

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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

**10:30 A.M.
Thursday, August 8, 2013
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 July 11, 2013.

Action Items

2. Approve Resolution 13-27 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of Pacific Ridge School and Other Matters Related Thereto.
3. Approve Resolution 13-28 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of The Shining Star Foundation and Other Matters Related Thereto.

Public Comment

Chair Report

PACE Report

Other Business

Adjournment

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

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

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

Los Angeles EDC
444 S. Flower St., 37th Floor
Los Angeles, CA 90071

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

City of Selma
1710 Tucker St.
Selma, CA 93662

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

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

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

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CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

MINUTES

Regular Meeting

***TELECONFERENCE MEETING ***

CEDA BOARD OF DIRECTORS

Thursday, July 11, 2013

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., 37th 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 (10:45)
DB Heusser
Carrie Rogers
Gurbax Sahota
Randy Starbuck
Bruce Stenslie

CALED Management/Staff

Present: Rachael Alexander
Michelle Stephens

Statement of Disclosure

None

Action Items

1. Approve the Regular Meeting Minutes of June 13, 2013.

Motion: Board Member Randy Starbuck made the motion to approve the Regular Meeting Minutes of June 13, 2013. Board Member DB Heusser seconded the motion on the floor and it passed with the following roll call vote:

DB Heusser	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye
Randy Starbuck	Aye
Bruce Stenslie	Aye

2. Approve California Enterprise Development Authority Work Plan and 2013-2014 budget.

Motion: Board Member DB Heusser made the motion to approve the work plan and 2013-2014 budget. Board Member Carrie Rogers seconded the motion on the floor and it passed with the following roll call vote:

Larry Cope	Aye
DB Heusser	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye
Randy Starbuck	Aye
Bruce Stenslie	Aye

Discussion: Board Chair, Gurbax Sahota reviewed the work plan and budget noting that it was very similar to past CEDA documents and that the main additions were the inclusion of PACE and the CDFA partnership. She also noted that there was the addition of a legal fee to help offset the unbilled hours Kutak Rock incurred reviewing the PACE documents. Board Member Randy Starbuck asked why those costs were not a part of the bond fees for that issuance. Board Member DB Heusser agreed that normally the cost would be a percentage of the issuance.

Ms. Sahota agreed that normally that was the case but in this instance the bond amount was so small it was impossible for Kutak Rock to recoup all of their time. Board Member Bruce Stenslie clarified that this item in the budget was to compensate for Kutak Rock's work in the planning and execution of the PACE program. Ms. Sahota agreed and said that she hopes as the transactions become more frequent and standardized the time needed by Kutak Rock will decrease.

Mr. Starbuck clarified that he was not against compensating Kutak Rock he just hoped that moving forward, the fee structure would be more traditional with fees incorporated in the bond issuance. Mr. Heusser asked if there was bond counsel on the project. Ms. Sahota responded that yes there was but they do not represent the interest of CEDA. Mr. Heusser felt that it was important to feel comfortable with the bond counsel. Ms. Sahota agreed and said she felt this conversation would be more appropriate within the larger context of reviewing the agreement with Figtree during the CALED executive board meeting. Mr. Stenslie agreed with her.

3. Approve California Enterprise Development Authority Management Agreement.

Motion: Board Member Randy Starbuck made the motion to approve the Management Agreement. Board Member Bruce Stenslie seconded the motion on the floor and it passed with the following roll call vote:

Larry Cope	Aye
DB Heusser	Aye
Carrie Rogers	Aye
Gurbax Sahota	Aye
Randy Starbuck	Aye
Bruce Stenslie	Aye

Discussion: Ms. Sahota explained the changes in the Management Agreement. Mr. Stenslie asked if the 10% charges from Appendix B were adequate. Ms. Sahota said she felt they were and thought that if it were necessary to re-evaluate them next year, it would be necessary to track the usage in the coming fiscal year.

Public Comment

Chair Report

Ms. Sahota let the Board know that the first PACE transaction closed on July 10th and that there was another one in the pipeline. Michelle Stephens informed the board that there were a few bond issuances in the pipeline and she was anticipating another successful year for CEDA.

PACE Report

Ms. Stephens let the board know she was attending the PACE kick-off for Butte County later that day.

Other Business

Adjournment

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

Board Chair, Gurbax Sahota adjourned the meeting at 10:52 am.

Staff Report

Action Requested	Approve Resolution 13-27 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of Pacific Ridge School and Other Matters Related Thereto.
Borrower(s)	Pacific Ridge School
Borrower Description	<p>Pacific Ridge School opened its doors in 2007 with 103 students in grades 7 and 9. The campus consisted of four buildings on a 7.5-acre campus. Since that time, the school has expanded to include grades 7-12 and 487 students. For academic year 2013/2014, the school is projected to grow to approximately 500 students. At full maturity, Pacific Ridge will accommodate an anticipated 600 students in grades 7-12.</p> <p>This resolution approves up to \$27,000,000. The tax-exempt loan proceeds will be used as follows:</p> <ol style="list-style-type: none"> 1. Refinance the loan dated as of December 1, 2010 by and between the California Enterprise Development Authority, the proceeds of which financed and refinanced the cost of acquiring, constructing, renovating, equipping, and furnishing educational facilities including but not limited to classrooms, administrative offices, a gymnasium, and other related school and educational facilities. 2. Finance the cost of constructing, installing, and equipping a middle school/administration building and an arts building. 3. Pay the costs of such financing and refinancing.
Public Benefits	<p>Many public benefits will result from this project, including:</p> <ol style="list-style-type: none"> 1. The transition from modular buildings to energy efficient permanent buildings. 2. Significant long-term interest savings for Pacific Ridge School, which will allow the school to preserve cash reserves and support expanded and improved student programs and services. 3. The School currently makes its athletic fields available to outside organizations such as local and national soccer, lacrosse and volleyball organizations sponsoring tryouts and tournaments. 4. Pacific Ridge School offers tuition assistance to students with varied socio-economic backgrounds.
Local Approval	The Board of Supervisors of the County of San Diego held a TEFRA hearing to review the financing on August 6, 2013.
Eligibility and Policy Review	<p>CEDA staff has reviewed the project. The proposed financing is eligible pursuant to state and federal law and addresses the objectives contained in CEDA's Bond Issuance Policies and Procedures</p> <ul style="list-style-type: none"> ■ The 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. ■ Proposed financing is appropriate for the project.
Recommendation	Staff recommends approval of Resolution 13-27 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of Pacific Ridge School and Other Matters Related Thereto.

RESOLUTION NO. 13-27

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 FOR THE PURPOSE OF FINANCING AND REFINANCING THE COST OF CONSTRUCTION, INSTALLATION, REHABILITATION, EQUIPPING AND FURNISHING OF CERTAIN FACILITIES FOR THE BENEFIT OF PACIFIC RIDGE SCHOOL, 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 (the "County") 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, Pacific Ridge School, 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 \$27,000,000 to the Borrower for the purpose of (i) refinancing cost of acquiring, constructing, installing, equipping and furnishing the real property and improvements located at 6269 El Fuerte Street, Carlsbad, California 92009 (the "Campus"), consisting of classrooms, administration offices, a gymnasium and other related school facilities, (ii) financing the acquisition, construction, equipping and furnishing of new middle school and art educational facilities and located on the Campus

(collectively, the “Facilities”), and (iii) paying certain costs of issuance in connection with the transaction; and

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

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

1. A proposed form of Master Loan Agreement, among the Authority, the Borrower and the Lender (the “Loan Agreement”); and
2. A proposed form of Assignment Agreement, between the Authority and the Lender (the “Assignment Agreement”).

WHEREAS, in accordance with the requirements of Section 147(f) of the Code, the Board of Supervisors of the County adopted, on August 6, 2013, a resolution approving the issuance of the Authority Loan in order to refinance the Facilities located in the County; and

WHEREAS, the Facilities provide significant benefits to the residents of the County through the educational services provided by the Borrower and, based on representations of the Borrower, the financing and refinancing of the Facilities through the Authority will result in demonstrable savings in effective interest rate;

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 and refinancing the Facilities.

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 Chair or the Vice Chair of the Board of Directors (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. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the Loan Agreement.

Section 4. The proposed form of the Assignment Agreement by and between the Authority and the Lender, on file with the Secretary of the Authority, is hereby approved. Each Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the 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. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the Assignment Agreement.

Section 5. The Authority approves the Authority Loan on a tax-exempt basis and the making of the Borrower Loan to the Borrower in an amount not to exceed \$27,000,000 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 Facilities, any assignment by Lender to an affiliate of Lender, accredited investor or qualified institutional buyer or any prepayment of the Borrower Loan, may be given or taken by an Authorized Signatory 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 the Authority's counsel or the Lender's 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, and the Secretary or Assistant Secretary of the Authority is authorized to attest the execution of such certificates, agreements and documents.

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 August 8, 2013.

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY

By: _____
Gurbax Sahota, Chair

ATTEST:

Michelle Stephens, 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 8, 2013.

Michelle Stephens, Assistant Secretary

Staff Report

Action Requested	Approve Resolution 13-28 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of The Shining Star Foundation and Other Matters Related Thereto.
Borrower(s)	The Shining Star Foundation dba Star Academy
Borrower Description	<p>Star Academy was founded in 1990 to provide an intensive, individualized academic program for students with learning differences, such as dyslexia, auditory processing disorder, speech and language delay, Asperger's syndrome and other learning related challenges. Since 2008, when the school moved from its prior location in San Anselmo to a larger school building in San Rafael, Star Academy has doubled in size. The school currently serves 75-80 students annually (grades 1-12) plus hundreds of members of the community through community education events and after school programs.</p> <p>This resolution approves up to \$2,200,000. The majority of the tax-exempt proceeds will be used to fund the acquisition of an approximate 1.08-acre parcel of land with two buildings totaling 13,691 square feet situated thereon. This parcel is located immediately adjacent and has direct access to Star's current campus located at 4470 Redwood Highway.</p>
Public Benefits	<p>Many public benefits will result from this project, including:</p> <ol style="list-style-type: none"> 1. As a result of acquiring the Project Site, Star will be securing long-term access to two buildings that provide additional space to accommodate possible enrollment growth and the implementation of new and enhanced student programs and services. 2. The tax-exempt financing will allow Star to take advantage of the historic low interest rate environment to lock-in affordable debt service payments and occupancy costs.
Local Approval	The Board of Supervisors of the County of Marin will hold a TEFRA hearing to review the financing on August 20, 2013.
Eligibility and Policy Review	<p>CEDA staff has reviewed the project. The proposed financing is eligible pursuant to state and federal law and addresses the objectives contained in CEDA's Bond Issuance Policies and Procedures</p> <ul style="list-style-type: none"> ■ The 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. ■ Proposed financing is appropriate for the project.
Recommendation	Staff recommends approval of Resolution 13-28 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of The Shining Star Foundation and Other Matters Related Thereto.

RESOLUTION NO. 13-28

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 FOR THE PURPOSE OF FINANCING THE COST OF ACQUISITION, CONSTRUCTION, INSTALLATION, RENOVATION AND EQUIPPING OF CERTAIN FACILITIES FOR THE BENEFIT OF THE SHINING STAR FOUNDATION, 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; and

WHEREAS, the Authority is authorized by the Agreement and the Act to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements, or enter into 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"); and

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 (the "County") 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, The Shining Star Foundation, a California nonprofit 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 \$2,200,000 to the Borrower to (i) finance the cost of the acquisition, rehabilitation, equipping and furnishing of the real property and improvements located at 171 and 181 Carlos Drive, San Rafael, California 94903, consisting of two commercial buildings with approximately 13,691 square feet of space and the rehabilitation and equipping of the real property and improvements located at 4470 Redwood Highway, San Rafael, California 94903, consisting of the Borrower's main building

with classrooms, a gymnasium, teaching kitchen and some specialist offices (collectively, the “Facilities”) and (ii) pay certain costs of issuance in connection with the financing; 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; and

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

1. A proposed form of the Loan Agreement, by and among the Lender, the Authority and the Borrower (the “Loan Agreement”); and
2. A proposed form of Assignment Agreement, between the Authority and the Lender (the “Assignment Agreement”); and

WHEREAS, in accordance with the requirements of Section 147(f) of the Code, the Board of Supervisors of the County (the “County Board”) will adopt a resolution approving the issuance of the Authority Loan in order to finance the Facilities located in the County; and

WHEREAS, the Facilities provide significant benefits to the residents of the County and surrounding community through the educational services provided by the Borrower and, based on representations of the Borrower, the financing and refinancing of the Facilities through the Authority will result in demonstrable savings in effective interest rate;

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 and refinancing the Facilities.

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 Chair or the Vice Chair of the Board of Directors (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. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the Loan Agreement.

Section 4. The proposed form of the Assignment Agreement by and between the Authority and the Lender, on file with the Secretary of the Authority, is hereby approved. Each Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the 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. The Secretary or Assistant Secretary of the Authority is authorized to attest the execution of the Assignment Agreement.

Section 5. The Authority approves the Authority Loan on a tax-exempt basis and the making of the Borrower Loan to the Borrower in an amount not to exceed \$2,200,000 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 Facilities, any assignment by Lender to an affiliate of Lender, accredited investor or qualified institutional buyer or any prepayment of the Borrower Loan, may be given or taken by an Authorized Signatory 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 and the Borrower Loan 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 the Authority's counsel or the Lender's 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, and the Secretary or Assistant Secretary of the Authority is authorized to attest the execution of such certificates, agreements and documents.

Section 8. This Resolution and the approvals herein are subject to adoption by the County Board of a resolution approving the Authority Loan in order to finance the Facilities in accordance with the requirements of Section 147(f) of the Code.

Section 9. The provisions of this Resolution are hereby declared to be separable, and if any action, phrase or provision is for any reason declared to be invalid, such declaration does not affect the validity of the remainder of the sections, phrases and provisions.

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

PASSED AND ADOPTED this August 8, 2013.

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY

By: _____
Gurbax Sahota, Chair

ATTEST:

By _____
Michelle Stephens, 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 8, 2013.

Michelle Stephens, Assistant Secretary