

# **CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**ANNUAL MEETING  
\*\*\*TELECONFERENCE MEETING NOTICE and AGENDA\*\*\*  
LOCATIONS LISTED BELOW**

**4:00 P.M.  
Monday, April 7, 2014  
Teleconference Phone Information  
(712) 432-0075 - Conference Code: 514901**

**Call to Order and Roll Call  
Statement of Disclosure**

**Approval of Minutes**

1. Approve the Regular Meeting Minutes of February 27, 2014.

**Action Items**

2. Approve Resolution 14-28 Approving Associate Membership of the City of Carlsbad in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.
3. Approve Resolution 14-29 Approving Associate Membership of the City of El Cajon in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.
4. Approve Resolution 14-30 Approving Associate Membership of the City of Escondido in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.
5. Approve Resolution 14-31 Approving Associate Membership of the City of Solana Beach in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.
6. Approve Resolution 14-32 Authorizing the Issuance of the California Enterprise Development Authority Commercial Property Assessed Clean Energy (PACE-M1) Limited Obligation Improvement Bonds, Series 2014-1, Authorizing the Execution and Delivery of a Master Indenture, Supplemental Indenture No. 1 and Bond Purchase Agreement, and Authorizing the Execution and Delivery of other Related Documents and Actions Necessary to the Delivery of Such Bonds.

**Public Comment  
Chair Report  
PACE Report  
Other Business  
Adjournment**

## **CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

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

CALED 34<sup>th</sup> Annual Conference  
Salon 3  
DoubleTree Hotel  
2001 Point West Way  
Sacramento, CA

City of Vista  
200 Civic Center Dr.  
Vista, CA 92084

This agenda can be obtained at [www.ceda.caed.org](http://www.ceda.caed.org). The California Enterprise Development Authority complies with the Americans with Disabilities Act (ADA) by ensuring that the facilities are accessible to persons with disabilities and by providing this notice and information in alternative formats when requested. If you need further assistance, you may contact us before the meeting at (916) 448-8252, ext. 12.

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

## MINUTES

### Regular Meeting

\*\*\*TELECONFERENCE MEETING \*\*\*

### CEDA BOARD OF DIRECTORS

Thursday, February 27, 2014

#### Teleconference Locations

California Association for Local Economic Development  
550 Bercut Drive, Suite G  
Sacramento, CA 95811

City of Selma  
1710 Tucker St.  
Selma, CA 93662

Los Angeles EDC  
444 S. Flower St., 37<sup>th</sup> Floor  
Los Angeles, CA 90071

City of Vista  
200 Civic Center Dr.  
Vista, CA 92084

City of Eureka City Hall  
531 K Street  
Eureka, CA 95501

Tuolumne County EDA  
99 North Washington St.  
Sonora, CA 95370

Economic Development Collaborative-Ventura County  
1601 Carmen Drive, #215  
Camarillo, CA 93010

City of Elk Grove  
8401 Laguna Palms Way  
Elk Grove, CA 95758

#### Call to Order

Gurbax Sahota Board Chair of the California Enterprise Development Authority, called the meeting to order at 10:32 am.

#### Roll Call

Members Present: Larry Cope  
Kevin Ham (10:39)  
Carrie Rogers  
Gurbax Sahota  
Bruce Stenslie

CALED Management/Staff  
Present: Michelle Stephens

Public Present: Sam Balisy, Kutak Rock  
Erik Caldwell, Figtree Financing  
Michael Karlosky, Figtree Financing  
Mahesh Shah, Figtree Financing

#### Statement of Disclosure

None

#### Action Items

1. Approve the Regular Meeting Minutes of February 13, 2014.

**Motion:** Board Member Bruce Stenslie made the motion to approve the Regular Meeting Minutes of February 13, 2014. Board Member Carrie Rogers seconded the motion on the floor and it passed with the following roll call vote:

Larry Cope	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye
Bruce Stenslie	Aye

2. Approve Program Administration Agreement by and between the California Enterprise Development Authority and Figtree Company, Inc..

**Motion:** *Board Treasurer Larry Cope made the motion to approve the Program Administration Agreement. Board Member Bruce Stenslie seconded the motion on the floor and it passed with the following roll call vote:*

Larry Cope	Aye
Kevin Ham	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye
Bruce Stenslie	Aye

**Discussion:** Board Chair Gurbax Sahota explained that the agreement before the Board balanced the needs of both groups well and that all parties had taken a lot of time to work through the document and ensure that CEDA and Figtree have a successful partnership moving forward. Mahesh Shah of Figtree echoed these sentiments and let the Board know that they hoped to have projects before them soon for approval. Board Member, Kevin Ham expressed his appreciation for the work that went into this document.

**Public Comment**

**Chair Report**

Michelle Stephens asked the Board if they were planning on attending the CEDA Dinner at the upcoming CALED conference.

**PACE Report**

Erik Caldwell, Director of Government Partnerships let the Board know that they hoped to welcome new cities into the PACE District soon. Mr. Shah added that it was critical for the program to expand and bring new members into the district.

**Other Business**

**Adjournment**

**Motion:** *Board Treasurer Larry Cope moved to adjourn the meeting. Board Member, Kevin Ham seconded the motion. The motion passed unanimously by voice vote.*

Board Chair, Gurbax Sahota adjourned the meeting at 10:46 am.

## Staff Report

<p><b>Actions Requested</b></p>	<p>Approve Resolution 14-28 Approving Associate Membership of the City of Carlsbad in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.</p> <p>Approve Resolution 14-29 Approving Associate Membership of the City of El Cajon in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.</p> <p>Approve Resolution 14-30 Approving Associate Membership of the City of Escondido in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.</p> <p>Approve Resolution 14-31 Approving Associate Membership of the City of Solana Beach in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.</p>
<p><b>Prior Actions</b></p>	<p>The City Council of the City of Carlsbad approved becoming an Associate Member in the California Enterprise Development Authority on December 3, 2013.</p> <p>The City Council of the City of El Cajon will approve becoming an Associate Member in the California Enterprise Development Authority on April 8, 2014.</p> <p>The City Council of the City of Escondido will approve becoming an Associate Member in the California Enterprise Development Authority on April 9, 2014.</p> <p>The City Council of the City of Solana Beach approved becoming an Associate Member in the California Enterprise Development Authority on March 26, 2014.</p>
<p><b>Public Benefits</b></p>	<p>Adoption of Resolutions 14-28, 14-29, 14-30 and 14-31 will allow CEDA to issue bonds and other tax-exempt financings within the Cities of Carlsbad, El Cajon, Escondido, and Solana Beach. 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.</p>
<p><b>Recommendation</b></p>	<p>Staff recommends approval of Resolution 14-28, 14-29, 14-30 and 14-31 Approving Associate Membership of the Cities of Carlsbad, El Cajon, Escondido, and Solana Beach in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.</p>

**RESOLUTION NO. 14-28**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING ASSOCIATE MEMBERSHIP OF THE CITY OF CARLSBAD IN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AND THE EXECUTION OF ASSOCIATE MEMBERSHIP AGREEMENTS RELATING TO SAID ASSOCIATE MEMBERSHIPS**

**WHEREAS**, pursuant to the provisions of the Joint Powers Act, Articles 1 through 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”) for the creation of the California Enterprise Development Authority (the “Authority”); 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 Carlsbad (the “Public Entity”) desires to join the Authority and has adopted the authorizing resolution approving 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 an 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 County are hereby ratified and confirmed.

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

PASSED AND ADOPTED this 7<sup>th</sup> day of April 2014.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

ATTEST:

By: \_\_\_\_\_  
Michelle Stephens, Assistant Secretary

**RESOLUTION NO. 14-29**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING ASSOCIATE MEMBERSHIP OF THE CITY OF EL CAJON IN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AND THE EXECUTION OF ASSOCIATE MEMBERSHIP AGREEMENTS RELATING TO SAID ASSOCIATE MEMBERSHIPS**

**WHEREAS**, pursuant to the provisions of the Joint Powers Act, Articles 1 through 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”) for the creation of the California Enterprise Development Authority (the “Authority”); 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 El Cajon (the “Public Entity”) desires to join the Authority and has adopted the authorizing resolution approving 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 an 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 County are hereby ratified and confirmed.

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



PASSED AND ADOPTED this 7<sup>th</sup> day of April 2014.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

ATTEST:

By: \_\_\_\_\_  
Michelle Stephens, Assistant Secretary

**RESOLUTION NO. 14-30**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING ASSOCIATE MEMBERSHIP OF THE CITY OF ESCONDIDO IN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AND THE EXECUTION OF ASSOCIATE MEMBERSHIP AGREEMENTS RELATING TO SAID ASSOCIATE MEMBERSHIPS**

**WHEREAS**, pursuant to the provisions of the Joint Powers Act, Articles 1 through 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”) for the creation of the California Enterprise Development Authority (the “Authority”); 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 Escondido (the “Public Entity”) desires to join the Authority and has adopted the authorizing resolution approving 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 an 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 County are hereby ratified and confirmed.

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

PASSED AND ADOPTED this 7<sup>th</sup> day of April 2014.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

ATTEST:

By: \_\_\_\_\_  
Michelle Stephens, Assistant Secretary

**RESOLUTION NO. 14-31**

**CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING ASSOCIATE MEMBERSHIP OF THE CITY OF SOLANA BEACH IN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AND THE EXECUTION OF ASSOCIATE MEMBERSHIP AGREEMENTS RELATING TO SAID ASSOCIATE MEMBERSHIPS**

**WHEREAS**, pursuant to the provisions of the Joint Powers Act, Articles 1 through 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”) for the creation of the California Enterprise Development Authority (the “Authority”); 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 Solana Beach (the “Public Entity”) desires to join the Authority and has adopted the authorizing resolution approving 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 an 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 County are hereby ratified and confirmed.

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

PASSED AND ADOPTED this 7<sup>th</sup> day of April 2014.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

ATTEST:

By: \_\_\_\_\_  
Michelle Stephens, Assistant Secretary

## Staff Report

<b>Action Requested</b>	Approve Resolution 14-32 Authorizing the Issuance of the California Enterprise Development Authority Commercial Property Assessed Clean Energy (Pace-M1) Limited Obligation Improvement Bonds, Series 2014-1, Authorizing the Execution and Delivery of a Master Indenture, Supplemental Indenture No. 1 and Bond Purchase Agreement, and Authorizing the Execution and Delivery of other Related Documents and Actions Necessary to the Delivery of Such Bonds.
<b>Project Description</b>	<p>The initial series of the bonds are in an amount not to exceed \$365,000. The proceeds of such bonds will be used to make property-assessed energy efficiency improvements to the following parcels:</p> <p><b>Parcel 072-0340-060-000: Sacramento County</b>  <b>Parcel 003-444-045: Butte County</b></p>
<b>Public Benefits</b>	<p>The Program seeks to provide multiple benefits to those property owners who are desirous of the following:</p> <ul style="list-style-type: none"> <li>• Saving money by reducing their utility bill</li> <li>• Improving their residence or business</li> <li>• Promoting energy conservation</li> <li>• Stimulating the local economy</li> </ul> <p>The Program provides a local stimulus to the economy through local energy conservation-related job creation.</p> <p>Added benefits include:</p> <ul style="list-style-type: none"> <li>• Sales tax revenues from energy and water efficiency improvement installations</li> <li>• Fee revenues from permits issued for the Construction Work</li> <li>• Cleaner communities</li> </ul> <p>For property owners, the benefits include:</p> <ul style="list-style-type: none"> <li>• A no-money-down means of financing energy and water efficiency improvements</li> <li>• Fixed-rate assessment financing repaid and amortized up to 20 years</li> <li>• Financing without requiring a property appraisal</li> </ul> <p>Reduced utility costs through energy efficiency improvements</p>
<b>Eligibility and Policy Review</b>	<p>CEDA staff has reviewed the project. The proposed financing is eligible pursuant to state and federal law and addresses the objectives contained in CEDA's Bond Issuance Policies and Procedures</p> <ul style="list-style-type: none"> <li>■ The payments to be made under the bond documents are adequate to pay the expenses of CEDA in connection with the financing and to pay debt service.</li> <li>■ Proposed financing is appropriate for the project.</li> </ul>
<b>Recommendation</b>	Staff recommends approval of Resolution 14-32 Authorizing the Issuance of the California Enterprise Development Authority Commercial Property Assessed Clean Energy (Pace-M1) Limited Obligation Improvement Bonds, Series 2014-1, Authorizing the Execution and Delivery of a Master Indenture, Supplemental Indenture No. 1 and Bond Purchase Agreement, and Authorizing the Execution and Delivery of other Related Documents and Actions Necessary to the Delivery of Such Bonds.

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

## RESOLUTION NO. 14-32

### **RESOLUTION AUTHORIZING THE ISSUANCE OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY (PACE-M1) LIMITED OBLIGATION IMPROVEMENT BONDS, SERIES 2014-1, AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER INDENTURE, SUPPLEMENTAL INDENTURE NO. 1 AND BOND PURCHASE AGREEMENT, AND AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER RELATED DOCUMENTS AND ACTIONS NECESSARY TO THE DELIVERY OF SUCH BONDS**

**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 to enter into loan agreements in order to promote economic development; and

**WHEREAS**, pursuant to the provisions of the Act and the Agreement, the public agencies which are the contracting parties comprising the membership of the Authority are authorized to jointly exercise any power common to such contracting parties, including, without limitation, the power to acquire and dispose of property, both real and personal; and

**WHEREAS**, in 2008, the California State legislature adopted Assembly Bill 811 (codified at Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code, commencing with Section 5898.12, et seq.) (“AB 811”) and Assembly Bill 474 (codified at Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code, commencing with Section 5898.31, et seq.) (“AB 474”) which authorize the formation of assessment districts for the financing of the installation of energy efficient and water savings equipment (the “Improvements”) to be affixed to the property of certain property owners who voluntarily participate in the assessment district; and

**WHEREAS**, pursuant to Resolution 10-03 adopted on January 25, 2010, the Authority created its Water Efficiency and Property Assessed Clean Energy (PACE) and Job Creation Program (the “Program”); and

**WHEREAS**, pursuant to the Program, certain Member Jurisdictions (the “Participating Member Jurisdictions”) have formed contractual Energy and Water Efficiency Property Assessed Clean Energy (PACE) Assessment Districts (the “Assessment Districts”) within their boundaries and have executed or shall execute certain Participation Agreements with the Authority (the “Participation Agreements”); and

**WHEREAS**, certain property owners within the boundaries of the Participating Member Jurisdictions (the “Property Owners”) have agreed to participate in the Program by voluntarily authorizing the recording of assessment liens (the “Assessment Liens”) on their commercial property (the “Property”) in consideration for the financing of the installation of the Improvements to be affixed to their Property; and

**WHEREAS**, the Authority desires at this time to provide for the funding of the Program by the authorization of the issuance of not to exceed \$365,000 California Enterprise Development Authority Commercial Property Assessed Clean Energy (PACE-M1) Limited Obligation Improvement Bonds, Series 2014-1 (the “2014-1 Bonds”) pursuant to that certain Master Indenture of Trust (the “Master Indenture”), by and between the Authority and Deutsche Bank National Trust Company, or another trustee designated by the Authority from time to time (the “Trustee”), and that certain Supplemental Indenture of Trust No. 1 (the “Supplemental Indenture No. 1” and, together with the Master Indenture, the “Indenture”) by and between the Authority and the Trustee, each on file with the Secretary of the Authority; and

**WHEREAS**, the Series 2014-1 Bonds shall be issued pursuant to Section 5898, et seq. of the California Streets and Highways Code and the Assessment District Act of 1915 (codified at California Streets and Highways Code Section 8500 et seq.); and

**WHEREAS**, the Series 2014-1 Bonds are secured by the assessments and each installment thereof (the “Assessment Installments”), including interest and penalties thereon, and the Assessment Liens shall constitute a lien against the Property on which they are recorded, until the same shall be paid; and

**WHEREAS**, pursuant to California Streets and Highways Code Section 8769, the Authority will not obligate itself to advance any funds to cure any deficiency which may occur in the redemption fund created under the Indenture; and

**WHEREAS**, the Authority shall assign its rights to receive said Assessment Installment payments to the Trustee pursuant to the Indenture; and

**WHEREAS**, the Series 2014-1 Bonds will be sold pursuant to the Bond Purchase Agreement to BlueMountain PACE Holdings, Ltd., a Cayman Islands exempt company, as purchaser (the “Purchaser”).

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

Section 1. The above recitals, and each of them, are true and correct.

Section 2. The Authority hereby authorizes the issuance of the Series 2014-1 Bonds in the principal amount not to exceed \$365,000 and the sale of the Series 2014-1 Bonds to the Purchaser pursuant to the terms of the Bond Purchase Agreement. The Series 2014-1 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 Series 2014-1 Bonds shall be made solely from payment of assessment liens made by the property owners pursuant to their assessment contracts and certain moneys held under the Indenture, and the Series 2014-1 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 from the payment of assessment liens by property owners.

Section 3. The Chair or the Vice Chair of the Board of Directors of the Authority (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 Master Indenture, Supplemental Indenture No. 1 and the Bond Purchase Agreement each 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 the Authority’s counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The Authority hereby authorizes the issuance of the Series 2014-1 Bonds upon the terms as provided in the Master Indenture and Supplemental Indenture No. 1 in a principal amount of up to \$365,000. The Series 2014-1 Bonds shall mature not more than 20 years from the date of issuance thereof. The Series 2014-1 Bonds shall be payable as to interest on March 2 and September 2 commencing the first such date following the issuance thereof, with optional and mandatory redemption provisions of principal thereof as set forth in Supplemental Indenture No. 1.

Section 5. The interest rate on the Series 2014-1 Bonds shall not exceed 8.00% per annum. The costs of issuance and other Program expenses to be funded from the net available proceeds of the Series 2014-1 Bonds shall be in such amounts as provided in Supplemental Indenture No. 1 and a requisition signed by an Authorized Signatory.

Section 6. The Series 2014-1 Bonds shall be executed by the manual or facsimile signature of the Chair or the Vice Chair of the Board of Directors of the Authority 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.

Section 7. The Series 2014-1 Bonds, when so executed, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Series 2014-1 Bonds by executing the Trustee's Certificate of Authentication appearing thereon and to deliver the Bonds, when duly executed and authenticated, to the Purchaser, in accordance with written instructions executed on behalf of the Authority by any Authorized Signatory, which instructions said Authorized Signatory is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Series 2014-1 Bonds to the Purchaser in accordance with the Bond Purchase Agreement, upon payment of the purchase price thereof.

Section 8. Each Authorized Signatory and other appropriate officers and agents of the Authority is each hereby authorized and directed to take any and all actions necessary or appropriate, not inconsistent with the terms of this Resolution and of the Indenture to effect the execution, authentication and delivery of the Bonds to the Purchaser, including, without limitation: giving the written order of the Authority for the authentication and delivery of the Bonds by the Trustee, furnishing of appropriate certificates, closing documents and other

documents contemplated by this Resolution, the Master Indenture, Supplemental Indenture No. 1 or the Bond Purchase Agreement. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the documents and certificates contemplated by this Resolution.

Section 9. All approvals, assignments, consents, directions, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, including, without limitation, any of the foregoing which may be necessary or desirable in connection with any amendment of such documents, or any redemption, purchase or defeasance of the Series 2014-1 Bonds, may be given or taken by any Authorized Signatory, without further authorization by the Board of Directors of the Authority, and each Authorized Signatory is hereby authorized and directed to give any such approval, consent, direction, notice, order or request and to take any such action which such Authorized Signatory, with the advice of bond counsel and legal counsel to the Authority, may deem necessary or desirable to further the purposes of this Resolution.

Section 10. All actions of the officers, directors, employees and agents of the Authority in conformity with the purpose and intent of this Resolution and in furtherance of the issuance and sale of the Series 2014-1 Bonds, as contemplated by this Resolution and the documents referred to herein, whether heretofore or hereafter taken, shall be and are hereby ratified, confirmed and approved.

Section 11. 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.

This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 7<sup>th</sup> day of April, 2014.

CALIFORNIA ENTERPRISE  
DEVELOPMENT AUTHORITY

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

By \_\_\_\_\_  
Michelle Stephens, Assistant Secretary

**CERTIFICATE**

I, Michelle Stephens, Assistant Secretary of the California Enterprise Development Authority hereby certify the foregoing to be a full, true and correct copy of Resolution No. 14-\_\_ of the Board of Directors of the California Enterprise Development Authority duly adopted at its meeting of April 10, 2014.

By \_\_\_\_\_

Michelle Stephens, Assistant Secretary