equipping of Three New Public Libraries for the Benefit of the County Of Riverside, Providing the Terms and Conditions for the Sale and Issuance of Said Bonds and Other Matters Relating Thereto and Authorizing the Execution of Certain Documents Herein Specified.

RESOLUTION NO. 19-59

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

A RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE AND SALE OF LEASE REVENUE BONDS IN ONE OR MORE SERIES IN A PRINCIPAL AMOUNT NOT TO EXCEED \$50,000,000 TO FINANCE THE DESIGN, DEVELOPMENT, CONSTRUCTION, INSTALLATION AND EQUIPPING OF THREE NEW PUBLIC LIBRARIES FOR THE BENEFIT OF THE COUNTY OF RIVERSIDE, PROVIDING THE TERMS AND CONDITIONS FOR THE SALE AND ISSUANCE OF SAID BONDS AND OTHER MATTERS RELATING THERETO AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS HEREIN SPECIFIED

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 the construction of public capital projects; and

WHEREAS, pursuant to the provisions of the Act, the public agencies that are members of the Authority are authorized to jointly exercise any power common to such public agency members, including, without limitation, the right to issue bonds and expend the proceeds thereof and the right to acquire, sell, develop, lease or administer property; and

WHEREAS, the County of Riverside, 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, under Article 4 of the Act, the Authority is authorized to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, public entities including the County, and to provide financing for public capital improvements of public entities including the County and to lease and lease back such public capital improvements including the land on which the public capital improvements are or will be located; and

WHEREAS, CFP Riverside, LLC, a Minnesota non-profit limited liability company ("CFP"), whose sole member is Community Facility Partners, a Minnesota non-profit corporation and a tax-exempt charitable organization under Section 501(c)(3) of the Internal

Revenue Code of 1986, as amended (the “Code”), has requested that the Authority issue and sell the Bonds in one or more series (hereinafter defined) for the purpose of (a) designing, developing, constructing, installing and equipping (1) an approximately 25,000 square foot modern and state-of-the-art library and a parking lot to accommodate approximately 93 cars on the real property located at the corner of Winchester Road and Sky View Road in the unincorporated French Valley area of Riverside County (the “French Valley Library”), (2) an approximately 20,000 square foot modern and state-of-the-art library and a parking lot to accommodate approximately 76 cars on the real property located at the corner of Menifee Road and La Piedra Road in the incorporated city of Menifee, California (the “Menifee Library”), and (3) an approximately 15,500 square foot modern and state-of-the-art library and a parking lot to accommodate approximately 68 cars on the real property located at the corner of Palm Drive and Park Lane in the incorporated city of Desert Hot Springs, California (the “Desert Hot Springs Library” and, together with the French Valley Library and the Menifee Library, the “Library Facilities”); (b) funding a debt service reserve fund for the Bonds, if necessary; (c) obtaining a bond insurance policy if such policy is deemed to be economical; and (d) paying capitalized interest, costs of issuance and other related transaction costs in connection with the issuance of the Bonds (collectively, the “Project”); and

WHEREAS, the Library Facilities will be leased by CFP to the County as public libraries pursuant to the terms of a facilities lease agreement (the “Facilities Lease”); and

WHEREAS, pursuant to an Indenture of Trust, among CFP, U.S. Bank National Association, as trustee (the “Trustee”) and the Authority (the “Indenture”), the Authority will issue the California Enterprise Development Authority Lease Revenue Bonds (Riverside County Library Facilities Project) Series 2019 (the “Bonds”) for the purpose of financing the Project; and

WHEREAS, pursuant to a Purchase Contract, to be dated the date of sale of the Bonds (the “Purchase Contract”), among Robert W. Baird & Co., as underwriter (the “Underwriter”), the Authority and CFP, the Bonds will be sold to the Underwriter, and the proceeds of such sale will be used as set forth in the Indenture to finance the Project; and

WHEREAS, the Bonds will be offered for sale through an official statement or other offering document acceptable to the Authority; and

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

- (1) A proposed form of the Indenture;
- (2) A proposed form of the Purchase Contract;
- (3) A proposed form of the official statement (the “Official Statement”) in preliminary form to be used by the Underwriter in connection with the offering and sale of the Bonds;

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

WHEREAS, the Board of Supervisors of the County has found that the issuance of the Bonds by the Authority will result in more efficient delivery of local agency services to residential and commercial development and thereby result in significant public benefits within the meaning of Section 6586 of the Act; and

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

Section 1. The Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. The Authority is hereby authorized to issue one or more series of its lease revenue bonds designated as the “California Enterprise Development Authority Lease Revenue Bonds (Riverside County Library Facilities Project) Series 2019” (or such other designation as shall be acceptable to the Authority and its counsel) in an aggregate principal amount not to exceed Fifty Million Dollars (\$50,000,000). The interest on the Bonds will tax-exempt or taxable, as determined by bond counsel. The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indenture referenced above, with such changes, deletions or insertions as may be approved by any of the Chair or the Vice Chair of the Board of Directors of the Authority (each, an “Authorized Signatory”) and legal counsel to the Authority, such approvals being conclusively evidenced by the execution and delivery thereof. The Bonds shall be executed by the manual or facsimile signature of any Authorized Signatory and attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority in the form set forth in and otherwise in accordance with the Indenture.

The Bonds and the interest thereon shall be special, limited obligations of the Authority, and payment of the principal of, redemption premium, if any, and interest on, the Bonds shall be made solely from lease payments made by the County under the Facilities Lease and certain moneys held under the Indenture, and the Bonds shall not be deemed to constitute a general obligation of the Authority or of any member of the Authority or an obligation or commitment by the Authority to expend any of its funds other than from certain funds received under the Indenture.

Section 3. The Indenture, in substantially the form placed on file with the Authority, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Indenture in substantially said form, with such changes and insertions therein as such Authorized Signatory, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Trustee, the dated date, maturity date or dates, interest rate or rates, method of determining interest rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of

redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

Section 4. The Purchase Contract, in substantially the form placed on file with the Authority, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Purchase Contract, in substantially said form, with such changes and insertions therein and as such Authorized Signatory, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed preliminary form of Official Statement as presented at this meeting in preliminary form, is hereby approved. The Underwriter is hereby authorized to distribute the Official Statement in preliminary form to persons who may be interested in the purchase of the Bonds and to deliver the Official Statement in final form to the purchasers of the Bonds, in each case with such changes as any Authorized Signatory, with advice of counsel to Authority, deems desirable, necessary or appropriate.

Section 6. The Bonds, when executed as provided in Section 2, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 7. Any Authorized Signatory and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any tax agreement and/or tax certificate, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions that may be necessary or advisable, in their discretion, to effectuate the actions that the Authority has approved in this Resolution; provided that no such documents or certificates shall create any obligation or liability of the Authority other than with respect to the revenues and assets derived from the proceeds of the Bonds or otherwise securing the Bonds under the financing documents described and authorized herein.

Section 8. All actions heretofore taken by the Authorized Signatories and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 9. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed or delivered until the County Board of Supervisors has approved the issuance of the Bonds by the Authority.

Section 10. 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 11. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 18th day of July, 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 July 18, 2019.

Helen Schaubmayer, Assistant Secretary

Attachment I

PUBLIC DISCLOSURES RELATING TO PUBLIC BONDS

Pursuant to California Government Code Section 5852.1, Robert W. Baird & Co. (the “Underwriter”), has provided the following required information to the California Enterprise Development Authority (the “Authority”) and the County of Riverside (the “County”) in connection with the issuance by the Authority of its Lease Revenue Bonds (County of Riverside Library Facilities Project) Series 2019 (the “Bonds”):

1. The Underwriter has provided the following required good faith estimates relating to the Bonds as follows:
 - A. The true interest cost of the Bonds, 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 Bonds (to the nearest ten-thousandth of one percent): 3.562471%.
 - B. The finance charge of the Bonds, which means the sum of all fees and charges paid to third parties: \$1,253,600.
 - C. The amount of proceeds received by the public body for sale of the Bonds less the finance charge of the Bonds described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Bonds: \$40,030,153.20.
 - D. The total payment amount, which means the sum total of all payments the Authority will make to pay debt service on the Bonds plus the finance charge of the Bonds described in subparagraph (B) not paid with the proceeds of the Bonds (which total payment amount shall be calculated to the final maturity of the Bonds): \$78,996,056.25.
2. The good faith estimates provided above were based on the information in the attached Schedules which were presented to the governing boards of the Authority and the County, or presented to the official or officials or committee designated by the governing boards of the Authority and the County to obligate the Authority and the County in connection with the Bonds or, in the absence of a governing board, presented to the official or officials of the Authority and County having authority to obligate the Authority and the County in connection with the Bonds.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Bonds 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 Bonds and the actual amortization of the Bonds will depend on market interest rates at the time of the issuance of the Bonds. Market interest rates are affected by economic and other factors beyond the control of the Authority.

The Authority and the County are authorized to make this document available to the public at meetings of the Authority and the County.