

RESOLUTION NO. 2019-157

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING THE ISSUANCE OF REVENUE BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$65,000,000 FOR THE PURPOSE OF FINANCING AND REFINANCING THE ACQUISITION, CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF FACILITIES FOR HEALTHRIGHT 360 AND CERTAIN OTHER MATTERS RELATING HERETO

WHEREAS, HealthRIGHT 360, a California nonprofit public benefit corporation and an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 (the “Corporation”), has requested that the California Municipal Finance Authority (the “Authority”) participate in the issuance of one or more series of revenue bonds in an aggregate principal amount not to exceed \$65,000,000 (the “Bonds”), of which approximately \$6,450,000 will be allocable to projects in the City and the remaining amount will be allocable to projects in other cities. The projects in the City are the following: and

(a) not more than \$1,600,000 to refund the portion of the outstanding California Health Facilities Financing Authority Insured Health Facility Revenue Bonds (Prototypes/Social Model), 2001 Series A, issued to make a loan to Prototypes, A Center for Innovation in Health, Mental Health and Social Services, a predecessor of the Corporation “Prototypes”), to finance the purchase of approximately 3.2 acres of property located adjacent and immediately to the west of 845 East Arrow Highway in Pomona, California, and the construction thereon of an approximately 11,000 square foot building for an expanded outpatient and day treatment substance abuse recovery facility and allow for 23 beds for residential substance abuse treatment,

(b) not more than \$2,650,000 to provide for the prepayment of a loan from Bank of America, N.A. in 1991 to Prototypes, to finance renovations to the residential treatment facility for 164 women located at 845 East Arrow Highway in Pomona, California, and

(c) not more than \$2,200,000 to finance renovations and equipment to facilities providing residential substance use disorder treatment located at 831 East Arrow Highway and 845 East Arrow Highway in Pomona, California. All or a portion of such amount may be used on an individual facility and all or a portion of such amount may be used in another city and none at all in the City, (collectively, the “Project”);

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 the “applicable elected

representatives” required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the facilities to be financed and described above are both located within the territorial limits of the City; and

WHEREAS, the Council is the elected legislative body of the City and is one of the “applicable elected representatives” authorized to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the Authority has requested that the Council 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 City; and

WHEREAS, September 27, 2019, the City caused a notice to appear in the Inland Valley Daily Bulletin, which is a newspaper of general circulation in the City, stating that a public hearing with respect to the issuance of the Bonds would be held by the Council on October 7, 2019; and

WHEREAS, Council held the public hearing described above on October 7, 2019, and an opportunity was provided for persons to comment on the issuance and sale of the Bonds in one or more series and the plan of financing of the Project; and

WHEREAS, pursuant to section 147(f) of the Code, the Council now desires to approve the issuance of the Bonds by the Authority as provided in this resolution;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pomona as follows:

SECTION 1. The foregoing resolution is true and correct.

SECTION 2. The Council hereby approves, solely for the purposes stated in this resolution, the issuance of the Bonds by the Authority. It is the purpose and intent of the Council that this resolution constitutes 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 adoption of this resolution shall not obligate the City or any department or officer thereof to: (i) provide any financing to acquire or construct the Project or

any refinancing of 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 for the acquisition, construction, rehabilitation, installation, or operation of the Project; (iii) make any contribution or advance any funds whatsoever to the Corporation, the Authority, or to any holders of the Bonds; (iv) take any further action with respect to the Authority or its membership therein; or (v) make any investigations, representations, or disclosures in connection with the Bonds.

SECTION 4. The officers of the City, including by way of example and not as a limitation, the City Manager, the Finance Director, and the City Clerk 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. This resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED THIS 7th DAY OF OCTOBER 2019.

ATTEST:

CITY OF POMONA:

Rosalia A. Butler, MMC, City Clerk

Tim Sandoval, Mayor

APPROVED AS TO FORM:

Sonia Carvalho City Attorney

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF POMONA

I, ROSALIA A. BUTLER, MMC, CITY CLERK of the City of Pomona do hereby certify that the foregoing Resolution was adopted at a Regular Meeting of the City Council of the City of Pomona held on the 7th day of October 2019, by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Pomona, California, this 7th day of October 2019.

Rosalia A. Butler, MMC, City Clerk