

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

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

**10:30 A.M.
Thursday, December 5, 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 October 31, 2013.

Action Items

2. Approve Resolution 13-56 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of San Diego Blood Bank and Other Matters Related Thereto.
3. Approve Resolution 13-57 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of St. Paul's Episcopal Home, Inc. 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, October 31, 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 10:33 am.

Roll Call

Members Present: Larry Cope (non-voting)
Kevin Ham (non-voting)
DB Heusser
Carrie Rogers
Gurbax Sahota
Randy Starbuck (non-voting)
Bruce Stenslie
Cindy Trobitz-Thomas (non-voting)

CALED Management/Staff

Present: Michelle Stephens

Public Present:

Sam Balisy, Kutak Rock
David Becker, James Marta & Company LLP
Joe Flores, Figtree Finance Company
Jon Gregory

Statement of Disclosure

None

Action Items

1. Approve the Regular Meeting Minutes of October 3, 2013.

Motion: Board Member DB Heusser made the motion to approve the Regular Meeting Minutes of October 3, 2013. Board Member Bruce Stenslie seconded the motion on the floor and it passed with the following roll call vote:

DB Heusser

Aye

Carrie Rogers	Aye
Gurbax Sahota	Aye
Bruce Stenslie	Aye

2. Approve Resolution 13-51 Approving Associate Membership of the City of Gardena in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.

Approve Resolution 13-52 Approving Associate Membership of the City of Hawthorne in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.

Approve Resolution 13-53 Approving Associate Membership of the City of Hermosa Beach in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.

Approve Resolution 13-54 Approving Associate Membership of the City of Rancho Palos Verdes in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.

Approve Resolution 13-55 Approving Associate Membership of the City of Rolling Hills in the California Enterprise Development Authority and the Execution of Associate Membership Agreements Relating to said Associate Memberships.

Motion: *Board Member DB Heusser made the motion to approve Resolutions 13-51, 13-52, 13-53, 13-54, and 13-55. Board Member Bruce Stenslie seconded the motion on the floor and it passed with the following roll call vote:*

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

Discussion: Michelle Stephens explained the background of these resolutions to the Board and added that if they are approved, the CEDA membership will be up to 81 jurisdictions. Joe Flores added that these new members were all the result of connections they made through the South Bay Cities Council of Government (COG). Mr. Flores is happy to be connecting with communities in the greater Los Angeles area.

3. Review and Approval of Audit and Audit Findings.

Motion: *Board Member Bruce Stenslie made the motion to approve the Audit and Audit Findings. Board Member Carrie Rogers seconded the motion on the floor and it passed with the following roll call vote:*

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

Discussion: Auditor, David Becker presented his Audit report to the Board. Treasurer Larry Cope let the Board know that he reviewed the audit, was happy with it, and had no substantive questions regarding the process or results. Board Member, Bruce Stenslie asked what CEDA carries in reserve. Board Chair, Gurbax Sahota said she could not give the exact numbers since she did not have the budget with her but gave Mr. Stenslie approximate numbers for both the legal and operating reserve.

Public Comment

Chair Report

Ms. Stephens let the Board know that there were three different projects in the pipeline currently and that the two most recent ones were brought to CEDA from our existing partners.

PACE Report

Joe Flores explained that CEDA had recently issued the third PACE project with Figtree. He also let the Board know that they are consistently working with new communities and reaching out to Orange and San Diego Counties. Ms. Sahota offered to work with Joe regarding Orange County.

Board Member DB Heusser brought up a recent event he was at where the West Riverside County COG was promoting their PACE program as if it were the only option. Mr. Heusser explained to the group that other programs existed but he wanted the Board and Figtree to know about the experience. Board Member Kevin Ham asked when the PACE rollout would be happening in the North San Diego County region. Joe said they were ready and that he would connect with Mr. Ham and Ryan Ahearn in the Figtree office.

Mr. Stenslie asked what the CA First program has done so far so he could compare it to the Figtree program. Mr. Flores said that to date, he did not think they had issued yet. Mr. Stenslie also asked for some case studies of successfully funded projects. Ms. Stephens told Joe that if he sent them to her, she would disseminate them to the Board.

Other Business

Adjournment

Motion: *Board Member DB Heusser moved to adjourn the meeting. Board Chair, Gurbax Sahota seconded the motion. The motion passed unanimously by voice vote.*

Acting Board Chair, Bruce Stenslie adjourned the meeting at 11:04 am.

Staff Report

Action Requested	Approve Resolution 13-56 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of San Diego Blood Bank and Other Matters Related Thereto.
Borrower(s)	San Diego Blood Bank
Borrower Description	<p>San Diego Blood Bank (SDBB) is a locally controlled organization whose mission is to collect, process, store, and distribute blood components that make a difference in patients' lives. Blood is essential for surgery patients, trauma victims, cancer treatments and patients with blood disorders. These are just a few of the people who depend on the SDBB. SDBB is a 501(c)3 non-profit corporation that has served San Diego and the surrounding community since. 1950.</p> <p>This resolution approves up to \$11,000,000. The tax-exempt loan proceeds will be used to refinance the acquisition costs of the land and building that house the headquarters of the SDBB.</p>
Public Benefits	<p>Many public benefits will result from this project, including:</p> <ol style="list-style-type: none"> 1. Significant long-term interest savings for the San Diego Blood Bank. 2. SDBB provides more than 150,000 blood components annually to more than 50 hospitals in the Southern California area. 3. Each year, more than 100,000 donors receive free basic health screenings prior to donating blood. 4. SDBB's cell therapy program has provided 145 core blood transplants to patients throughout the world.
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 13-56 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of San Diego Blood Bank and Other Matters Related Thereto.

RESOLUTION NO. 13-56

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 REFINANCING THE COST OF ACQUISITION AND RENOVATION OF CERTAIN FACILITIES FOR THE BENEFIT OF SAN DIEGO BLOOD BANK, 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 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, San Diego Blood Bank, a California nonprofit public benefit corporation (the “Borrower”), has submitted an application to the Authority requesting the Authority to make a tax-exempt loan and a taxable loan (collectively, the “Borrower Loan”) in the aggregate principal amount not to exceed \$11,000,000 to the Borrower for the purpose of (i) refinancing the cost of acquiring and renovating the real property and improvements located at 3636 Gateway Center Avenue, San Diego, California 92102, consisting of an office building with approximately 128,236 square feet on approximately 6.53 acres of land which serves as the Borrower’s headquarters (collectively, the “Facilities”), and (ii) paying certain costs of issuance in connection with the transaction; and

WHEREAS, the Authority intends to use the proceeds of a tax-exempt loan and a taxable loan from City National Bank (the “Lender”) to the Authority (collectively, 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 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 Borrower’s mission of saving lives through the collection, processing, storing and distribution of blood components as well as the operation of a stem cell therapy program; and

WHEREAS, the refinancing of the Facilities through the Authority will result in demonstrable savings in effective interest rate for the Borrower;

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 refinancing the Facilities.

Section 2. The Authority hereby approves of the entering into the Authority Loan on a tax-exempt and taxable basis, as provided in the Loan Agreement, 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 and taxable basis, as provided in the Loan Agreement, and the making of the Borrower Loan to the Borrower in an amount not to exceed \$11,000,000 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 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 December 5, 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 December 5, 2013.

Michelle Stephens, Assistant Secretary

Staff Report

Action Requested	Approve Resolution 13-57 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of St. Paul's Episcopal Home, Inc. and Other Matters Related Thereto.
Borrower(s)	St. Paul's Episcopal Home, Inc.
Borrower Description	<p>St. Paul's Episcopal Home, Inc. provides elder care services and accommodations, including outpatient healthcare services, independent and assisted living facilities to skilled nursing facilities in the greater San Diego county area. St. Paul's Episcopal Home, Inc. dba St. Paul's Senior Homes & Services was incorporated in 1960 as a California Nonprofit Corporation.</p> <p>This resolution approves up to \$50,000,000. The tax-exempt loan proceeds will be used as follows:</p> <ol style="list-style-type: none"> 1. Finance the acquisition, design, construction, equipping, and furnishing of a new elder care facility, consisting of approximately 154 assisted living and memory care units. 2. Refinance approximately \$8,600,000 in existing debt 3. Finance the costs of rehabilitation, improving, and equipping of real property and improvements
Public Benefits	<p>Many public benefits will result from this project, including:</p> <ol style="list-style-type: none"> 1. Significant long-term interest savings for the St. Paul's Episcopal Home, Inc. 2. Favorable loan terms will allow management the flexibility to implement and/or enhance new programs and services within the facility without having to pass through those costs to the residents and clients. 3. Will create approximately 113 full-time equivalent jobs and infuse \$3.3 million in salaries into South Bay economy. 4. This facility is responsive to the identified need for Assisted Living and Memory Care residential services.
Local Approval	The Board of Supervisors of the County of San Diego will hold a TEFRA hearing to review the financing on December 3, 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 13-57 Authorizing and Approving the Execution and Delivery of a Loan Agreement and Related Documents for the Benefit of St. Paul's Episcopal Home, Inc. and Other Matters Related Thereto.

RESOLUTION NO. 13-57

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 TAX-EXEMPT AND TAXABLE LOANS FOR THE PURPOSE OF FINANCING AND REFINANCING THE COST OF ACQUISITION, CONSTRUCTION, INSTALLATION, RENOVATION, EQUIPPING AND FURNISHING OF CERTAIN FACILITIES FOR THE BENEFIT OF ST. PAUL'S EPISCOPAL HOME, INC., ST. PAUL'S RETIREMENT HOMES FOUNDATION, ST. PAUL'S VILLA, INC. AND COMMUNITY ELDERCARE OF SAN DIEGO, 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 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, St. Paul's Episcopal Home, Inc., a California nonprofit public benefit corporation, St. Paul's Villa, Inc., a California nonprofit public benefit corporation, St. Paul's Retirement Homes Foundation, a California nonprofit public benefit corporation, and Community Eldercare of San Diego, a California nonprofit public benefit corporation (collectively, the "Borrowers"), have submitted an application to the Authority requesting the Authority to make a tax-exempt loan and a taxable loan (collectively, the "Borrower Loan") in

the aggregate principal amount not to exceed \$50,000,000 to the Borrowers for the purpose of (i) acquiring an approximately 4.5 acre parcel of land located at 1420 East Palomar, Chula Vista, California 92913 (the “New Property”) and designing, constructing, equipping and furnishing eldercare facilities on the New Property consisting of approximately 156 assisted living and memory care units (the “New Improvements” and, together with the New Property, the “New Facility”), (ii) refinancing existing debt obligations of St. Paul’s Episcopal Home, Inc. (the “Corporation”) outstanding in the aggregate principal amount of approximately \$8,490,000, the proceeds of which were used for the acquisition, construction, renovation, equipping and furnishing of eldercare and administrative facilities consisting of (a) an approximately 26,000 square foot facility on an approximately 40,000 square foot parcel of land located at 328 Maple Street, San Diego, California 92103, (b) an approximately 1,200 square foot facility on an approximately 4,400 square foot parcel of land located at 311 Nutmeg Street, San Diego, California 92103, (c) an approximately 5,700 square foot facility on an approximately 10,890 square foot parcel of land located at 2652-2654 4th Avenue, San Diego California 92103, (d) an approximately 16,720 square foot healthcare facility on an approximately 1.3 acre parcel of land located at 630 L Street, Chula Vista, California 91911, and (e) an approximately 28,877 square foot healthcare facility on an approximately 21,780 square foot parcel of land located at 111 Elm Street, San Diego, California 92101(collectively, the “Refinanced Facilities” and, together with the New Facility, 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 and a taxable loan from First Republic Bank (the “Lender”) to the Authority (collectively, 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 Loan Agreement, among the Authority, the Borrowers 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 December 3, 2013, a resolution approving the issuance of the Authority Loan in order to finance and refinance the Facilities located in the County; and

WHEREAS, the Facilities provide significant benefits to the residents of the County through the Borrower’s mission of providing assistive services to seniors of all faiths in the county of San Diego; and

WHEREAS, the financing and refinancing of the Facilities through the Authority will result in demonstrable savings in effective interest rate for the Borrowers;

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 Borrowers in financing and refinancing the Facilities.

Section 2. The Authority hereby approves of the entering into the Authority Loan on a tax-exempt and taxable basis, as provided in the Loan Agreement, 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 Borrowers 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 Borrowers, 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 and taxable basis, as provided in the Loan Agreement, and the making of the Borrower Loan to the Borrowers in an amount not to exceed \$50,000,000 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 Borrowers, 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 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 Borrowers 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 December 5, 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 December 5, 2013.

Michelle Stephens, Assistant Secretary