

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

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

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO APPROVING THE ISSUANCE BY CALIFORNIA PUBLIC FINANCE AUTHORITY OF ITS BONDS FOR THE BENEFIT OF SHARP HEALTHCARE AND ITS AFFILIATES, IN ONE OR MORE SERIES, FROM TIME TO TIME PURSUANT TO A PLAN OF FINANCE, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$1,000,000,000, TO FINANCE AND/OR REFINANCE THE ACQUISITION, RENOVATION, CONSTRUCTION, FURNISHING, EQUIPPING AND IMPROVEMENT OF HEALTH CARE FACILITIES, AND REFUND CERTAIN PRIOR BONDS**

**WHEREAS**, Sharp HealthCare (the “Corporation”), a California nonprofit public benefit corporation and organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”) has requested that the California Public Finance Authority (the “Authority”) participate in the issuance of its qualified 501(c)(3) bonds as defined in Section 145 of the Code, in one or more series, from time to time pursuant to a plan of finance, in an aggregate principal amount not to exceed \$1,000,000,000 (the “Bonds”), the proceeds of which are to be loaned to the Corporation to (i) finance and/or refinance the acquisition, renovation, construction, furnishing, equipping and improvement of real property and health care facilities located and/or to be located at or near the facility campuses at the locations in California listed on Exhibit A hereto (collectively, the “New Money Project”) and (ii) refinance bonds previously issued by the ABAG Finance Authority for Nonprofit Corporations or the Authority for the benefit of the Corporation and its affiliates, as well as corporate taxable bonds directly issued by the Corporation (collectively, the “Prior Bonds”). The proceeds of the Prior Bonds were used to finance and/or refinance the acquisition, renovation, construction, furnishing, equipping and improvement of real property and health care facilities located at or near the facility campuses at the locations in California listed on Exhibit A hereto (the “Prior Project” and, collectively with the New Money Project, the “Project”); and

**WHEREAS**, the health care facilities comprising the Project are owned and operated, or leased by and operated, by any of the Corporation and its affiliates, Sharp Memorial Hospital, Sharp Chula Vista Medical Center and Grossmont Hospital Corporation, each of which is a California nonprofit public benefit corporation and organization described in Section 501(c)(3) of the Code; and

**WHEREAS**, up to \$400,000,000 of the proceeds of the Bonds may be used by the entities listed in Exhibit A hereto to finance and/or refinance the New Money Project and up to \$600,000,000 of the proceeds of the Bonds may be used by the entities listed in Exhibit A to refinance the Prior Project; and

**WHEREAS**, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (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; 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 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 the Joint Exercise of Powers Agreement relating to the California Public Finance Authority dated as of April 11, 2017 (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 approves the issuance of the Bonds by the Authority, from time to time pursuant to a plan of finance, for the financing and/or refinancing of the Project. It is the purpose and intent of the Board that this resolution constitutes approval of the issuance of the Bonds by the Authority for the purposes of 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).

**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 Corporations; 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

## **EXHIBIT A**

### **New Money Project**

- Health care facilities operated by Sharp Memorial Hospital (bond proceeds in an amount not to exceed \$400,000,000):
  - Health care facilities owned by Sharp HealthCare (“SHC”), and leased and operated by Sharp Memorial Hospital located at 7901 Frost Street (District 4), 2999, 3003 and 3075 Health Center Drive, and 7850 Vista Hill Avenue, San Diego (District 4).

### **Prior Project**

- Health care facilities operated by the Corporation (bond proceeds in an amount no to exceed \$57,699,000):
  - Health care facilities, including related office and training facilities, owned and operated by the Corporation located at 8695 Spectrum Center Boulevard (District 2), 8520 Tech Way (District 2), 5651 Copley Drive (District 4), 7930, 8008 and 8010 Frost Street (District 4), and 8975 and 8985 Balboa Avenue, San Diego (District 2);
  - Health care-related office and warehouse facilities, leased and operated by the Corporation located at 3571 and 3572 Corporate Court (District 2), and 3558 and 4000 Ruffin Road, San Diego (District 2).
- Health care facilities operated by Sharp Memorial Hospital (bond proceeds in an amount not to exceed \$274,795,000):
  - Health care facilities owned by the Corporation, and leased and operated by Sharp Memorial Hospital located at 7901 Frost Street (District 4), 2999, 3003, and 3075 Health Center Drive (District 4), and 7850 Vista Hill Avenue, San Diego (District 4);
  - Health care facilities owned and operated by Sharp Memorial Hospital located at 7989 and 8011 Linda Vista Road (District 4), and 7944 Birmingham Drive, San Diego (District 4);
  - Health care facilities leased and operated by Sharp Memorial Hospital at 3475 Kenyon Street (District 3), and 8003 Linda Vista Road, San Diego (District 4).
- Health care facilities operated by Sharp Chula Vista Medical Center (bond proceeds in an amount not to exceed \$184,844,000):
  - Health care facilities owned and operated by Sharp Chula Vista Medical Center located at 751, 752, 754, 765 and 769 Medical Center Court, Chula Vista (District 1).
- Health care facilities operated by Grossmont Hospital Corporation (bond proceeds in an amount not to exceed \$82,662,000):

- Health care facilities leased and operated by Grossmont Hospital Corporation located at 5555 Grossmont Center Drive (District 4), and 8851 and 8860 Center Drive, La Mesa (District 4);
- Health care facilities owned and operated by Grossmont Hospital Corporation located at 5788 Lyden Way, San Diego (District 2), and 5525 Grossmont Center Drive, La Mesa (District 4);
- Health care facilities owned by Grossmont Hospital Foundation and operated by Grossmont Hospital Corporation located at 9472 Loren Street, La Mesa (District 4);
- Health care facilities owned by the Corporation and operated by Grossmont Hospital Corporation located at 3850 Valley Vista Road, Bonita (District 1), and 16752 Espola Road, Poway (District 2).

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