

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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

3:00 PM

Wednesday, August 4, 2010

Teleconference Phone Information

(308) 344-6400 - Conference Code: 305911#

Call to Order and Roll Call

Chair and Executive Director Reports

1. **Approval Of Minutes**
Approve the Regular Meeting Minutes of July 21, 2010

Action Items

2. Approve CEDA Budget and Work plan for 2010/2011
3. Approve Amended CEDA Management Agreement
4. Adopt Resolution 10-16 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement pursuant to which the California Enterprise Development Authority will make a loan in an Amount not to exceed \$4,000,000 for the Purpose of Financing and Refinancing the cost of Construction, Furnishing and Equipping of Certain Facilities for the Benefit of Old Globe Theatre, Providing the Terms and Conditions for such Loan Agreement and other Matters Relating Thereto Herein Specified
5. Adopt Resolution 10-17 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to Which the California Enterprise Development Authority will make a Loan in an Amount not to Exceed \$5,300,000 for the Purpose of Refinancing the Cost of the Acquisition and Improvement of Certain Facilities for the Benefit of MCF Property Holdings, Inc., Providing the Terms and Conditions for such Loan Agreement and other Matters Relating Thereto Herein Specified

Other Business

Public Comment

Adjournment

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

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

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

City of Palmdale
38250 N Sierra Highway
Palmdale, CA 93550

City of San Jose
200 E. Santa Clara St., 17th
Floor
San Jose, CA 95113

The Valley Economic Alliance
5121 Van Nuys Blvd.#200
Sherman Oaks, CA 91403

Economic Development
Collaboration of Ventura
County
1601 Carmen Dr., Ste 215
Camarillo, CA 93010

City of Clovis City Hall
1033 Fifth Street
Clovis, CA 93612

5598 Gold Creek Drive
Castro Valley, Ca 94552

This agenda can be obtained at www.caled.org/edfinancing. 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

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

when requested. If you need further assistance, you may contact us no later than 72 hours before the meeting at (916) 448-8252, ext. 16

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

MINUTES

Regular Meeting

***TELECONFERENCE MEETING ***

CEDA BOARD OF DIRECTORS

Wednesday, July 21, 2010

Teleconference Locations

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

City of San Jose
200 E. Santa Clara St., 17th Floor
San Jose, CA 95113

City of Clovis City Hall
1033 Fifth Street
Clovis, CA 93612

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

The Valley Economic Alliance
5121 Van Nuys Blvd.#200
Sherman Oaks, CA 91403

5598 Gold Creek Drive
Castro Valley, Ca 94552

City of Palmdale
38250 N Sierra Highway
Palmdale, CA 93550

Economic Development
Collaboration of Ventura County
1601 Carmen Dr., Ste 215
Camarillo, CA 93010

Call to Order

Wayne Schell, Chair of the California Enterprise Development Authority, called the meeting to order at 3:10 pm.

Roll Call

Members Present: Bruce Kern
 Danny Roberts
 Wayne Schell
 Bruce Stenslie
 Cindy Trobitz-Thomas

CEDA Staff Present: Mona Dmitrenko
 Michelle Stephens

Public Present: Dan Bronfman
 Jessica Shaham

Executive Director Report

Executive Director Mona Dmitrenko discussed the Recovery Zone (RZ) bonds at the request of Board Chair, Wayne Schell. She reiterated that the deadline to apply for RZ bonds continues to be August 25, 2010 with the legislation sun-setting December 31, 2010. She also noted that in California, only five Recovery Zone Facility Bonds (RZFB) and five Recovery Zone Economic Development (RZED) Bonds had been issued. Nationwide the bond program has seen similar results with only 56 RZFB's closed. The difficulties in obtaining a letter of credit have made utilizing this financing tool difficult. As a result approximately \$1 billion dollars in financing opportunity may be lost in the state. It was also noted that the expanded list of qualified businesses to include "intangible" manufacturing is also a part of American Recovery and Reinvestment Act (ARRA) legislation and will not be available after the conclusion of the year. Ms. Dmitrenko noted that she has been doing as much outreach as possible by calling all of the communities that received direct allocation and informing them of upcoming deadlines and educating them on the RZ process.

Action Items

1. Approve the Regular Meeting Minutes from June 30, 2010.

Motion: Board Member, Cindy Trobitz-Thomas made the motion to approve the Regular Meeting Minutes from June 30, 2010. Board Member, Bruce Stenslie seconded the motion on the floor. The motion passed on the following roll call vote:

Bruce Kern	Abstain
Danny Roberts	Aye
Wayne Schell	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

2. Approve CEDA Budget and Work plan for 2010/2011.

Discussion: Board Chair, Wayne Schell asked that this item be held over until the next meeting because some details were still being finalized. No one objected and the CEDA Budget and Work plan for 2010/2011 will be discussed and acted on during the next regular meeting.

3. Approve Amended CEDA Management Agreement

Discussion: Board Chair, Wayne Schell asked that this item be held over until the next meeting because some details were still being finalized. No one objected and the CEDA Management Agreement will be discussed and acted on during the next regular meeting.

4. Adopt Resolution 10-11 Approving Associate Membership by City and County of San Francisco in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to Associate Membership of the City in the Authority

Discussion: The Board noted that they were all pleased to have San Francisco joining CEDA and were proud of those who had worked to make this happen.

Motion: Board Member Danny Roberts made the motion to approve the Associate Membership by City and County of San Francisco in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to Associate Membership of the City in the Authority. Board Member, Cindy Trobitz-Thomas seconded the motion. The motion passed on the following roll call vote:

Bruce Kern	Aye
Danny Roberts	Aye
Wayne Schell	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

5. Adopt Resolution 10-12 Approving Associate Membership by City of Redondo Beach in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to Associate Membership of the City in the Authority

Discussion: Executive Director, Mona Dmitrenko informed the Board that CEDA has a RZFB project with the City of Redondo Beach and gave background information on the project.

Motion: Board member, Bruce Stenslie made the motion to approve the Associate Membership by City of Redondo Beach in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to Associate Membership of the City in the Authority. Board member, Bruce Kern, seconded the motion on the floor. The motion passed on the following roll call vote:

Bruce Kern	Aye
Danny Roberts	Aye
Wayne Schelle	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

6. Adopt Resolution 10-13 Approving Associate Membership by City of Roseville in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to Associate Membership of the City in the Authority

Discussion: Executive Director, Mona Dmitrenko informed the Board that this membership was the result of her outreach calls to communities who received direct RZ allocation from the federal government. They currently didn't have any transaction about to close but there were some nascent deals that could materialize in the future.

Motion: Board member, Cindy Trobitz-Thomas made the motion to approve the Associate Membership by City of Roseville in the California Enterprise Development Authority and the Execution of an Associate Membership Agreement Relating to Associate Membership of the City in the Authority. Board member, Danny Roberts, seconded the motion on the floor. The motion passed on the following roll call vote:

Bruce Kern	Aye
Danny Roberts	Aye
Wayne Schelle	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

7. Adopt Resolution 10-14 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 Amount not to exceed \$26,500,000 for the Purpose of Financing and Refinancing the Cost of the Construction, Installation, Rehabilitation, Equipping, and Furnishing of Certain Facilities for the Benefit of National Center for International Schools, Providing the Terms and Conditions for such Master Loan Agreement and other Matters Relating thereto herein specified

Discussion: This transaction is one of the many Bank-Qualified loans that CEDA has issued recently, Board Secretary Bruce Kern asked for a quick review of how the loan for this project is set up. Bond Counsel, Jessica Shaham explained that these are three-party loan agreements with an issuer loan and a borrower loan. The issuer loan is between the bank and the issuer, in this case CEDA. The borrower loan is between the issuer (CEDA)

and the borrower. If the borrower defaults on the loan, the bank and borrower deal are responsible to negotiate the outcome. The Issuer does not face any potential liability.

The specifics of this deal were also discussed. It was noted that of the \$26.5 million, \$16.5 million was current debt that was being refinanced while \$10 million was new debt that can be used for rehabilitation and construction. The National Center for International Schools is going to see significant savings in its refinancing as their interest rate is dropping from 6.5% to 4.5% fixed.

Motion: Board Member Bruce Stenslie made the motion to approve the Master Loan Agreement Pursuant to which the California Enterprise Development Authority will make a loan in an Amount not to exceed \$26,500,000 for the Purpose of Financing and Refinancing the Cost of the Construction, Installation, Rehabilitation, Equipping, and Furnishing of Certain Facilities for the Benefit of National Center for International Schools, Providing the Terms and Conditions for such Master Loan Agreement and other Matters Relating thereto herein specified. Board member, Cindy Trobitz-Thomas, seconded the motion on the floor. The motion passed on the following roll call vote:

Bruce Kern	Aye
Danny Roberts	Aye
Wayne Schelle	Aye
Bruce Stenslie	Aye
Cindy Trobitz-Thomas	Aye

8. Adopt Resolution 10-15 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 Amount not to exceed \$8,300,000 for the Purpose of Financing and Refinancing the Cost of the Construction, Installation, Rehabilitation, Equipping, and Furnishing of Certain Facilities for the Benefit of Seven Hills School, Providing the Terms and Conditions for such Master Loan Agreement and other Matters Relating thereto herein specified

Discussion: Executive Director, Mona Dmitrenko gave the background on Seven Hills School. Board Secretary, Bruce Kern asked if the project had all of the necessary entitlements, to which Ms. Dmitrenko answered in the affirmative. Mr. Kern asked if this is always the case with CEDA deals, to which she also replied yes. It was noted that this project was using the same lender as the borrower in Item 7 and therefore had a similar deal resulting in significant cost savings.

Motion: Board Member Bruce Stenslie made the motion to approve the Master Loan Agreement Pursuant to which the California Enterprise Development Authority will make a loan in an Amount not to exceed \$8,300,000 for the Purpose of Financing and Refinancing the Cost of the Construction, Installation, Rehabilitation, Equipping, and Furnishing of Certain Facilities for the Benefit of Seven Hills School, Providing the Terms and Conditions for such Master Loan Agreement and other Matters Relating thereto herein specified. Board member, Cindy Trobitz-Thomas, seconded the motion on the floor. The motion passed on the following roll call vote:

Bruce Kern	Aye
Danny Roberts	Aye
Wayne Schelle	Aye

Bruce Stenslie Aye
Cindy Trobitz-Thomas Aye

Other Business

9. Discussion of CEDA policy regarding using bond financing to relocate businesses between California communities.

Discussion: Executive Director, Mona Dmitrenko proposed that in light of CEDAs recent experience with relocating businesses and how that affects California communities the Board should discuss what CEDA protocol is in these instances and if/how they should affect CEDAs issuance policies. Ms. Dmitrenko noted that currently, only Industrial Development Bonds (IDB) require a relocation letter.

Board Secretary, Bruce Kern agreed that having the discussion was important and felt that including in the staff report any relocation information on a business when applicable would be sufficient. Board Chair Wayne Schell clarified that this was only necessary for relocation outside of a California community not within it, to which everyone agreed. It was decided that the question needed to be asked early on in the process and if a relocation was occurring, it was important to find out the details behind it and what was being done to address any issues brought up by the move, for instance if the business was using any programs to help with the displaced workforce. Mr. Kern also noted that he did not feel that these issues would necessarily stop a project but that the actions and alternatives taken by the business should be investigated.

Public Comment

There was no public comment made.

Adjournment

Motion: Board Secretary, Bruce Kern moved to adjourn the meeting. Board Chair, Wayne Schell seconded the motion. The motion passed.

Board Chair, Wayne Schell adjourned the meeting at 3:46 pm.

See 2010/2011 CEDA Budget in other attachment

CEDA Executive Director Performance Incentive July 1, 2010

If the Executive Director for CEDA can meet the following budget goals, CALED would increase the management fee due from CEDA to cover the performance incentive outlined below.

CEDA must:

1. Meet it's revenue goal of \$253,000
2. Pay all obligations incurred in this fiscal year (may be more or less than the \$225,050 outlined in the budget)
3. Meet it's net income goal of \$27,950

Once these goals are reached, the CEDA's Executive Director will receive a performance incentive equal to 10% of net income above \$27,950.

An example calculation:

- CEDA's revenue is \$300,000
- CEDA's pay it's obligations totaling \$200,000
- Creating a net gain in excess of \$27,950

Net goal \$27,950
- Actual net income \$100,000
Excess net = \$72,050

10% of \$72,050 = \$7,205

CALED would then ask for an additional \$7,205 to cover the incentive bonus earned by the Executive Director. The performance incentive may be adjusted if warranted through action of the CEDA board.

CEDA Work Plan 2010/2011

ACTION

Manage the affairs of the California Enterprise Development Authority

- Hold a series of education conference calls on Recovery Zone Bonds
- Held 3 calls with over 250 attendees
- Presented to LA County on how we can assist them with Allocation
- Working with State on guidelines/process of re-allocation
- The current reallocation process requires that the Issuer submit an application for allocation on behalf of the Qualified Business. Exploited this opportunity by getting a variety of cities and counties in the state to join prior to having an actual project.
- **Issuance Goals: 14 deals closed consisting of 4 IDBs; 3 RZFB; 7 NP;**
- The banks continue to struggle with providing the underlying letter of credit. This has made it difficult to identify and fund qualified IDBs and RZFBs.
- Focus on nonprofits; Create marketing strategy for reaching c(3)s
To date, we have closed and funded a total of 6 transactions. All of them 501 (c) 3 transactions.
- Continue to work with ED professionals providing them with marketing ideas and ongoing support. Ongoing
- Follow up with attendees to RZ conference call series
Made calls and personal visits to jurisdictions with largest allocations. Many of the larger jurisdiction are not allowing outside issuers to get a piece of their allocation on behalf of the borrower and issue the RZFBs.
- Create marketing piece outlining next steps for those cities/counties that received allocation Have sent out 3 alerts on this topic and have info on web site.
- Track, post and promote important news on Recovery Zones on web. Ongoing
- Tap “deal flow” professionals (brokers/bankers); Ongoing
- Create mailing to major brokerage houses that outlines the benefits of Private Activity Bonds
- Create mailing to key commercial banks detailing tax benefits to banks in completing RZFB Completed mailing and have been marketing to potential bank partners.
- Additional targets: Piper Jaffray, GE, and other finance houses
- Create a regular/consistent CEDA alert for CALED’s mailing list Ongoing
- Revise CEDA web site including site organization & content for one-stop ED financing database Ongoing
- Conduct strategic outreach to potential deal-generating organizations: CSRHA, Manex, BayBio, CCCEWD, etc. Met with Manex and also introduced them to San Jose and CMTA
- EDA Grant
- Identify non-bank RLF lenders and seek their involvement in our network – in process
- Plan and hold two facilitated meetings- Held first meeting in conjunction with Recovery Summit with second meeting actually servicing Sacramento and surrounding communities planned for 06/24/2010 and Bay Area on 06/29/10.
- Use Impact Calculator and project profiles to promote CEDA accomplishments
Have withheld using Impact Calculator due to cost unless we can get the Analysis paid for by the grant.
- Publicize CEDA members; logos on web

- Monitor CDLAC allocation [Ongoing](#)
- Track legislation impacting CEDA, IDB's and private, tax-exempt bonds [Ongoing](#).
- Develop expertise in reviewing documents quickly and efficiently.
- Attend strategic trainings to learn about public finance, JPAs & RLFs
- Learn IDB administrative process
- Diversify financing products and services:
- Offer Cost Segregation Studies to existing client base – [During the year a MOU was signed with RHS](#)
- Funded referrals to CDC Small Business Finance
- Funded loans to Zions Bank yielding up to 5% fee on loan amount – [Discovered that the Secondary Market has changed. Zions Bank has continued this program and a greatly reduced scale with much smaller premiums paid for referrals. Opted not to participate in program.](#)
- Assist w/Dept. of Energy Loan Pool opportunity
- Implement standardized policy for return of portion of fees to locals
- Get LA County to join CEDA as a member...even if there is no project – [LA County's Bond Counsel has taken a very conservative approach to private activity bonds. It is my understanding that he feels that the County takes on some responsibility each time a private-activity bond is funded in the county. Therefore, he has made it clear that the County is to issue bonds themselves.](#)
- If two-year audit is required this year, involve treasurer: [The State of California requires that all JPAs submit an annual audit to the state each year.](#)
- File mandated reports with Controller - [Ongoing](#)
- Increase annual fee for new transactions to \$1,000 [On March 24, 2010, the board approved a new annual fee schedule that starts at \\$500 for transactions up to \\$10.0 million, \\$1,000 for transaction >\\$10.0 million and < \\$20.0 million and \\$2,500 for transaction > \\$20.0 million. This annual fee structure](#)
- Work with staff to standardize board meeting activities: posting notices, creating agenda packets, taking minutes, etc. - [Ongoing](#)
- Clean up files. Organize as standard loan files; organize originals in safe - [Ongoing](#)
- Create deal-tracking procedure
- Post all agenda, staff reports, minutes, audits, on the web - [Ongoing](#)
- Annual Fair Political Practices Filings – April – Completed except for
- Secretary of State filings for new CEDA members - [Ongoing](#)
- IRS filings Form 8038 for each issuance - [Ongoing](#)

MANAGEMENT AGREEMENT

THIS AGREEMENT is made this 1st day of July, 2010 by and between the California Enterprise Development Authority (CEDA), a California Joint Powers Authority, and the California Association for Local Economic Development (CALED), a California nonprofit corporation.

IN CONSIDERATION of the mutual covenants, agreements and conditions contained in this Agreement, CEDA hereby engages CALED as an independent contractor to conduct the management and operations of CEDA and to provide specified services pursuant to the duties outlined in this Agreement, and CALED hereby accepts the engagement on the terms and conditions outlined in this Agreement.

1. SERVICES

- (a) CALED shall manage the day-to-day operations of CEDA, subject to the control and direction of the CEDA Board of Directors (the "CEDA Board"). These management services shall be provided through or under the supervision of the CALED President and CEO. The management services covered by this Agreement (the "Services") are set forth more fully in **Appendix A** to this Agreement.
- (b) The business affairs of CEDA are governed by the executed Joint Powers Agreement dated June 6, 2006, and CEDA Bylaws.
- (c) An Executive Director for CEDA shall be proposed by CALED and approved by the CEDA Board of Directors.
- (d) The principal location of the Services shall be CALED's offices in Sacramento, California. However, as part of the services, CALED shall provide for CEDA a separate identity at said location, including its own phone line, building signage, and mail delivery.

2. STAFFING

- (a) All staff for the Services shall be provided by CALED and shall include an Executive Director who shall serve as the chief staff executive and other positions as assigned by the CEDA Board and who shall report on the full range of CEDA activities directly to the Board no less than quarterly.
- (b) Additional staffing shall be provided from the pool of CALED staff as needed for clerical, accounting, computer, and other administrative or professional services.

3. TERM

- (a) Term. The term of this Agreement shall commence on July 1, 2010 (the "Commencement Date") and shall continue unless amended by both parties. The above notwithstanding, either party shall have the absolute right to terminate this Agreement, with or without cause, by providing the other party with one hundred eighty (180 days) prior written notice.

4. COMPENSATION OF CALED

- (a) CEDA shall pay to CALED an annual Management Fee of \$155,947 effective on the Commencement Date through the term of this Agreement subject to the provisions of the following paragraphs. The Management Fee includes the professional management services provided by the CEDA Executive Director, the services of other CALED professional and support staff on an as-needed basis, as well as the

costs of office space, telephone line charges, furniture and fixtures, office machines, and utilities. The expense items covered by the Management Fee are set forth more fully in **Appendix B** hereto. One -twelfth of this annualized fee will be due each month commencing on the Commencement Date and shall be paid within thirty days of invoicing.

- (b) All other out-of-pocket expenses, such as stationery, outsourced printing, staff travel, mass mailing postage, and contracted professional services incurred in the administration of the affairs of CEDA will be billed at cost. These expenses are set forth more fully in **Appendix C** of this Agreement and will be identified in an annual budget prepared by CALED and presented to the CEDA Board of Directors for approval. These expenses will be monitored and reported monthly to the CEDA Board.
- (c) For oversight, monitoring and organizational services incurred in the establishment of CEDA prior to the Commencement Date, CEDA has paid CALED a fee of \$50,000.
- (d) If there are significant changes in revenue or services prior to the end of any fiscal year, CEDA and CALED may amend the terms of this agreement by mutual agreement.
- (e) CALED recognizes that initially CEDA and CALED fund raising activities may be delayed and that funds for CEDA to pay all CALED expenses may not be immediately available monthly or even annually. CALED agrees to carry a negative balance in the CEDA account until fundraising activities become adequate to pay CALED expenses.
- (f) Quarterly financial statements will be prepared and provided to the CEDA Board President, Executive Director and Treasurer and others as designated. The accounts and records of CEDA will be audited by an independent certified public accountant with expertise in Joint Powers Authorities, reporting directly to the CEDA Board of Directors. The independent audit may occur every two years, in accordance with California statute governing Joint Powers Authorities and as directed by the CEDA Board of Directors.

8. TERMINATION

- (a) Default. Each party has the right to terminate this Agreement if the other party breaches or is in default of any obligation hereunder which default is incapable of cure or which, being capable of cure, has not been cured within ninety (90) days after receipt of notice of such default (or such additional cure period as the non-defaulting party may authorize).

9. RIGHTS UPON TERMINATION

- (a) In the event CEDA, during the term of this Agreement, terminates or cancels this Agreement, then CEDA shall promptly upon such termination pay to CALED any and all fees or other amounts then owed to CALED by CEDA under this Agreement as of the effective date of such termination.

10. GENERAL PROVISIONS

- (a) Applicable Law. This Agreement shall be deemed a contract made under the laws of the State of California, and together with the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of the State of California.

- (b) In performing the services specified by the agreement, CALED shall act as an independent contractor and shall have control of the work and manner in which it is performed. CALED shall be responsible for providing legally mandated benefits to CALED employees including, but not limited to workers compensation insurance and to comply with state and federal tax withholding regulations. CALED will have the obligation to exercise prudent care in its management and handling of the funds generated from CEDA's operations.
- (c) Entire Agreement. This Agreement, including **Appendices A, B, and C** and any referenced attachments hereto, constitutes the entire Agreement between CEDA and CALED on this subject matter.
- (d) Non-Assumption of Liabilities. Except as set forth herein, neither party shall by entering in and performing this Agreement, become liable for any of the existing or future obligations, liabilities, or debts of the other. In any event, the liability of each party with respect to each other is limited to its own assets and shall not extend to the assets of the party's individual Directors or Members.
- (e) If any provision of this Agreement is judged unlawful by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.
- (f) All notices, demands or other written communications to be given under this Agreement shall be deemed to have been fully given when made in writing and addressed to the respective parties as signed below.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement the day and year first written above.

CALIFORNIA ASSOCIATION FOR
LOCAL ECONOMIC DEVELOPMENT
550 Bercut Drive Suite G
Sacramento, CA 95811

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY
550 Bercut Drive Suite G
Sacramento, CA 95811

Kathy Millison, Chair, Board of
Directors

Wayne Schell, Chair, Board of Directors

APPENDIX A

MANAGEMENT SERVICES TO BE PROVIDED

1. Development and implementation of annual work program and budget for consideration by CEDA Board.
2. Preparation for and attendance at CEDA Board meetings including bond issuance approvals, meeting minutes, reports and budget submissions as necessary.
3. Preparation of regular (no less than quarterly) programmatic financial reports to the CEDA Board, to include forecasts of financial status.
4. Assisting the Treasurer in financial management of bank and CD accounts, including Signature or co-signature on checks within limits set by the CEDA Board.
5. Coordination with any CEDA Board Committees and Advisory Groups.

6. Planning, marketing and managing workshops to advance CEDA's mission.
7. Promoting local government membership in the CEDA Joint Powers Authority.
8. Promoting local economic development finance interests with federal and state government, and other institutions.
9. Writing, editing, and publishing informational and marketing copy to inserted in to CALED's regular Bulletins and ED ALERTS.
10. Tracking and monitoring of administrative and legislative actions at the federal and state level affecting the mission of CEDA, particularly tax-exempt conduit revenue bonds.
11. Preparation of grant applications and funding requests to third parties.

APPENDIX B
EXPENSE ITEMS INCLUDED IN MANAGEMENT FEE

1. Salary and other direct reimbursement for the Executive Director, including retirement contribution, Employer's FICA taxes, Workers compensation and disability insurance, federal and state unemployment taxes, group life health insurance, and all other usual personnel expenses. Actual Cost.
2. Oversight and services of CALED professional and support staff on an as-needed basis. Actual Cost according to percentages listed on the attached Assumptions to CEDA budget.
3. Rent, office furniture and fixtures, and utilities for office space for the Executive Director, and use of mail room, reception areas, conference room and supply storage. 10% of CALED Budget amount.
4. Office equipment such as use of copiers, computer hardware, file and storage cabinets. 10% of CALED Budget amount.
5. Office supplies. 10% of CALED Budget amount.
6. Office liability insurance. 10% of CALED Budget amount.
7. Monthly telephone charges for standard business services (fax, email, internet) and long distance calls. 10% of CALED Budget amount.
8. Postage incurred in the daily course of business, excluding mass mailings directly attributable to CEDA. 10% of CALED Budget amount.
9. CALED staff travel. 10% of CALED Budget amount.

APPENDIX C
OUT-OF-POCKET EXPENSES TO BE BILLED AT COST

1. Stationery and Outsourced Printing
2. CEDA Staff travel
3. Postage for mass mailings
4. Outsourced services such as legal, financial, and accounting services.

Management Fee Breakdown

- Management Agreement reflects \$145,359 for staffing and \$10,588 for Administrative expenses for a total of **\$155,947**. This is what we anticipate as the real cost of running CEDA in 2010 - 2011. It does not include direct expenses that CEDA reimburses CALED, which are outlined in the CEDA/CALED Management Agreement.

	Salary	Fringe	Total	% CEDA	Total
Mona - estimate	85,000	12%+200+3%	100,150	100%	100,150
Gurbax - estimate	80,000	12%+200+3%	94,400	15%	14,160
Michelle - estimate	28,125	12%+3%	32,344	80%	25,874
General Admin	4500	12%+3%	5,175	100%	5,175
TOTAL					145,359
* Michelle - 25 hrs/wk*50*\$22.5					
* GA - 5 hrs/wk*50*\$18					

	CALED Estimated budget	% CEDA	CEDA Total
Rent	50,000	10%	5000
Office Equipment	15,000	10%	1,500
Office Supplies	8,000	10%	800
Office Liability Insurance	5,880	10%	588
Telephone	7,000	10%	700
Postage	5,000	10%	500
CALED Staff Travel	15,000	10%	1500
TOTAL	105,880	10%	10,588

Staff Report

Action Requested	Adopt Resolution 10-16 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement pursuant to which the California Enterprise Development Authority will make a loan in an Amount not to exceed \$4,000,000 for the Purpose of Financing and Refinancing the cost of Construction, Furnishing and Equipping of Certain Facilities for the Benefit of Old Globe Theatre, Providing the Terms and Conditions for such Loan Agreement and other Matters Relating Thereto Herein Specified
Borrower(s)	Old Globe Theater and/or affiliated or related entities.
Borrower Description	<p>The Old Globe Theater was originally built in 1935 for the California Pacific International Exposition. Once the exposition concluded in 1937, the non-profit producing corporation, The San Diego Community Theater leased the theater and adjacent buildings from the City of San Diego and continues to do so today. The Old Globe produces a year-round season of 15 plays and musicals on its three stages. The theater has become a gathering place for leading artists including Tom Stoppard and Daniel Sullivan among others.</p> <p>The properties securing the loans are as follows:</p> <ul style="list-style-type: none"> (a) 43,000-sf industrial building located at 5335 Market St in San Diego, CA to store and build all the production related props and stages (b) 22-unit multi-family located at 1848 Cypress St in San Diego, CA used as boarding facilities for traveling actors
Public Benefits	The refinancing of the borrower's two existing commercial real estate secured notes and legal, title, issuance, and other financing costs will significantly reduce the borrower's interest costs. Approval of this request will result in significant cost savings by lowering the borrower's overall debt service payments and provide them with the funds needed for potential improvements. This action affords the theater the opportunity to improve cash flow and allow them to potentially increase their net income.
TEFRA Hearing	A Tax Equity and Fiscal Responsibility Act "TEFRA" hearing will be held by the City of San Diego on August 3, 2010, following a public notice published in a newspaper of general circulation. No written or oral public comment is expected to be received.
Eligibility and Policy Review	<p>The project has been reviewed by CEDA staff. 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	<ul style="list-style-type: none"> ■ Staff recommends approval of Resolution 10-16, which authorizes and approves a loan agreement, which allows up to a \$4 million loan financing for Old Globe Theater.

RESOLUTION NO. 10-16

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AUTHORIZING AND APPROVING A LOAN AGREEMENT PURSUANT TO WHICH THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY WILL MAKE A LOAN IN AN AMOUNT NOT TO EXCEED \$4,000,000 FOR THE PURPOSE OF FINANCING AND REFINANCING THE COST OF THE CONSTRUCTION, FURNISHING AND EQUIPPING OF CERTAIN FACILITIES FOR THE BENEFIT OF OLD GLOBE THEATRE, PROVIDING THE TERMS AND CONDITIONS FOR SUCH LOAN 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;

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, 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”);

WHEREAS, pursuant to the provisions of the Act, the public agencies which are members of the Authority are authorized to jointly exercise any power common to such public agency members, including, without limitation, the power to acquire and dispose of property, both real and personal; and

WHEREAS, the County of San Diego 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 for the purposes of promoting economic development; and

WHEREAS, Old Globe Theatre, a California nonprofit public benefit corporation (the “Borrower”), has submitted an application to the Authority requesting the Authority to make a loan (the “Borrower Loan”) in the aggregate principal amount not to exceed \$4,000,000 to the Borrower for the purpose of (i) refinancing certain of the Borrower’s indebtedness, which indebtedness was used to acquire, renovate, and equip production and temporary boarding facilities located at 5335 Market Street, San Diego, California and 1848 Cypress Avenue, San Diego, California (together, the “Facilities”), and (ii) paying certain costs of issuance in connection with the transaction (collectively, the “Project”); and

WHEREAS, the Authority intends to use the proceeds of a tax-exempt loan from California Bank & Trust (the “Lender”) to the Authority (the “Authority Loan”) to make the Borrower Loan; and

WHEREAS, there has been filed with the Secretary of the Authority a proposed form of a (i) Loan Agreement (the “Loan Agreement”), by and among the Lender, the Authority and the Borrower and (ii) the Deed of Trust Assignment Agreement (the “Deed of Trust Assignment Agreement”), between the Authority and the Lender; and

WHEREAS, in accordance with the requirements of Section 147(f) of the Code, the Board of Supervisors of the County of San Diego adopted, on August 3, 2010, a resolution approving the Authority Loan, in order to finance the Project;

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 the Project.

Section 2. The Authority hereby approves of the entering into the Authority Loan on a tax-exempt basis and using the proceeds thereof to make the Borrower Loan pursuant to the terms and provisions of the Loan Agreement. The Authority understands that the payments under the Borrower Loan will be assigned to the Lender to satisfy the Authority’s payments under the Authority Loan. The payments to be made by the Authority to the Lender under the Authority Loan will be satisfied solely from payments made by the Borrower to the Lender (as assignee of Authority) under the Borrower Loan.

Section 3. The proposed form of the Loan Agreement by and among the Lender, the Authority and the Borrower, on file with the Secretary of the Authority, is hereby approved. The Chairman or the Vice Chairman of the Board of Directors, or the Executive Director 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 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.

Section 4. The proposed form of the Deed of Trust Assignment Agreement between the Authority and the Lender, on file with the Secretary of the Authority, is hereby approved. The Authorized Signatories, acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Deed of Trust 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.

Section 5. The Authority approves the Authority Loan on a tax-exempt and/or taxable basis and the making of the Borrower Loan to the Borrower in an amount not to exceed \$4,000,000 in accordance with the terms of and to be secured by the Loan Agreement. Repayment of the principal of, premium, if any, and the interest on, the Authority Loan shall be made solely from the revenues to be received by the Authority from the Borrower Loan pursuant to the Loan Agreement,

and the Authority Loan shall not be deemed to constitute a debt or liability of the State or any political subdivision thereof. The Authority Loan shall bear interest at the rate or rates set forth in the Loan Agreement.

Section 6. All assignments, consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the borrowing of amounts from the Lender and the making of the Borrower Loan to the Borrower, any of the foregoing which may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any assignment by Lender to an affiliate of Lender or qualified institutional buyer or any prepayment of the Borrower Loan, may be given or taken by the Chairman or the Executive Director or any designee of either of them without further authorization by this Board of Directors of the Authority, and such officers are hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officers may deem necessary or desirable to further the purposes of this Resolution.

Section 7. All actions heretofore taken by the officials and agents of the Authority with respect to the Authority Loan borrowing of funds from the Lender and the Borrower Loan to the Borrower 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 bond counsel may deem necessary or advisable in order to consummate the Borrower Loan and the Authority Loan and otherwise to effectuate the purposes of this Resolution.

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 4th day of August, 2010.

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY

By: _____
Wayne Schell, Chairman

ATTEST:

Gurbax Sahota, 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 August 4, 2010.

Gurbax Sahota, Assistant Secretary

Staff Report

Action Requested	Adopt Resolution 10-17 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to Which the California Enterprise Development Authority will make a Loan in an Amount not to Exceed \$5,300,000 for the Purpose of Refinancing the Cost of the Acquisition and Improvement of Certain Facilities for the Benefit of MCF Property Holdings, Inc., Providing the Terms and Conditions for such Loan Agreement and other Matters Relating Thereto Herein Specified
Borrower(s)	MFC Property Holdings, Inc. and/or affiliated or related entities.
Borrower Description	<p>Incorporated in 2001, MCFPH provides Class A professional office space for nonprofit organizations in Marin County, and is a supporting organization of the Marin Community Foundation. MCFPH leases its buildings to multiple nonprofits with the goal of supporting tenants' missions by helping them develop and maintain crucial infrastructure resources. The proceeds of the new tax-exempt loan will be used to refinance, or payoff, bank mortgage loans that encumber two existing buildings owned by MCFPH. These bank mortgages were used to fund the original acquisition of these properties. The properties being refinanced are as follows:</p> <ul style="list-style-type: none"> (c) 555 Northgate Drive, approximately 23,500 of rentable square feet on 2 stories (d) 30 North San Pedro Road, approximately 24,500 of rentable square feet on 2 stories
Public Benefits	The refinancing of the borrower's two existing commercial real estate secured notes and legal, title, issuance, and other financing costs will significantly reduce the borrower's interest costs, from 8.9% to a rate of 3.32%. Approval of this request will result in significant cost savings by lowering the borrower's overall debt service payments. These savings will allow MCFPH to maintain, and perhaps increase, the level of services to tenant nonprofit organizations.
TEFRA Hearing	A Tax Equity and Fiscal Responsibility Act "TEFRA" hearing was held by the County of Marin on June 15, 2010, following a public notice published in a newspaper of general circulation.
Eligibility and Policy Review	<p>The project has been reviewed by CEDA staff. 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	<ul style="list-style-type: none"> ■ Staff recommends approval of Resolution 10-17, which authorizes and approves a loan agreement, which allows up to a \$5.3 million loan financing for MFC Property holdings, Inc.

RESOLUTION NO. 10-17

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

RESOLUTION OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AUTHORIZING AND APPROVING A LOAN AGREEMENT PURSUANT TO WHICH THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY WILL MAKE A LOAN IN AN AMOUNT NOT TO EXCEED \$5,300,000 FOR THE PURPOSE OF REFINANCING THE COST OF THE ACQUISITION AND IMPROVEMENT OF CERTAIN FACILITIES FOR THE BENEFIT OF MCF PROPERTY HOLDINGS, INC., PROVIDING THE TERMS AND CONDITIONS FOR SUCH LOAN 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;

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, 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”);

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 Marin 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 for the purposes of promoting economic development; and

WHEREAS, MCF Property Holdings, Inc., a California nonprofit public benefit corporation (the “Borrower”), has submitted an application to the Authority requesting the Authority to make a loan (the “Borrower Loan”) in the aggregate principal amount not to exceed \$5,300,000 to the Borrower for the purpose of refinancing, or reimbursing the Borrower for, (1) the cost of acquiring and improving certain office buildings located at 30 N. San Pedro Road, San Rafael, California and 555 Northgate Drive, San Rafael, California, and (2) the payment of certain costs of issuance in connection with the Borrower Loan (collectively, the “Project”); and

WHEREAS, the Authority intends to use the proceeds of a tax-exempt loan from Bank of Marin (the “Lender”) to the Authority (the “Authority Loan”) to make the Borrower Loan;

WHEREAS, there has been filed with the Secretary of the Authority a proposed form of a (i) Loan Agreement (the “Loan Agreement”), by and among the Lender, the Authority and the Borrower, (ii) the Deed of Trust Assignment Agreement (the “Deed of Trust Assignment Agreement”), between the Authority and the Lender, (iii) the Guaranty Assignment Agreement (the “Guaranty Assignment Agreement”) between the Authority and the Lender, and (iv) the Environmental Indemnity Assignment Agreement (the “Environmental Indemnity Assignment Agreement”) between the Authority and the Lender; and

WHEREAS, in accordance with the requirements of Section 147(f) of the Code, the Board of Supervisors of the County of Marin adopted, on June 15, 2010, a resolution approving the Authority Loan, in order to finance the Project; 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 the Project.

Section 2. The Authority hereby approves of the entering into the Authority Loan on a tax-exempt basis and using the proceeds thereof to make the Borrower Loan pursuant to the terms and provisions of the Loan Agreement. The Authority understands that the payments under the Borrower Loan will be assigned to the Lender to satisfy the Authority’s payments under the Authority Loan. The payments to be made by the Authority to the Lender under the Authority Loan will be satisfied solely from payments made by the Borrower to the Lender (as assignee of Authority) under the Borrower Loan.

Section 3. The proposed form of the Loan Agreement by and among the Lender, the Authority and the Borrower, on file with the Secretary of the Authority, is hereby approved. The Chairman or the Vice Chairman of the Board of Directors, or the Executive Director 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 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.

Section 4. The proposed forms of the Deed of Trust Assignment Agreement, the Guaranty Assignment Agreement and the Environmental Indemnity Assignment Agreement between the Authority and the Lender, on file with the Secretary of the Authority, are hereby approved. The Authorized Signatories, acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Deed of Trust Assignment Agreement, the Guaranty Assignment Agreement and the Environmental Indemnity Assignment Agreement in substantially the forms 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.

Section 5. The Authority approves the Authority Loan on a tax-exempt and/or taxable basis and the making of the Borrower Loan to the Borrower in an amount not to exceed \$5,300,000 in accordance with the terms of and to be secured by the Loan Agreement. Repayment of the

principal of, premium, if any, and the interest on, the Authority Loan shall be made solely from the revenues to be received by the Authority from the Borrower Loan pursuant to the Loan Agreement, and the Authority Loan shall not be deemed to constitute a debt or liability of the State or any political subdivision thereof. The Authority Loan shall bear interest at the rate or rates set forth in the Loan Agreement.

Section 6. All assignments, consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the borrowing of amounts from the Lender and the making of the Borrower Loan to the Borrower, any of the foregoing which may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any assignment by Lender to an affiliate of Lender or qualified institutional buyer or any prepayment of the Borrower Loan, may be given or taken by the Chairman or the Executive Director or any designee of either of them without further authorization by this Board of Directors of the Authority, and such officers are hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officers may deem necessary or desirable to further the purposes of this Resolution.

Section 7. All actions heretofore taken by the officials and agents of the Authority with respect to the Authority Loan borrowing of funds from the Lender and making the Borrower Loan to the Borrower 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 bond counsel may deem necessary or advisable in order to consummate the Borrower Loan and the Authority Loan and otherwise to effectuate the purposes of this Resolution.

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 4th day of August, 2010.

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY

By: _____
Wayne Schell, Chairman

ATTEST:

Gurbax Sahota, 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 August 4, 2010.

Gurbax Sahota, Assistant Secretary