

RESOLUTION NO. _____

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

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RESOLUTION APPROVING THE EXECUTION OF A TAX-EXEMPT LOAN OR LOANS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY FOR THE BENEFIT OF SILICON VALLEY INTERNATIONAL SCHOOL, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$25,000,000 IN ONE OR MORE SERIES FOR THE PURPOSE OF FINANCING AND REFINANCING THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, EQUIPPING, AND MAINTENANCE OF CERTAIN EDUCATIONAL, SUPPORT AND ADMINISTRATIVE FACILITIES LEASED, OCCUPIED AND OPERATED WITHIN THE COUNTY BY SILICON VALLEY INTERNATIONAL SCHOOL

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

WHEREAS, Silicon Valley International School (formerly known as International School of the Peninsula), a California nonprofit public benefit corporation (the "Borrower") and an organization described in, and exempt from tax under, Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), has requested that the California Municipal Finance Authority (the "Authority") obtain a tax-exempt loan or loans in an aggregate principal amount not to exceed \$25,000,000 (the "Authority Loan") in one or more series and make one or more loans to the Borrower pursuant to a plan of financing (the "Borrower Loan") to, among other things: (i) finance and refinance the construction, improvement, renovation, equipping and furnishing of educational facilities leased, occupied and operated by the Borrower and located at 475 Pope Street, Menlo Park, County of San Mateo, California, zip code 94025, including related administrative

facilities, site improvements, and parking, in connection with the provision of educational and other services in the County of San Mateo (the “County”), (iii) pay capitalized interest on the Borrower Loan, and (iv) pay certain expenses incurred in connection with the issuance of the Borrower Loan (items (i) through (iv), collectively, the “Menlo Park Project”); and

WHEREAS, the facilities comprising the Menlo Park Project are leased, occupied and operated by the Borrower and are located within the territorial limits of the County, a member of the Authority; and

WHEREAS, pursuant to Section 147(f) of the Code, the execution of the Authority Loan by the Authority relating to the Menlo Park Project and the related plan of financing with the Borrower, including the Borrower Loan relating to the Menlo Park Project, must be approved by the County because the facilities comprising the Menlo Park Project are located within the territorial limits of the County; and

WHEREAS, the Board of Supervisors of the County (the “Board of Supervisors”) is the elected legislative body of the County and is an “applicable elected representative” required to approve the execution of the Authority Loan by the Authority relating to the Menlo Park Project under Section 147(f) of the Code; and

WHEREAS, the Authority has requested that the Board of Supervisors approve the execution of the Authority Loan by the Authority relating to the Menlo Park Project and the related plan of financing for the Menlo Park Project with the Borrower, including the Borrower Loan, 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 Authority, dated as of January 1, 2004 (as amended, the "Agreement"), among certain program participants, including the County; and

WHEREAS, the Authority has advised the County that a portion of the proceeds of the Authority Loan will be loaned to the Borrower as a portion of the Borrower Loan and as a part of the Borrower's overall plan of financing to: refinance all or a portion of certain outstanding debt obligations of the Borrower, being that certain California Municipal Finance Authority 2017 Tax Exempt Loan (International School of the Peninsula), which obligations refinanced certain costs of acquiring, improving, renovating, remodeling, furnishing and equipping educational facilities of the Borrower located at 151 Laura Lane within the City of Palo Alto, California, 94303; finance and refinance certain costs of acquiring, improving, renovating, remodeling, furnishing and equipping various portions of the educational facilities of the Corporation located at 151 Laura Lane, Palo Alto, California 94303; fund a certain amount of capitalized interest on the Borrower Loan and pay certain financing costs (collectively, the "Palo Alto Project," and, together with the Menlo Park Project, the "Borrower Project"); and

WHEREAS, the Authority has not requested that the Board of Supervisors take any action, and the Board of Supervisors shall not take any action, with respect to the Palo Alto Project or the portion of the Authority Loan issued to finance costs of the Palo Alto Project; and

WHEREAS, the total principal amount of the Authority Loan to be issued for the Menlo Park Project will not exceed \$21,000,000, and the total, aggregate principal

amount of the Authority Loan to be issued for the Borrower Project will not exceed \$25,000,000; and

WHEREAS, on or before September 9, 2021, the Authority's bond counsel caused a notice to appear in the *San Mateo Daily Journal*, which is a newspaper of general circulation in the County, stating that a public hearing with respect to the execution of the Authority Loan by the Authority and the Menlo Park Project would be held by the County on September 16, 2021; and

WHEREAS, pursuant to Section 147(f) of the Code, the County has, following notice duly given, held a public hearing on September 16, 2021 regarding the execution of the Authority Loan by the Authority, and an opportunity was provided for persons to comment on the matter of the Authority Loan and of the Menlo Park Project; and

NOW, THEREFORE, BE IT RESOLVED, by the County of the City of Menlo Park, as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. The County hereby approves the execution of the Authority Loan by the Authority relating to the Menlo Park Project and the related plan of financing with the Borrower with respect to the Borrower Loan relating to the Menlo Park Project. It is the purpose and intent of the County that this resolution constitutes approval of the execution of the Authority Loan by the Authority relating to the Menlo Park Project and the related plan of financing with the Borrower, including the Borrower Loan relating to the Menlo Park Project, 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 Menlo Park Project is located, in accordance with said Section 147(f); and (b) Section 4 of the Agreement.

Section 3. The approval by the County of the execution of the Authority Loan by the Authority relating to the Menlo Park Project is neither an approval of the underlying credit issues of the proposed Menlo Park Project nor an approval of the financial structure of the Authority Loan. Neither the County nor any department, official or officer thereof shall have any responsibility or liability whatsoever with respect to the Authority Loan, the Borrower Loan, the Menlo Park Project or the Borrower Project.

Section 4. The execution of the Authority Loan shall be subject to approval of the Authority of all financing documents relating thereto to which the Authority is a party. Neither the Authority Loan nor the Borrower Loan shall constitute a debt or obligation of the County, and the County shall have no responsibility or liability whatsoever with respect to repayment or administration of the Authority Loan or the Borrower Loan.

Section 5. The adoption of this resolution shall not obligate the County or any department thereof to (i) provide any financing with respect to the Menlo Park Project or the Borrower Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary with respect to the Menlo Park Project; (iii) make any contribution or advance any funds whatsoever to the Authority or the Borrower; or (iv) take any further action with respect to the Authority or the County's membership therein.

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