

RESOLUTION NO.: _____

Dated: _____

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO REAPPROVING THE ISSUANCE OF CALIFORNIA MUNICIPAL FINANCE AUTHORITY EXEMPT FACILITY BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$6,000,000 FOR THE PURPOSE OF FINANCING OR REFINANCING THE ACQUISITION, CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF CORALLINA AT PACIFIC HIGHLANDS RANCH

WHEREAS, Corallina CIC, LP (the “Borrower”) or a partnership of which Chelsea Investment Corporation (the “Developer”) or a related person to the Developer is the general partner, has requested that the California Municipal Finance Authority (the “Authority”) adopt a plan of financing providing for the issuance of exempt facility bonds for a qualified residential rental project pursuant to Section 142(a)(7) of the Internal Revenue Code of 1986 (the “Code”) in one or more series issued from time to time, including bonds issued to refund such exempt facility bonds in one or more series from time to time, and at no time to exceed \$6,000,000 in outstanding aggregate principal amount (the “Bonds”), to finance or refinance the acquisition, construction and development of a multifamily rental housing project located at 6151 Village Way, San Diego, California, San Diego, California (collectively, the “Project”); and

WHEREAS, pursuant to Section 147(f) of the Code, the issuance of the Bonds by the Authority must be approved by an applicable legislative body having jurisdiction over the area in which all or a portion of the Project is located; and

WHEREAS, the Project is located within the territorial limits of the County of San Diego (the “County”); and

WHEREAS, the Board of Supervisors of the County (the “Board”) is the elected legislative body of the County and is one of the “applicable elected representatives” allowed to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the Board of Supervisors previously approved a Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”) resolution for this financing on March 2, 2021 (9). The Project has since finished construction and houses tenants earning at or below 50% - 60% Area Median Income. The Corallina at Pacific Highlands Ranch project is seeking a loan extension. Because the project was financed with a loan of tax-exempt proceeds from the Authority to the Borrower, any extensions of that loan are evaluated for consistency with federal tax laws. The current loan extension will cause a reissuance and to maintain the current tax-exempt status, there are specific requirements, including a TEFRA approval.

WHEREAS, the Authority has requested that the Board approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the “Agreement”), among certain local agencies, including the County; and

WHEREAS, pursuant to Section 147(f) of the Code, the Board has, following notice duly given, held a public hearing regarding the issuance of the Bonds, and now desires to approve the issuance of the Bonds by the Authority; and

WHEREAS, it is in the public interest and for the public benefit that the Board approve the issuance of the Bonds by the Authority for the aforesaid purposes;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of San Diego as follows:

Section 1. On information and belief, the foregoing resolutions are true and correct.

Section 2. The Board hereby reapproves the issuance of the Bonds by the Authority for the financing of the Project. It is the purpose and intent of the Board that this resolution constitute approval of the issuance of the Bonds by the Authority for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with said Section 147(f), and (b) Section 4 of the Agreement.

Section 3. The issuance of the Bonds shall be subject to the approval of the Authority of all financing documents relating thereto to which the Authority is a party. The County shall have no responsibility or liability whatsoever with respect to the Bonds.

Section 4. The adoption of this Resolution shall not obligate the County or any department thereof to (i) provide any financing with respect to the Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary with respect to the Project; (iii) make any contribution or advance any funds whatsoever to the Authority or the Borrower; or (iv) take any further action with respect to the Authority or its membership therein.

Section 5. The officers of the County are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing transaction approved hereby.

Section 6. This resolution shall take effect immediately upon its adoption.

APPROVED AS TO FORM AND LEGALITY
CLAUDIA G. SILVA, COUNTY COUNSEL
By: WALTER J. DE LORRELL III, CHIEF DEPUTY