

RESOLUTION NO. .

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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RESOLUTION AUTHORIZING: 1. THE COUNTY EXECUTIVE, OR DESIGNEE(S), ACTING IN CONSULTATION WITH THE COUNTY ATTORNEY, TO TAKE ALL NECESSARY AND ADVISABLE STEPS TO DEFEASE THE REFUNDING LEASE REVENUE BONDS, 2016 SERIES A (YOUTH SERVICES CAMPUS), INCLUDING BUT NOT LIMITED TO ESTABLISHING AN ESCROW ACCOUNT, PURCHASING SECURITIES FOR THE ESCROW, AND EXECUTING ANY RELATED AGREEMENTS, NOTICES, APPROVALS, OR DOCUMENTS TO EFFECTUATE THE DEFEASANCE AND TO GIVE EFFECT TO THIS RESOLUTION; AND 2. THE ALLOCATION AND USE OF ONE-TIME SOURCES, SUCH AS RESERVES, IN THE AMOUNT OF UP TO \$77,000,000, TO EFFECTUATE THE DEFEASANCE

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, the County through this Board has from time to time approved the issuance and sale by the San Mateo County Joint Powers Financing Authority (the “JPFA”) of lease revenue bonds to finance critical capital projects and public infrastructure; and

WHEREAS, the County previously approved the issuance of the Refunding Lease Revenue Bonds, 2016 Series A (Youth Services Campus) (the “Bonds”) by the JPFA in the aggregate principal amount of \$107,600,000, for the purpose of refinancing the JPFA’s Lease Revenue Bonds (Youth Services Campus), 2008 Series A to refinance the prior issuance and achieve cost savings; and

WHEREAS, defeasance of the Bonds would result in a total reduction in the County’s debt service of an estimated \$92.9 million over the next ten or more years resulting in gross savings of \$17.3 million; and

WHEREAS, the Board has determined that it is in the public interest and fiscally prudent to defease the Bonds to reduce the County's outstanding debt obligations and associated debt service costs; and

WHEREAS, the defeasance of these Bonds will provide long-term financial savings, improve the County's financial flexibility, and potentially release leased assets; and

WHEREAS, the County has identified reserves and other available one-time funding sources in the amount of up to \$77,000,000 to fund the defeasance; and

WHEREAS, the Board desires to allocate \$77,000,000 in available one-time funding sources to fund the defeasance, which allocation will be implemented through an Appropriation Transfer Request that will be concurrently presented to this Board for approval; and

WHEREAS, the Board desires to authorize the County Executive to take all necessary and advisable actions to effectuate the defeasance of the specified Bonds in accordance with applicable laws, regulations, and the terms of the Bonds.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the County Executive, or designee(s), acting in consultation with the County Attorney, is authorized to take all necessary and advisable steps to defease the Refunding Lease Revenue Bonds, 2016 Series A (Youth Services Campus), including but not limited to establishing an escrow account, purchasing securities for the escrow, and executing any related agreements, notices, approvals, or documents to effectuate the defeasance and to give effect to this resolution.

BE IT FURTHER RESOLVED that the Board hereby authorizes the allocation and use of one-time sources, such as Reserves, in the amount of up to \$77,000,000, to effectuate the defeasance of the Refunding Lease Revenue Bonds, 2016 Series A (Youth Services Campus).

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