



PUBLIC HEARING

MEETING OF THE SCOTTS VALLEY CITY COUNCIL

TIME/DATE: WEDNESDAY, AUGUST 17, 2016, 6:30 P.M.

PLACE: City Council Chambers, City Hall
1 Civic Center Drive
Scotts Valley, CA 95066

SUBJECT: ANNUAL CDBG PERFORMANCE REPORTS NOTICE OF FILING APPLICATION AND PUBLIC HEARING WITH RESPECT TO THE ISSUANCE OF TAX-EXEMPT AND/OR TAXABLE BONDS BY THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY FOR THE PURPOSE OF FINANCING AND REFINANCING FACILITIES FOR THE BENEFIT OF SAMMIE RAE ABITBOL, LLC AND BAY PHOTO, INC.

NOTICE IS HEREBY GIVEN that at 6:30 p.m. on August 17, 2016, or as soon thereafter as the matter may be heard, at the City Council Chambers, 1 Civic Center Drive, Scotts Valley, California 95066, the City Council of the City of Scotts Valley (the "City Council") will conduct a public hearing (the "Public Hearing") at which the City Council will hear and consider information concerning the issuance, from time to time, pursuant to a plan of finance, of one or more series of tax-exempt and/or taxable bonds by the California Enterprise Development Authority (the "Authority") in an aggregate principal amount not to exceed Twelve Million Dollars (\$12,000,000) (the "Bonds") for the benefit of Sammie Rae Abitbol, LLC and Bay Photo, Inc. (collectively, the "Borrower"). The Authority will loan the proceeds of the Bonds to the Borrower pursuant to one or more financing agreements (the "Financing Agreement"). The proceeds of the Bonds loaned to the Borrower will be applied to (1) refinance the outstanding California Infrastructure and Economic Development Bank Tax-Exempt and/or Taxable Variable Rate Demand Industrial Development Revenue Bonds (Bay Photo, Inc. Project), Series 2011A and B, the proceeds of which were used by the Borrower to finance and refinance the cost of the acquisition, construction, restoration, improvement, renovation, equipping and general development of the real property and improvements located at 900, 915 and 920 Disc Drive, Scotts Valley, California 95066, consisting of three parcels of land totaling approximately 17 acres, with three buildings and related improvements totaling approximately 140,000 square feet (the "Scotts Valley Property"), and (2) financing the construction of improvements to the Scotts Valley Property and the acquisition and installation of equipment at the Scotts Valley Property (collectively, the "Facilities"). A portion of the proceeds of the Bonds will be used to pay certain financing costs and costs of issuance in connection with the Bonds. The Facilities are owned by

the Borrower and used to manufacture and distribute professional quality photographic prints, large format prints, canvas prints, metal prints, and other products or for the manufacture of other tangible personal property. The Bonds will be paid entirely from repayments by the Borrower under the Financing Agreement.

Neither the faith and credit nor the taxing power of the City of Scotts Valley (the "City"), the State of California (the "State") or any other political corporation, subdivision or agency of the State is pledged to the payment of the principal of, premium, if any, or interest on, the Bonds, nor shall the City, the State or any other political corporation, subdivision or agency of the State be liable or obligated to pay the principal of, premium, if any, or interest on, the Bonds.

The Public Hearing is intended to comply with the public approval requirements of Section 147(f) of the Code. Notice is further given that the Borrower has filed an application with the Authority in connection with the proposed financing of the Facilities with the proceeds of the Bonds, and reference is hereby made to such application for further particulars.

Those wishing to comment or those who have any questions regarding the proposed nature and location of the Facilities and the financing of the Facilities with the proceeds of the Bonds may either appear in person at the time and place indicated above or submit written comments, which must be received prior to the Public Hearing by the City Council addressed to: City of Scotts Valley, Attention: City Clerk, 1 Civic Center Drive, Scotts Valley, California 95066.

Posted on the City's website: 7-29-16

Posted at City Hall, Scotts Valley Library, and Scotts Valley Senior Center: 7-29-16

Published in the Santa Cruz Sentinel: 8-3-16