

**RESOLUTION NO.:** \_\_\_\_\_

**Dated:** \_\_\_\_\_

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO APPROVING THE ISSUANCE OF THE PUBLIC FINANCE AUTHORITY REVENUE BONDS, (FLYLAND HOLDINGS LLC OBLIGATED GROUP) SERIES 2026 FOR THE PURPOSE OF FINANCING THE RADAR RECOVERY CENTER PROJECT IN AN AMOUNT NOT TO EXCEED \$77,000,000**

WHEREAS, the Public Finance Authority, a unit of government and a body corporate and politic under the laws of the State of Wisconsin (the “PFA”), has been requested to issue bonds in one or more series (the “Bonds”), the proceeds of which will be loaned to Flyland Holdings LLC (the “Borrower”), a Wisconsin limited liability company and a disregarded entity of Stepstone Health Foundation, a Delaware nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), and a portion of the Bonds in an amount not to exceed a maximum aggregate principal amount of \$77,000,000 will be used, together with certain other funds, (i) to pay or reimburse the Borrower and/or Flyland Recovery Network, LLC (“FRN”), the costs of acquiring, directly or indirectly through the acquisition of a membership interest in the Users (as hereinafter defined), the acquisition of an inpatient substance use disorder and behavioral health facility known as Radar Recovery Center located at located at 1119 28th Street, San Diego, California 92102 (the “Facility”) and within the County of San Diego, California (the “County”); (ii) funding one or more debt service reserve funds for the benefit of the Bonds, if deemed necessary or desirable by the PFA or the Borrower; (iii) funding working capital for the Borrower or the Users, if deemed necessary or desirable by the PFA or the Borrower; (iv) funding interest accruing on the Bonds, if deemed necessary or desirable by the PFA or the Borrower; and (v) paying certain expenses incurred in connection with the issuance of the Bonds, including the cost of any bond insurance or other credit or liquidity enhancement, if any (collectively, the “Project”); and

WHEREAS, the Facility will be owned or principally used by one or more of the Borrower, FRN, and 28th Street Detox LLC, a related person to the Borrower (the “Corporation” and, together with FRN, the “Users”); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the “Code”), the issuance of the Bonds by the PFA must be approved by a governmental unit having jurisdiction over the area in which the Facility is located; and

WHEREAS, the Facility is located within the territorial limits of 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 required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the Board understands that its actions in adopting this Resolution do not obligate the County in any manner for payment of the principal, interest, fees or any other costs

associated with the issuance of the Bonds, and the Board expressly conditions its approval of the issuance of the Bonds by the PFA by the adoption of this Resolution on this understanding; and

WHEREAS, the PFA has requested that the Board approve the issuance of the Bonds by the PFA in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Amended and Restated Joint Exercise of Powers Agreement Relating to the Public Finance Authority, dated as of September 28, 2010 (the “*Agreement*”), among certain political subdivisions of the State of Wisconsin; and

WHEREAS, pursuant to Section 147(f) of the Code, following notice duly given (the “*Public Notice*”), representatives of the PFA conducted a public hearing regarding the issuance of the Bonds in compliance with the requirements of Section 147(f) of the Code and provided minutes of the hearing; and

Whereas, the information in the Public Notice and the minutes of the public hearing are incorporated by reference herein; and

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

WHEREAS, pursuant to Section 147(f) of the Code, the Board now desires to approve the issuance of the Bonds by the PFA.

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

*Section 1.* The Board accepts the above recitals as true and correct.

*Section 2.* The Board hereby approves the issuance of the Bonds by the PFA 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 PFA 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 Facility 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 PFA of all financing documents relating thereto to which the PFA is a party. The County shall have no responsibility or liability whatsoever with respect to the Bonds.

*Section 4.* The officers and employees 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 5.* 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 PFA, the Borrower or the Users; or (iv) take any further action with respect to the PFA or its membership therein.

*Section 6.* This Resolution shall take effect immediately upon its adoption.

APPROVED AS TO FORM AND LEGALITY  
DAMON M. BROWN,  
COUNTY COUNSEL

BY: LAURA E. DOLAN,  
SUPERVISING DEPUTY COUNTY COUNSEL