

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**A RESOLUTION APPROVING THE ISSUANCE OF TAX EXEMPT REVENUE BONDS  
PURSUANT TO A PLAN OF FINANCE IN AN AGGREGATE PRINCIPAL AMOUNT  
NOT TO EXCEED \$87,000,000 BY THE CALIFORNIA MUNICIPAL FINANCE  
AUTHORITY FOR THE PURPOSE OF FINANCING AND REFINANCING THE  
ACQUISITION AND IMPROVEMENT OF APARTMENT COMPLEXES AND  
MOBILE HOME PARKS BY ONE OR MORE CALIFORNIA LIMITED LIABILITY  
COMPANIES, AND CERTAIN OTHER MATTERS RELATING THERETO**

**WHEREAS**, one or more California limited liability companies (“LLCs”), whose sole member is or will be Caritas Affordable Housing, Inc. (the “Corporation” and, together with the LLCs, the “Borrowers”), a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), have requested that the California Municipal Finance Authority (the “Authority”) participate in the issuance of one or more series of tax exempt revenue bonds, pursuant to a single plan of financing, in a maximum aggregate principal amount of \$87,000,000 (the “Bonds”); and

**WHEREAS**, it is anticipated that the proceeds of the Bonds will be used to: (a) pay costs of the 2025 New Money Project (as defined below); (b) refinance all or a portion of two outstanding loans which were issued to finance and refinance all or a portion of the Prior Project (as defined below, and as referred to herein collectively with the 2025 New Money Project, the “Project”); (c) make a deposit to a debt service reserve fund for the Bonds, if any; (d) pay a portion of the interest on the Bonds; and (e) pay of costs of issuance with respect to the Bonds; and

**WHEREAS**, the term “2025 New Money Project” means all or a portion of the costs of the acquisition, construction, and improvement of property located: (a) 511 East Washington Avenue, Santa Ana, California 92701 (the “Santa Ana Apartment Project”); (b) 518 East Pine Street, Santa Ana, California 92701 (the “Park Midrise Apartment Project”); and (c) 20 Russell Road, Salinas, California 93906 (the “California Hawaiian Project”); and

**WHEREAS**, the term “Prior Project” means all or a portion of the costs of the acquisition and improvement of: (a) a 161-space mobile home park known as Franciscan Estates, located at 2317 South Chestnut Avenue, Fresno, California 93725 (the “Franciscan Project”); (b) a 73-space mobile home park known as Town & Country Mobile Estates, located at 2373 South Chestnut Avenue, Fresno, California 93725 (the “Town & Country Project”), and (c) a 120-space mobile home park known as Rancho Del Arroyo, located at 2700 Cienega Street, Oceano, California 93445 (the “Rancho Del Arroyo Project”); and

**WHEREAS**, the California Hawaiian Project is located within the territorial limits of the City of Salinas, California (the “City”), a member of the Authority; and

**WHEREAS**, the Project is or will be owned and operated by the Borrowers; and

**WHEREAS**, pursuant to Section 147(f) of the Code, the issuance of the Bonds by the Authority and the related plan of financing must be approved by the City because a portion of the Project is located within the territorial limits of the City; and

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

**WHEREAS**, the Authority has requested that the City 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 Treasury Regulations promulgated thereunder, 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 (as amended from time to time, the “Agreement”), among certain program participants, including the City; and

**WHEREAS**, on or before [MONTH \_\_], 2025, the Authority’s bond counsel caused a notice to appear in the *Salinas Californian*, which is a newspaper of general circulation in the City, stating that a public hearing with respect to the issuance of the Bonds by the Authority and the Project would be held by the City Council on [MONTH \_\_], 2025; and

**WHEREAS**, pursuant to Section 147(f) of the Code, the City Council has, following notice duly given, held a public hearing on [MONTH \_\_], 2025 regarding the issuance of the Bonds by the Authority, and an opportunity was provided for persons to comment on the matter of the Bonds and of the Project; and

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

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

Section 1. The foregoing recitals with respect to the portions of the California Hawaiian Project and the Bonds to be issued for the California Hawaiian Project are true and correct.

Section 2. The City Council hereby approves the issuance of the Bonds by the Authority and the related plan of financing with the Borrowers relating to the California Hawaiian Project. It is the purpose and intent of the City Council that this resolution constitutes approval of the issuance of the Bonds by the Authority (a) by the “applicable elected representative” of the governmental unit having jurisdiction over the area in which the California Hawaiian Project is located in accordance with Section 147(f) of the Code and (b) by the City Council in accordance with 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 approval by the City Council of the issuance of the Bonds by the Authority relating to the Project is neither an approval of the underlying credit issues of the proposed Project nor an approval of the financial structure of the Bonds. Neither the City nor any department, official or officer thereof shall have any responsibility or liability whatsoever with respect to the Bonds or the Project. The Bonds shall not constitute an obligation or indebtedness of the City, and the assets and revenues of the City are not being pledged as security for the payment of principal or interest on the Bonds.

Section 4. The officers of the City 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 City or any department thereof to (i) provide any financing to acquire, rehabilitate or construct the Project or any refinancing of the Project or any portion thereof; (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, rehabilitation or operation of the Project or any portion thereof; (iii) make any contribution or advance any funds whatsoever to the Authority or the Borrowers; or (iv) take any further action with respect to the Authority or the City's membership therein.

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

**PASSED AND APPROVED** this 13<sup>th</sup> day of May 2025, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

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Dennis Donohue, Mayor

**ATTEST:**

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Patricia M. Barajas, City Clerk