

# CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

## MINUTES

### Regular Meeting

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

### CEDA BOARD OF DIRECTORS

Thursday, August 16, 2012

#### 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

City of Santa Rosa City Hall  
100 Santa Rosa Avenue  
Santa Rosa, CA 95404

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 10:31 am.

#### Roll Call

Members Present: Larry Cope (10:42)  
Kevin Ham  
DB Heusser  
Kathy Millison (non-voting)  
Gurbax Sahota  
Randy Starbuck  
Cindy Trobitz-Thomas (10:43)

#### CALED Management/Staff

Present: Michelle Stephens

#### Public Present:

Ron Bannerman, CFO, Schools of the Sacred Heart  
Michael Chapin, Figtree Energy Resource Company

#### Action Items

1. Approve the Regular Meeting Minutes of July 12, 2012.

**Motion:** Board Member Kevin Ham made the motion to approve the Regular Meeting Minutes of July 12, 2012. Board Member DB Heusser seconded the motion on the floor and it passed with the following roll call vote:

Kevin Ham	Aye
DB Heusser	Aye
Gurbax Sahota	Aye
Randy Starbuck	Aye

2. Approve Resolution 12-25 Authorizing and Approving a Master Loan Agreement and Related Documents Benefitting the Schools of the Sacred Heart-San Francisco.

**Motion:** Board Member Randy Starbuck made the motion to approve Resolution 12-25. Board Member Kevin Ham seconded the motion on the floor and it passed with the following roll call vote:

Kevin Ham	Aye
DB Heusser	Aye
Gurbax Sahota	Aye
Randy Starbuck	Aye

**Discussion:** Michelle Stephens gave some background on this project and introduced Schools of the Sacred Heart CFO, Ron Bannerman to the board. Board Member Randy Starbuck asked what the interest rate differential on this refinancing was to which Mr. Bannerman gave a detailed response, outlining that the project consists of Series A and Series B and their respective rates are approximately 5% including letter of credit fees and around 25 basis points. The current issuance would create a fixed rate of 2.75% for the duration of the bonds, 18 years, as well as eliminate the risks inherent with renewing letter of credits.

3. Approve Resolution 12-26 Authorizing and Approving the Associate Membership of the City of Kingsburg in the California Enterprise Development Authority.

**Motion:** Board Member DB Heusser made the motion to approve Resolution 12-26. Board Member Randy Starbuck seconded the motion on the floor and it passed with the following roll call vote:

Kevin Ham	Aye
DB Heusser	Aye
Gurbax Sahota	Aye
Randy Starbuck	Aye

**Discussion:** Michelle Stephens explained that the City of Kingsburg has been in discussion with Figtree and is becoming a member of CEDA to take advantage of PACE financing as well as other CEDA financing opportunities.

4. Approve Resolution 12-27 Authorizing and Approving the Associate Membership of the City of Yuba City in the California Enterprise Development Authority.

**Motion:** Board Member Kevin Ham made the motion to approve Resolution 12-27. Board Member DB Heusser seconded the motion on the floor and it passed with the following roll call vote:

Larry Cope	Aye
Kevin Ham	Aye
DB Heusser	Aye
Gurbax Sahota	Aye
Randy Starbuck	Aye
Cindy Trobitz-Thomas	Aye

**Discussion:** Michelle Stephens explained that much like the City of Kingsburg, the City of Yuba City is also interested in taking advantage of PACE financing and the other financing available through CEDA.

5. Approve Resolution 12-28 Authorizing the Issuance of the California Enterprise Development Authority Assessment Bonds, Authorizing the Execution and Delivery of Related Bond Documents, Authorizing Actions Necessary to the Delivery of Such Bonds, Ratifying and Confirming the Resolutions of Intention, Ratifying and Confirming Resolutions Confirming the Program Report

Approved on April 26, 2012 and May 31, 2012, Approving the Restated and Updated Figtree PACE Program Report Dated August 16, 2012.

6. Authorize the Chair of the Board of Directors, In Consultation With Counsel, To Initiate And Prosecute a Judicial Validation Proceeding With Respect to The Assessment Bonds, the Program, and Related Legal Documents.
7. Approve Retainer Agreement with Lewis, Brisbois, Bisgaard & Smith as Bond Counsel in Connection with the Figtree PACE Program.

**Motion:** Board Member Randy Starbuck made the motion to continue said resolutions to the next CEDA meeting on September 6, 2012. Board Member Cindy Trobitz-Thomas seconded the motion on the floor and it passed with the following roll call vote:

Larry Cope	Aye
Kevin Ham	Aye
DB Heusser	Aye
Gurbax Sahota	Aye
Randy Starbuck	Aye
Cindy Trobitz-Thomas	Aye

**Discussion:** Michelle Stephens explained that Action Items 5-7 are not ready and that the group working on these items was unable to complete them in a timely manner so that the board would have adequate time to review the documents before the meeting. She asked that the items be pulled from the agenda and continued to the next meeting.

Board Member Kathy Millison asked if the judicial validation was for each item or a sweeping action for the entire program? Michelle Stephens said that she thought it was a sweeping validation of the project but asked Michael Chapin of Figtree to confirm this. Mr. Chapin agreed that it is a validation of the entire program and further explained that this action was occurring because the City of San Diego requires it and therefore, Figtree is moving forward to have the PACE program judicially validated.

Ms. Millison expressed concern that the board would not have a quorum for the next meeting because she knew that she and at least one other board member would be at a League of Cities event. Ms. Stephens took an informal poll of availability and it was determined that there would be a quorum for the September 6<sup>th</sup> meeting.

#### **Public Comment**

#### **Chair Report**

CEDA Chair, Gurbax Sahota noted that CEDA is currently going through its annual audit and she anticipates that it will go well without any significant findings by the auditor.

#### **PACE Report**

Michael Chapin of Figtree said that he would present a complete PACE Report at the next meeting, when several PACE related items will be in front of the board.

#### **Other Business**

#### **Adjournment**

**Motion:** Board Member Cindy Trobitz-Thomas moved to adjourn the meeting. Board Member Larry Cope seconded the motion. The motion passed unanimously by voice vote.

Board Chair, Gurbax Sahota adjourned the meeting at 10:50 am.