



Agenda

Tuesday, January 26, 2021

Place: County Board of Supervisors Chambers
Kings County Government Center, Hanford, CA

Time: 11:00 a.m. or soon thereafter, immediately following the meeting of the Kings County Board of Supervisors

CALPFA PUBLIC MEETING PROTOCOL IN RESPONSE TO CORONAVIRUS COVID-19

California Governor Gavin Newsom issued Executive Orders N-25-20 and N-29-20 on March 12, 2020 and March 17, 2020, respectively, relating to the convening of public agency meetings in light of the COVID-19 pandemic. The California Public Finance Authority hereby provides notice that it will convene its regularly scheduled public meetings by teleconference going forward, except as described below, until further notice.

Pursuant to the Executive Orders, and to maintain the orderly conduct of the meeting, the California Public Finance Authority will allow the Board of Directors, staff and interested members of the public to attend the meeting telephonically or by the Internet, and to participate in the meeting to the same extent as if they were present in the Board's Chambers. Members of the public who choose to attend the meeting virtually, using certain digital or landline phones, may listen to the audio broadcast of the meeting, but will not be able to comment during the meeting. Only those members of the public who cannot participate virtually, due to a need for a special accommodation (vision, hearing, etc.), may attend the meeting in the Board Chambers where efforts will be made to allow adequate social distancing and to ensure that exposed surfaces are sanitized. No more than 10 individuals will be allowed in the Board Chambers at a time. To secure the accommodation consistent with the American's with Disabilities Act and to attend in person, interested parties will need to contact the Clerk of the Board as directed below no later than 8:30 a.m. the morning of the meeting.

Members of the public who wish to observe the meeting virtually can do so via the worldwide web at: <https://youtu.be/-l69lPwK-5Y> or go to www.countyofkings.com and click on the "Join Meeting" link.

Members of the public who wish to comment may submit written comments on any matter within the Board's subject matter jurisdiction, regardless of whether it is on the agenda for Board consideration or action, and those comments will be entered into the administrative record of the meeting. To submit written comments by U.S. Mail or email for inclusion in the meeting record, they must be received by the Clerk of the Board of Supervisors no later than 9:00 a.m. on the morning of the noticed meeting. To submit written comments by email, please forward them to either bosquestions@co.kings.ca.us. To submit such comments by U.S. Mail, please forward them to: Clerk of the Board of Supervisors, County of Kings, 1400 W. Lacey Blvd., Hanford, CA 93230

To comment during the meeting by telephone or the Internet, E-mail the Clerk of the Board at any time before or during the meeting at bosquestions@co.kings.ca.us for a phone number, access code and meeting link.

1. CALL TO ORDER

ROLL CALL – Clerk to the Board

2. ELECTION OF OFFICERS

3. APPROVAL OF MINUTES

Approval of the minutes from the December 15, 2020 regular meeting.

4. NEW BUSINESS

- a. Consider approving resolution 21-01A for The Branson School, Town of Ross, County of Marin; up to \$28,250,000 in revenue bonds. (Staff – Scott Carper)
- b. Consider approving resolution 21-02A for Henry Mayo Newhall Memorial Hospital, City of Santa Clarita, County of Los Angeles; up to \$125,000,000 in revenue bonds. (Staff – Scott Carper)

5. PUBLIC COMMENT

Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.

6. STAFF UPDATES

7. ADJOURNMENT

Adjourn as the California Public Finance Authority.



CALIFORNIA
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3. APPROVAL OF MINUTES

Approval of the minutes from the December 15, 2020 regular meeting.



Action Summary

Tuesday, December 15, 2020

Place: County Board of Supervisors Chambers
Kings County Government Center, Hanford, CA

Time: 11:00 a.m. or soon thereafter, immediately following the meeting of the Kings County Board of Supervisors

CALPFA PUBLIC MEETING PROTOCOL IN RESPONSE TO CORONAVIRUS COVID-19

California Governor Gavin Newsom issued Executive Orders N-25-20 and N-29-20 on March 12, 2020 and March 17, 2020, respectively, relating to the convening of public agency meetings in light of the COVID-19 pandemic. On December 3, 2020, the State announced a regional Stay-at-Home order to slow the spread of COVID-19. In response to the State's additional restrictions, and for the protection of the public's health, the California Public Finance Authority will convene their public meetings via video and teleconference as detailed below, and will close its Board Chambers to the public until further notice.

Pursuant to the Executive Orders, and to maintain the orderly conduct of the meeting, California Public Finance Authority will allow the Board members, staff and interested members of the public to attend the meeting telephonically or by the Internet, and to participate in the meeting to the same extent as if they were present in the Board's Chambers.

Members of the public who wish to observe the meeting virtually can do so via the worldwide web at: https://youtu.be/G_ZX8U5BUE0 or go to www.countyofkings.com and click on the "Join Meeting" link.

Members of the public who wish to comment may submit written comments on any matter within the Board's subject matter jurisdiction, regardless of whether it is on the agenda for Board consideration or action, and those comments will be entered into the administrative record of the meeting. To submit written comments by U.S. Mail or email for inclusion in the meeting record, they must be received by the Clerk of the Board no later than 9:00 a.m. on the morning of the noticed meeting. To submit written comments by email, please forward them to either bosquestions@co.kings.ca.us. To submit such comments by U.S. Mail, please forward them to: Clerk of the Board of Supervisors, County of Kings, 1400 W. Lacey Blvd., Hanford, CA 93230

To comment during the meeting by telephone or the Internet, E-mail the Clerk of the Board at any time before or during the meeting at bosquestions@co.kings.ca.us for a phone number, access code and meeting link.

1. CALL TO ORDER

ROLL CALL – Clerk to the Board
ALL MEMBERS PRESENT

2. APPROVAL OF MINUTES

Approval of the minutes from the December 8, 2020 regular meeting.
ACTION: APPROVED AS PRESENTED (RF, JN, RV, CP, DV-Aye)

3. CONSENT CALENDAR

- a. Consideration of approving the 2021 CalPFA regular meeting calendar.
- b. Consideration of approving CalPFA Financial statements for the years ended June 30, 2020 and 2019.

ACTION: APPROVED AS PRESENTED (JN, CP, RV, RF, DV-Aye)

4. PUBLIC COMMENT

*Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item. **None***

5. STAFF UPDATES

None

6. ADJOURNMENT

The meeting was adjourned at 11:02 a.m.



CALIFORNIA
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4. NEW BUSINESS

- a. Consider approving resolution 21-01A for The Branson School, Town of Ross, County of Marin; up to \$28,250,000 in revenue bonds. (Staff – Scott Carper)



DATE: JANUARY 26, 2021

APPLICANT: THE BRANSON SCHOOL

AMOUNT: UP TO \$28,250,000 IN TAX-EXEMPT OBLIGATIONS

PURPOSE: FINANCING AND REFINANCING CAPITAL IMPROVEMENTS TO CERTAIN FACILITIES AND CERTAIN OTHER MATTERS

PRIMARY ACTIVITY: K-12 EDUCATIONAL

Background:

The Branson School (the "Borrower") has requested that CalPFA issue revenue bonds to assist in financing or refinancing the costs of the construction, acquisition, installation, renovation, rehabilitation and improvement of real property, located on its campus at 39 Fernhill Avenue and 71 Fernhill Avenue, Ross, California 94957 (the "Campus"). The Branson School inspires excellence in a nurturing, vibrant educational community based on personal and intellectual integrity. At the heart of Branson is the trusting, dynamic relationship between dedicated teachers and students. Through the vitality, breadth, and rigor of its programs, Branson encourages students to think critically, communicate clearly, develop their individual talents and interests, and pursue a lifelong passion for learning. Branson believes that diversity of people and thought enriches us all and promotes responsible leadership in the global community.

The Project application was filed on October 26, 2020.

Description of Proposed Project:

In 2017, the Borrower obtained a California Public Finance Authority 2017 Tax Exempt Loan (The Branson School) (the "2017 Loan") the proceeds of which were used by the Borrower to: (A) refund all of the outstanding \$22,500,000 ABAG Finance Authority for Nonprofit Corporations Variable Rate Demand Revenue Bonds (The Branson School) Series 2008 (the "2008 Bonds"), and (B) pay various costs of issuance in connection with the 2017 Loan and other related costs, including, but not limited to, a termination payment with respect to an interest rate swap related to the 2008 Bonds. The Borrower used the proceeds of the 2008 Bonds to (i) finance the costs of (a) construction, acquisition, installation, renovation, rehabilitation and improvement of real property, facilities and equipment of the Corporation's educational facilities located on its campus at 39 Fern Hill Avenue and 71 Fern Hill Avenue, Ross, California 94957 (the "Campus"), including but not limited to a new Arts Center, Science Building, and Student Commons/Dining Room Facility, and (b) miscellaneous construction, acquisition, renovation, improvements, demolition, capital maintenance, equipment acquisition and installation thereof at the

Campus; and (ii) pay certain costs of issuance of the 2008 Bonds, including fees and expenses with respect to a direct-pay letter of credit supporting the 2008 Bonds. In 2020, the Borrower obtained a taxable loan (the “2020 Loan”) from First Republic Bank in the principal amount of \$2,370,604.87, the proceeds of which were used by the Borrower to: (A) purchase certain real property located at 7 Circle Drive, Ross, California, to be used for the tax-exempt purposes of the Corporation, and (B) pay costs of issuance related to the 2020 Loan. The Borrower desires to obtain funds in order to finance the costs of acquisition, construction, installation, renovation, rehabilitation and improvement of real property located at 12 Circle Drive, Ross, California, to be used for the tax-exempt purposes of the Corporation, and to pay certain costs of issuance (the “12 Circle Drive Acquisition”). The Borrower is requesting CalPFA to issue and deliver tax-exempt obligations in an amount not to exceed \$28,250,000 (the “Bonds”) to finance or refinance the costs of the 2017 Loan, the 2020 Loan, and the 12 Circle Drive Acquisition.

TEFRA Information:

A TEFRA hearing is scheduled in the County of Marin on January 26, 2021 and in Kings County on February 2, 2021.

Financing Structure:

The Bonds will be privately placed and will mature in no more than 30 years. The non-rated bonds will have a fixed interest rate of 2.6%. The proposed financing is in accordance with the Authority's issuance guidelines.

Estimated Sources and Uses:

Sources:

Tax-Exempt Bond Proceeds	<u>\$28,250,000</u>
Total Sources:	\$28,250,000

Uses:

Cost of Issuance	\$ 250,000
Refunding of 2017 Loan and 2020 Loan	\$24,000,000
Finance 12 Circle Drive Acquisition	<u>\$ 4,000,000</u>
Total Uses:	\$28,250,000

Recommendations:

Based on the overall Project public benefit detailed on Attachment 1, it is recommended that the Board approve the Resolution as submitted to the Board, which:

1. Approves the issuance of the Bonds;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Board or authorized signatory to sign all necessary documents.

Attachment 1

Public Benefits:

This refinance will allow The Branson School to continue with their mission to nurture excellence to the educational community, and also benefit from a cost savings.

RESOLUTION NO. 21-01A

CALIFORNIA PUBLIC FINANCE AUTHORITY

A RESOLUTION AUTHORIZING THE ISSUANCE OF AN OBLIGATION IN A PRINCIPAL AMOUNT NOT TO EXCEED \$28,250,000, FOR THE PURPOSE OF FINANCING OR REFINANCING CAPITAL IMPROVEMENTS TO CERTAIN FACILITIES AND CERTAIN OTHER MATTERS RELATING THERETO, TO BENEFIT THE BRANSON SCHOOL

WHEREAS, pursuant to the provisions of the Joint Exercise of 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”), Kings County and the Housing Authority of Kings County (the “Charter Members”) entered into a joint exercise of powers agreement (the “Agreement”) pursuant to which the California Public Finance Authority (the “Authority”) was organized;

WHEREAS, the County of Marin (the “County”) is an Additional Member of the Authority;

WHEREAS, the Authority is authorized by its Agreement and under the Act to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing of certain projects;

WHEREAS, The Branson School, a California nonprofit corporation (the “Corporation”) has requested that the Authority participate in issuing one or more tax-exempt obligations (the “Obligation”) in an aggregate principal amount not to exceed \$28,250,000, for the purpose of making a loan to the Corporation to (1) prepay in full the outstanding balance of the California Public Finance Authority 2017 Tax-Exempt Loan (The Branson School) (the “2017 Loan”), issued in the principal amount of \$23,000,000, pursuant to a Master Loan Agreement, dated as of December 1, 2017, by and among the Authority, the Corporation and First Republic Bank (the “Lender”), the proceeds of which were used by the Corporation to: (A) refund all of the outstanding \$22,500,000 ABAG Finance Authority for Nonprofit Corporations Variable Rate Demand Revenue Bonds (The Branson School) Series 2008 (the “2008 Bonds”), and (B) pay various costs of issuance in connection with the 2017 Loan and other related costs, including, but not limited to, a termination payment with respect to an interest rate swap related to the 2008 Bonds; (2) prepay in full the outstanding balance of the Loan Agreement (Taxable Loan) dated as of May 1, 2020 (the “2020 Loan”), by and between the Corporation and the Lender, issued in the principal amount of \$2,370,604.87, the proceeds of which were used by the Corporation to: (A) purchase certain real property located at 7 Circle Drive, Ross, California, to be used for the tax-exempt purposes of the Corporation, and (B) pay costs of issuance related to the 2020 Loan; (3) finance the costs of acquisition, construction, installation, renovation, rehabilitation and improvement of real property located at 12 Circle Drive, Ross, California, to be used for the tax-exempt purposes of the

Corporation, and (4) pay certain costs of issuance of the Loan (collectively, the “Project”);

WHEREAS, the proceeds of the 2008 Bonds were used to (i) finance the costs of (a) construction, acquisition, installation, renovation, rehabilitation and improvement of real property, facilities and equipment of the Corporation’s educational facilities located on its campus at 39 Fernhill Avenue and 71 Fernhill Avenue, Ross, California 94957 (the “Campus”), including but not limited to a new Arts Center, Science Building, and Student Commons/Dining Room Facility, and (b) miscellaneous construction, acquisition, renovation, improvements, demolition, capital maintenance, equipment acquisition and installation thereof at the Campus; and (ii) pay certain costs of issuance of the 2008 Bonds, including fees and expenses with respect to a direct-pay letter of credit supporting the 2008 Bonds;

WHEREAS, the Corporation is requesting the assistance of the Authority in financing or refinancing the Project;

WHEREAS, pursuant to a Master Loan Agreement to be executed by the Lender, the Authority and the Corporation (the “Master Loan Agreement”), the Authority will make a tax-exempt loan to the Corporation in a principal amount not exceeding \$28,250,000, for the purpose of refinancing the Project;

WHEREAS, the Project is (and upon acquisition, will be) used and operated, by the Corporation and is located within the County of Marin;

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Authority, as conduit financing provider, has received certain representations and good faith estimates from the Corporation and has disclosed such good faith estimates as set forth on Exhibit A attached hereto;

WHEREAS, pursuant to the policies of the Authority, the Obligation may only be assigned to Qualified Institutional Buyers (as defined in the Master Loan Agreement) and the Lender will sign an investor letter confirming that it is a Qualified Institutional Buyer and certain other related matters;

WHEREAS, there has been made available to the Board of Directors of the Authority a proposed form of the Master Loan Agreement;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Public Finance Authority, as follows:

Section 1. Pursuant to the Act and the Master Loan Agreement, the Authority is hereby authorized to issue the Obligation in an aggregate principal amount not to exceed Twenty-Eight Million Two Hundred Fifty Thousand Dollars (\$28,250,000). The Obligation shall be issued and secured in accordance with the terms of the Master Loan Agreement.

Section 2. The proposed form of Master Loan Agreement, as made available to the Board of Directors, is hereby approved. Any member of the Board of Directors of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 20-01C of the Authority, adopted on September 15, 2020 (each, an “Authorized Signatory”) is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Master Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates, methods of determining rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption, tender provisions, and other terms of the Obligation shall be as provided in the Master Loan Agreement, as finally executed.

Section 3. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Obligation, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 4. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Obligation are hereby ratified, confirmed and approved.

Section 5. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the County and Kings County have each held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, to provide refinancing for the Project.

Section 6. This resolution shall take effect from and after its passage and adoption.

PASSED AND ADOPTED by the California Public Finance Authority on January 26, 2021.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called and properly noticed regular meeting of the Board of Directors of the Authority, at which a quorum was acting and present throughout, held in accordance with law on January 26, 2021.

By: _____
Authorized Signatory
California Public Finance
Authority

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the "Borrower") identified below has provided the following required information to the California Public Financing Authority (the "Authority") as conduit financing provider, prior to the Authority's regular meeting (the "Meeting") of its board of directors (the "Board") at which Meeting the Board will consider the authorization of conduit revenue obligations (the "Obligations") as identified below.

1. Name of Borrower: The Branson School.
2. Authority Meeting Date: January 26, 2021.
3. Name of Obligations:

**CALIFORNIA PUBLIC FINANCE AUTHORITY
2021 TAX-EXEMPT LOAN
(THE BRANSON SCHOOL)**

consisting of:
\$24,250,000 Term Loan Component
and
Up to \$4,000,000 Drawdown Component

4. Private Placement Lender or Bond Purchaser, Underwriter or Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations [as follows / attached as Schedule A]:
 - [(A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 2.60%.
 - [(B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$250,000.
 - [(C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$28,000,000.
 - [(D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$41,033,372.

5. The good faith estimates [provided above / attached as Schedule A] were ___ presented to the governing board of the Borrower, or ___ presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, ___ presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: January 26, 2021



CALIFORNIA
PUBLIC
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4. NEW BUSINESS

- b. Consider approving resolution 21-02A for Henry Mayo Newhall Memorial Hospital, City of Santa Clarita, County of Los Angeles; up to \$125,000,000 in revenue bonds. (Staff – Scott Carper)



**CALIFORNIA
PUBLIC
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AUTHORITY**

DATE: JANUARY 26, 2021

APPLICANT: HENRY MAYO NEWHALL MEMORIAL HOSPITAL

AMOUNT: UP TO \$125 MILLION OF REVENUE BONDS

PURPOSE: REFINANCE PRIOR BONDS AND FUND INFRASTRUCTURE IMPROVEMENTS OF AN EXISTING MEDICAL FACILITY

PRIMARY ACTIVITY: MEDICAL HOSPITAL

LEGAL STRUCTURE: 501(C)(3) CORPORATION

Background:

Henry Mayo Newhall Memorial Hospital (“Henry Mayo”) is a California nonprofit public benefit corporation located in Santa Clarita, California. Incorporated in 1972, Henry Mayo operates the only hospital in the Santa Clarita Valley, a 357-bed acute care community hospital and trauma center, and offers a wide range of health services to a population spread over 680 square miles of rolling hills, canyons and communities in northern Los Angeles County. Henry Mayo is affiliated with Santa Clarita Health Care Association, Inc. and Henry Mayo Newhall Memorial Health Foundation.

Henry Mayo provides a broad range of health care and support services, including acute rehabilitation, behavioral health, cancer care, inpatient and outpatient surgery, an intensive care unit, maternity services, oncology services, outpatient rehabilitation services, trauma and emergency services, transitional care and a wound care center. Henry Mayo receives over 12,000 annual admissions, over 65,000 annual ER visits and over 1,400 births each year.

Description of Proposed Project:

Henry Mayo is seeking to finance approximately \$125 million in bonds to refinance approximately \$100 million of prior bonds and to fund approximately \$6.5 million of new projects, which will finance expansion of healthcare programs through infrastructure improvements at its facilities.

TEFRA Information:

A TEFRA hearing and approval will be held by the city of Santa Clarita on February 9, 2021.

A TEFRA hearing and approval will be held by Kings County on February 9, 2021.

Financing Structure:

The bonds will be offered based on Henry Mayo’s credit with the final maturity in no more than 30-years and will be issued as fixed rate tax-exempt and/or taxable obligations. It is anticipated that the Bonds will be rated BBB- by S&P based on Henry Mayo’s rating in minimum denominations of \$5,000. The financing will comply with California Public Finance Authority’s policies for the issuance of publicly offered securities.

Estimated Sources and Uses:

Sources:

Principal Amount	\$ 120,245,000.00
Premium	<u>3,253,000.00</u>
Total Sources	\$ 123,498,000.00

Uses:

Refund Escrow Deposits	\$ 113,756,000.00
Project Fund	6,500,000.00
Costs of Issuance	<u>3,242,000.00</u>
Total Uses	\$ 123,498,000.00

Recommendations:

Based on the overall Project public benefit detailed on Attachment 1, it is recommended that the Board of Directors approve the Resolution as submitted to the Board, which:

1. Approves the issuance of the Bonds;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Board or authorized signatory to sign all necessary documents.

Attachment 1

Economic Development:

- Henry Mayo employs more than 1,400 staff and has a 539-member medical staff throughout its campus and support facilities in Santa Clarita, California.
- Henry Mayo's role in the Santa Clarita Valley has generated the establishment of outpatient medical clinics and other medical related businesses to assist those in need of continued medical care throughout northern Los Angeles County. In addition, many Henry Mayo employees live, eat, and shop within those communities and support the local economy.
- Henry Mayo views formal continuing education as a key element of success for the career growth of nurses, clinicians, and medical staff. Every department of the hospital has resources dedicated to staff development, from nationally recognized leadership training, to regular and practical hands-on training for new medical technologies, critical thinking, and basic software applications. In addition, Henry Mayo partners with the College of the Canyons and serves as a mentor to clinical nursing assistant students Hart High School District Regional Occupational Program to provide education, training and career opportunities.

Public Benefit:

- Health care resource – Henry Mayo operates the only acute care hospital and trauma center in the Santa Clarita Valley and offers a wide range of health services to a population spread over 450 square miles in northern Los Angeles County.
- Emergency care – Henry Mayo provides 24-hour emergency care to all individuals, regardless of their ability to pay.
- SB1953 compliance – Henry Mayo's facilities are constructed in accordance with California's Seismic Safety Act (SB1953) which will provide a safer healthcare environment.
- Community outreach – Henry Mayo supports a wide range of activities and resources that promote health and wellness and increase access to healthcare services for vulnerable populations. Henry Mayo partners with well-informed and active groups such as the American Diabetes Association, American Cancer Society, & Alzheimer's Association.
- Medi-Cal and Medicare acceptance – Henry Mayo provides health care and helps to subsidize the cost of service for patients who participate in government sponsored programs such as Medi-Cal and Medicare.

RESOLUTION NO. 21-02A

CALIFORNIA PUBLIC FINANCE AUTHORITY

A RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS IN ONE OR MORE SERIES IN A PRINCIPAL AMOUNT NOT TO EXCEED \$125,000,000 TO FINANCE, REFINANCE AND REIMBURSE THE ACQUISITION, CONSTRUCTION, EQUIPPING, IMPROVEMENT, RENOVATION, REHABILITATION, REMODELING AND OTHER CAPITAL IMPROVEMENTS OF CERTAIN HEALTH FACILITIES FOR HENRY MAYO NEWHALL MEMORIAL HOSPITAL AND OTHER MATTERS RELATING THERETO

WHEREAS, pursuant to the provisions of the Joint Exercise of 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"), Kings County and the Housing Authority of Kings County (the "Charter Members") entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Public Finance Authority (the "Authority") was organized; and

WHEREAS, the City of Santa Clarita (the "City") has previously by resolution requested to join the Authority and the Authority has previously authorized the City to become an Additional Member pursuant to the provisions of the Agreement and the City is an Additional Member pursuant to the provisions of the Agreement; and

WHEREAS, the Authority is authorized by its Agreement and under the Act to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing and refinancing of certain projects; and

WHEREAS, at the request of Henry Mayo Newhall Memorial Hospital, doing business as Henry Mayo Newhall Hospital, a California nonprofit public benefit corporation (the "Corporation"), California Statewide Communities Development Authority ("CSCDA") previously issued its Revenue Bonds (Henry Mayo Newhall Memorial Hospital) Series 2013A, in the original aggregate principal amount of \$25,000,000 (the "Series 2013A Bonds"), its Revenue Bonds (Henry Mayo Newhall Memorial Hospital) Series 2013B, in the original aggregate principal amount of \$35,000,000 (the "Series 2013B Bonds" and, together with the Series 2013A Bonds, the "Series 2013 Bonds"), and its Insured Revenue Bonds (Henry Mayo Newhall Memorial Hospital) Series 2014, in the original aggregate principal amount of \$70,000,000, to finance and refinance the acquisition, construction, rehabilitation, remodeling and other capital improvements at certain health facilities owned and/or operated by the Corporation in the State of California (collectively, the "Prior Project"); and

WHEREAS, the Corporation wishes to finance and refinance the acquisition, construction, equipping, improvement, renovation, rehabilitation, remodeling and other capital improvements of certain health facilities owned and/or operated or to be owned and/or operated by the Corporation and located in the City, including the refinancing all or a portion of the Prior Project and the reimbursement of certain prior expenditures (collectively, the "Project"); and

WHEREAS, the Corporation is requesting the assistance of the Authority in financing and refinancing the Project; and

WHEREAS, pursuant to one or more Bond Indentures (the “Indentures”), between the Authority and The Bank of New York Mellon Trust Company, N.A. (the “Trustee”), the Authority will issue one or more series of the California Public Finance Authority Revenue Bonds (Henry Mayo Newhall Memorial Hospital), Series 2021 (the “Bonds”) for the purpose, among others, of financing and refinancing the Project; and

WHEREAS, pursuant to one or more Loan Agreements (the “Loan Agreements”), between the Authority and the Corporation, the Authority will loan the proceeds of the Bonds to the Corporation for the purpose, among others, of financing and refinancing the Project; and

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Authority, as a conduit financing provider, has received certain representations and good faith estimates from the Corporation and has disclosed such good faith estimates as set forth on Exhibit A attached hereto; and

WHEREAS, pursuant to one or more Bond Purchase Contracts, to be dated the date of sale of the Bonds (the “Purchase Contracts”), among B.C. Ziegler and Company or such other or additional underwriter or underwriters named in the Purchase Contracts, as executed, as underwriter (the “Underwriter”), the Authority and the Corporation, the Bonds will be sold to the Underwriter, and the proceeds of such sale will be used as set forth in the Indentures to finance and refinance the Project and to pay costs incurred in connection with the issuance of the Bonds; and

WHEREAS, there have been made available to the Board of Directors of the Authority the following documents and agreements:

- (1) A proposed form of the Indentures;
- (2) A proposed form of the Loan Agreements;
- (3) A proposed form of the Purchase Contracts;
- (4) A proposed form of one or more official statements (the “Official Statements”) to be used by the Underwriter in connection with the offering and sale of the Bonds; and

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Public Finance Authority, as follows:

Section 1. Pursuant to the Act and the Indentures, the Authority is hereby authorized to issue its revenue bonds, in one or more series, designated as the “California Public Finance Authority Revenue Bonds (Henry Mayo Newhall Memorial Hospital), Series 2021” in an aggregate principal amount not to exceed one hundred twenty-five million dollars (\$125,000,000) as federally tax-exempt bonds or federally taxable bonds, with such other name or names of the Bonds or series thereof as designated in the Indenture pursuant to which the Bonds will be issued.

The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indentures. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Board of Directors of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 20-01C of the Authority, adopted on September 15, 2020 (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 2. The proposed form of Indentures, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Indentures in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The trustee, series designations, dated date, maturity date or dates, interest rate or rates, or methods or determining rates, tender provisions, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indentures, as finally executed.

Section 3. The proposed form of Loan Agreements, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Loan Agreements in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of the Purchase Contracts, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Purchase Contracts, in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed preliminary form of the Official Statements, as made available to the Board of Directors, is hereby approved. The Underwriter is hereby authorized to distribute the Official Statements in preliminary form, to persons who may be interested in the purchase of the Bonds and to deliver the Official Statements in final form to the purchasers of the Bonds.

Section 6. The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee’s Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall

provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 7. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 8. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 9. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the City and Kings County, California have each held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, to provide financing and refinancing for the Project.

Section 10. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 26th day of January, 2021.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called and properly noticed regular meeting of the Board of Directors of the Authority, at which a quorum was acting and present throughout, held in accordance with law on January 26, 2021.

By: _____
Authorized Signatory
California Public Finance Authority

EXHIBIT A

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the "Corporation") identified below has provided the following required information to California Public Finance Authority (the "Authority") as conduit financing provider, prior to the Authority's regular meeting (the "Meeting") of its board of directors (the "Board") at which Meeting the Board will consider the authorization of conduit revenue obligations (the "Obligations") as identified below.

1. Name of Corporation: Henry Mayo Newhall Memorial Hospital.
2. Authority Meeting Date: January 26, 2021.
3. Name of Obligations: California Public Finance Authority Revenue Bonds (Henry Mayo Newhall Hospital) Series 2021A and Series 2021B.
4. Private Placement Lender or Bond Purchaser, Underwriter or Financial Advisor (mark one) engaged by the Corporation provided the Corporation with the required good faith estimates relating to the Obligations as follows:
 - (A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 2.8855%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$3,190,338.66 (includes bond insurance).
 - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$120,272,502.50..
 - (D) The total payment amount, which means the sum total of all payments the Corporation will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$160,492,917.58
5. The good faith estimates provided above were presented to the governing board of the Corporation, or presented to the official or officials or committee designated by the governing board of the Corporation to obligate the Corporation in connection with the Obligations or, in the absence of a governing board, presented to the official or officials of the Corporation having authority to obligate the Corporation in connection with the Obligations (mark one).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Corporation.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: January 26, 2021