

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

MINUTES
Regular Meeting
***TELECONFERENCE MEETING ***
CEDA BOARD OF DIRECTORS
Thursday, June 8, 2017

Teleconference Locations

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

City of Santa Clarita
23920 Valencia Blvd., Suite 100
Santa Clarita, CA 91355

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

Fresno State
550 East Shaw Ave., Suite 230
Fresno, CA 93710

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

Los Angeles County
Economic Development
Corporation (LAEDC)
444 S. Flower St., 37th Floor
Los Angeles, CA 90071

Southern California Edison,
Economic Development Services
6040-B N. Irwindale Ave.
Irwindale, CA 91702

Call to Order

Gurbax Sahota, Board Chair of the California Enterprise Development Authority, called the meeting to order at 10:30 am.

Roll Call

Members Present: Jason Crawford
Mike Dozier
Gurbax Sahota
Mike Nuby
Bruce Stenslie

CALED Management/Staff

Present: Jillian Boyd
Helen Schaubmayer

Public: Sam Balisy
Dan Bronfman
Chad Stacy, Dunn School
Mike Melliere, Valley Christian Schools
Ken Schilling, Valley Christian Schools
Frank Thompson, Santa Barbara Student Housing

Statement of Disclosure

Mike Nuby disclosed he would need to abstain from item number 5 on the agenda which includes Resolution No. 17-22.

Action Items

1. Approve Minutes from the Regular Meetings on June 1, 2017.

Motion: Board Member Bruce Stenslie made the motion to approve minutes from the regular meeting on June 1, 2017. Board Member Mike Nuby seconded the motion on the floor. The motion passed with the following roll call vote:

Jason Crawford	Aye
Mike Dozier	Aye
Gurbax Sahota	Aye
Mike Nuby	Aye
Bruce Stenslie	Aye

2. Approve Resolution No. 17-19 of the California Enterprise Development Authority Authorizing and Approving an Amendment to Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make a Loan for the Purpose of Financing and Refinancing the Cost of Constructing, Developing, Installing, Improving, Equipping and Furnishing Certain Facilities for the Benefit of North County Health Project Incorporated, Providing the Terms and Conditions for Such Amendment to Loan Agreement and Other Matters Relating Thereto Herein Specified.

Motion: Board Member Jason Crawford made the motion to approve Resolution No. 17-19. Board Member Mike Dozier seconded the motion on the floor. The motion passed with the following roll call vote:

Jason Crawford	Aye
Mike Dozier	Aye
Gurbax Sahota	Aye
Mike Nuby	Aye
Bruce Stenslie	Aye

Discussion: Helen briefed the Board the North County Health Project Incorporated is a federally funded community health clinic which began operation in 1971 providing a wide array of medical services, a large part to low income, working-poor residents. CEDA closed a deal with North County Health Project in 2016, but the property that was intended to be purchased with the proceeds fell out of escrow. The Borrower now identified and purchased a replacement site. North County Health Project Incorporated requests the Authority to make a loan in the aggregate principal amount not to exceed \$2,500,000 for financing and refinancing the cost of real property and improvements located in Ramona, California to serve as a site for a new healthcare clinic.

3. Approve Resolution No. 17-20 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make One or More Loans for the Purpose of Financing and Refinancing the Cost of Developing, Constructing, Installing, Improving, Equipping and Furnishing of Certain Facilities for the Benefit of Valley Christian Schools, Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

Motion: Board Member Bruce Stenslie made the motion to approve Resolution No. 17-20. Board Member Mike Nuby seconded the motion on the floor. The motion passed with the following roll call vote:

Jason Crawford	Aye
Mike Dozier	Aye
Gurbax Sahota	Aye
Mike Nuby	Aye
Bruce Stenslie	Aye

Discussion: Gurbax mentioned to the Board and partners on the line that the revised resolution was sent out yesterday. Helen briefed the Board that Valley Christian Schools is an institution

located in San Jose which provides an education that is grounded in the Judeo-Christian values of the Bible. The School provides a comprehensive kindergarten through 12th grade curriculum with a rigorous college preparatory program and has a total enrollment of 2,740 students. Valley Christian Schools offers, members of its community (especially students) complete several community service hours each school year, such as mentoring and education programs with local at-risk elementary schools and a worldwide Missions programs. Valley Christian Schools requests the Authority to make one or more tax-exempt or taxable loans in the aggregate principal amount not to exceed \$48,500,000 for (a) refunding all the outstanding ABAG Finance Authority for Nonprofit Corporations Bonds, Series 2003 and Series 2009. Mike Melliere with Valley Christian Schools stated the final loan amount will be \$40.5 million and is scheduled to close within the next week. Sam Balisy mentioned this loan will help the borrower save on outstanding debt.

4. Approve Resolution No. 17-21 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make One or More Loans for Financing, Refinancing or Reimbursing the Cost of Acquiring, Constructing, Installing, Rehabilitating, Equipping and Furnishing of Educational Facilities for the Benefit of Dunn School and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

Motion: Board Member Mike Dozier made the motion to approve Resolution No.17-21. Board Member Jason Crawford seconded the motion on the floor. The motion passed with the following roll call vote:

Jason Crawford	Aye
Mike Dozier	Aye
Gurbax Sahota	Aye
Mike Nuby	Aye
Bruce Stenslie	Aye

Discussion: Helen briefed the Board that Dunn School was founded in 1957 and is an independent, co-educational day and boarding school for grades 6-12 located in Los Olivos, around 30 miles northwest of Santa Barbara. In fall 2016, Dunn began the school year with 246 students and is devoted to the development of well-rounded leaders and life-long learners. The School utilizes a whole student educational approach that integrates rigorous academics with an intentional focus on the characteristics of leadership. Dunn School requests the Authority to make one or more loans in the aggregate principal amount not to exceed \$8,000,000 for the purpose of financing, refinancing or reimbursing the cost of acquiring, constructing, installing, rehabilitating, equipping and furnishing of educational facilities in Los Olivos, including, but not limited to all campus fire suppression water line, new gymnasium locker rooms, senior dorm remodel, new faculty cottages, and flood retention basin; the construction of the Cindy and Adam Bronfman Student Leadership Center, a 6,224 square foot, one story facility that will house employee offices, conference rooms, meeting spaces, a mezzanine, a student run café; and other routine capital expenditures. Chad Stacy with the Dunn School mentioned they were excited to work with CEDA and thankful for the support. Sam Balisy mentioned the public hearing is scheduled with the County of Santa Barbara on June 20, 2017 and this is a great school and project.

5. Approve Resolution No. 17-22 of the California Enterprise Development Authority Authorizing and Approving a Loan Agreement Pursuant to Which the California Enterprise Development Authority Will Make One or More Loans for the Purpose of Financing and Refinancing the Cost of Acquiring, Constructing, Installing, Rehabilitating, Equipping and Furnishing of Student Housing Facilities for the Benefit of Santa Barbara Student Housing and/or a Related or Successor Entity; Providing the Terms and Conditions for Such Loan Agreement and Other Matters Relating Thereto Herein Specified.

Motion: Board Member Bruce Stenslie made the motion to approve Resolution No.17-22. Board Member Jason Crawford seconded the motion on the floor. The motion passed with the following roll call vote:

Jason Crawford	Aye
Mike Dozier	Aye
Gurbax Sahota	Aye
Mike Nuby	Abstain
Bruce Stenslie	Aye

Discussion: Helen briefed the Board that the Santa Barbara Student Housing (SBSH) provides low-rent, cooperative (co-op) housing for student, staff, and faculty of the University of California at Santa Barbara. Residents are considered regardless of gender, race, social, political, or religious affiliation. SBSH was started in 1976 by a group of students at UCSB that formed a cooperative to master lease buildings, thereby lowering rates and giving members greater control over the quality of the housing. Santa Barbara Student Housing requests the Authority to make one or more loans in the aggregate principal amount not to exceed \$6,000,000 for financing and refinancing the costs related to five student housing facilities located in the Isla Vista community of Santa Barbara County and one in Santa Barbara. Part of the refinancing is for an existing tax-exempt loan facilitated by CEDA in 2010. Helen mentioned the public hearing with the County is scheduled for June 20th. Frank Thompson stated that he is on the Board of Directors and was one of the original members that founded the Santa Barbara Student Housing in 1976, this loan will help improve properties and expand one house.

6. Approve contributions to support economic development and contribute to the Authority's Operating Reserve:
 - a. Up to \$50,000 to California Academy for Economic Development based on CEDA's actual end-of-year net income.
 - b. Up to \$250,000 to the California Association for Local Economic Development based on CEDA's actual end-of-year net income.
 - c. \$100,000 to the Authority's Operating Reserve.

Motion: Board Member Jason Crawford made the motion to approve contributions to support economic development and contribute to the Authority's Operating Reserve. Board Member Mike Dozier seconded the motion on the floor. The motion passed with the following roll call vote:

Jason Crawford	Aye
Mike Dozier	Aye
Gurbax Sahota	Aye
Mike Nuby	Aye
Bruce Stenslie	Aye

Discussion: Helen briefed the Board that CEDA was created with the intent to give back to economic development. As such, the CEDA Board of Directors has the authority to contribute funds deemed as surplus to organizations for economic development purposes. Contributing to CALED and the Academy will allow the organizations to provide education and networking opportunities for California's economic developers, as well as provide additional capacity for the organizations to promote the value of economic development. A contribution of \$100,000 to the operating reserve will cover one year of operating costs per the proposed 2017-18 Management Fee of \$300,000.

7. Approve FY 2017-2018 CEDA Work Program and Budget.

Motion: Board Member Mike Nuby made the motion to approve the FY 2017-2018 CEDA Work Program and Budget. Board Member Mike Dozier seconded the motion on the floor. The motion passed with the following roll call vote:

Jason Crawford	Aye
Mike Dozier	Aye
Gurbax Sahota	Aye
Mike Nuby	Aye
Bruce Stenslie	Aye

Discussion: Helen briefed the Board that the work program includes maintaining CEDA as a compliant JPA, supporting tax-exempt bond and PACE issuances, as well as promoting CEDA.

8. Approve amended CEDA Management Agreement.

Discussion: Helen briefed the Board about the updates regarding the management agreement between CEDA and CALED before a motion was made. These updates include a revised management fee and CALED’s Board Chair’s name updated to Jason Crawford.

Motion: *Board Member Bruce Stenslie made the motion to approve the CEDA Management Agreement. Board Member Mike Nuby seconded the motion on the floor. The motion passed with the following roll call vote:*

Jason Crawford	Aye
Mike Dozier	Aye
Gurbax Sahota	Aye
Mike Nuby	Aye
Bruce Stenslie	Aye

9. Approve entering in an agreement with Kronick Moskovitz Tiedemann & Girard to provide legal services to the Authority about giving advice and counsel on general governance issues, and other matters as assigned by mutual agreement.

Motion: *Board Member Bruce Stenslie made the motion to approve CEDA entering the agreement with Kronick Moskovitz Tiedemann & Girard to provide legal services to the Authority about giving advice and counsel on general governance issues, and other matters as assigned by the mutual agreement. Board Member Jason Crawford seconded the motion on the floor. The motion passed with the following roll call vote:*

Jason Crawford	Aye
Mike Dozier	Aye
Gurbax Sahota	Aye
Mike Nuby	Aye
Bruce Stenslie	Aye

Discussion: Gurbax briefed the Board this agreement with Kronick Moskovitz Tiedemann & Girard includes assistance in creating a retention and destruction policy for CEDA and documents regarding the Brown Act and how it applies to CEDA for use by the Board and staff.

Public Comment

Chair Report

Gurbax stated there will be a couple more calls before the end of the fiscal year. Helen mentioned there will be a call next week.

PACE Report

Other Business

Adjournment

Motion: *Board Member Mike Nuby made the motion to adjourn the meeting. Board member Jason Crawford seconded the motion on the floor. Board Chair Gurbax Sahota adjourned the meeting at 11:00 am by voice vote.*