

RESOLUTION NO. _____

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

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RESOLUTION APPROVING THE ISSUANCE BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY OF REVENUE BONDS FOR THE BENEFIT OF A LIMITED PARTNERSHIP OR A LIMITED LIABILITY COMPANY YET TO BE FORMED BY MIDPEN HOUSING CORPORATION OR AN AFFILIATED OR RELATED ENTITY

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

WHEREAS, pursuant Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”), certain public agencies (the “Members”) have entered into a Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the “Agreement”), in order to form the California Municipal Finance Authority (the “Authority”) for the purpose of promoting economic, cultural and community development, and in order to exercise any powers common to the Members, including the issuance of bonds, notes or other evidences of indebtedness; and

WHEREAS, the Authority is authorized to issue and sell revenue bonds for the purpose, among others, of financing or refinancing the acquisition, construction and development of educational facilities; and

WHEREAS, MidPen Housing Corporation (the “Applicant”) has requested that the Authority issue and sell revenue bonds in the maximum principal amount of \$14,000,000 (the “Bonds”) for the purpose of making a loan to a limited partnership or a limited liability company to be established by the Applicant or a related entity (the

“Borrower”) to enable the Borrower to finance or refinance the costs of the acquisition, rehabilitation and improvement of a 23 unit multifamily housing development located at 1761 Woodland Avenue in the City of East Palo Alto, County of San Mateo (the “County”), and a 26 unit multifamily housing development located at 44-48 Newell in the City of East Palo Alto, County of San Mateo, California (collectively, the “Project”); and

WHEREAS, the County is a member of the Authority and 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 County because 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 an “applicable elected representative” of the Authority authorized 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 Section 4 of the Agreement; and

WHEREAS, there has been published, at least 14 days prior to the date hereof, in a newspaper of general circulation within the County, a notice that a public hearing regarding the Bonds would be held on the date hereof; 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.

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED by the Board of the County of San Mateo, State of California, as follows

Section 1. The Board hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the Board that this resolution constitute 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 2. 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 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 to acquire, construct or develop 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, installation or operation of the Project; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv) take any further action with respect to the Authority or its membership therein.

Section 5. This resolution shall take effect immediately upon its adoption.

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