

**COUNTY OF SANTA BARBARA, CALIFORNIA**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION APPROVING, AUTHORIZING, AND DIRECTING EXECUTION OF A JOINT EXERCISE OF POWERS AGREEMENT RELATING TO THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY, AND APPROVING THE ISSUANCE OF REVENUE BONDS BY THE AUTHORITY FOR THE PURPOSE OF FINANCING OR REFINANCING THE ACQUISITION, CONSTRUCTION AND IMPROVEMENT OF CERTAIN FACILITIES FOR WESTMONT COLLEGE**

**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, effective 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 County of Santa Barbara, California (the "County") has determined that it is in the public interest and for the public benefit that the County become a Member of the Authority in order to facilitate the promotion of economic, cultural and community development activities in the County, including the financing of projects therefor by the Authority; and

**WHEREAS**, there is now before the Board of Supervisors of the County (the "Board of Supervisors") the form of the Agreement; and

**WHEREAS**, the Agreement has been filed with the County, and the members of the Board of Supervisors, with the assistance of its staff, have reviewed said document; and

**WHEREAS**, the Authority is authorized to issue and sell revenue bonds for the purpose, among others, of financing or refinancing the construction of capital projects; and

**WHEREAS**, Westmont College, a California nonprofit religious corporation (the "Borrower") has requested that the Authority issue and sell revenue bonds in the maximum principal amount of \$122,500,000, in one or more series pursuant to a plan of finance (the "Bonds"); a portion of the proceeds of the Bonds, in an amount not expected to exceed \$120,000,000 will be used for the purpose of making loans to the Borrower, to enable the Borrower to finance or refinance the costs of the acquisition, construction and improvement of various of its educational facilities at 955 La Paz Road, Santa Barbara, California (the "Project"); and

**WHEREAS**, in order for the interest on the Bonds to be tax-exempt, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires that an "applicable elected representative" of the governmental unit, the geographic jurisdiction of which contains

the site of facilities to be financed with the proceeds of the Bonds with respect to the Authority hold a public hearing on the issuance of the Bonds and approve the issuance of the Bonds following such hearing; and

**WHEREAS**, the Authority has determined that the Board of Supervisors is an “applicable elected representative” for purposes of holding such hearing; and

**WHEREAS**, the Authority has requested that the Board of Supervisors 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**, notice of such public hearing has been duly given as required by the Code, and this Board of Supervisors has heretofore held such public hearing at which all interested persons were given an opportunity to be heard on all matters relative to the financing or refinancing of the Project and the Authority’s issuance of the Bonds therefor; and

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

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY AS FOLLOWS:**

Section 1. The Agreement is hereby approved and the Chair of the Board of Supervisors or designee thereof is hereby authorized and directed to execute said document, and the County Clerk or such Clerk’s designee is hereby authorized and directed to attest thereto.

Section 2. The Board of Supervisors hereby approves, solely for the purposes and in accordance with Section 147(f) of the Code and Section 4 of the Agreement, the issuance of the Bonds by the Authority, provided that the Bonds will not constitute an indebtedness or obligation of, or involve a pledge of the faith and credit of the County. It is the purpose and intent of the Board of Supervisors that this resolution constitute approval of the issuance of the Bonds (a) by the “applicable elected representative” of the governmental unit having jurisdiction over the area in which the Project is or will be located, in accordance with Section 147(f) of the Code and (b) by the County 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 County shall have no responsibility or liability whatsoever with respect to the Bonds. The approval by the County of the issuance of the Bonds is neither an approval of the underlying credit issues of the proposed Project, nor an approval of the financial structure of the Bonds. The County makes no express or implied opinion or recommendation about the transaction, revenue streams, disclosure, or repayment structure related 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 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, rehabilitation 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. The Chair of the Board of Supervisors, the Clerk and all other proper officers and officials of the County are hereby authorized and directed to execute such other agreements, documents and certificates, and to perform such other acts and deeds, as may be necessary or convenient to effect the purposes of this Resolution and the transactions herein authorized.

Section 6. The Clerk shall forward a certified copy of this Resolution and an originally executed Agreement to the Authority in care of its counsel:

Harriet M. Welch, Esq.  
Squire, Sanders & Dempsey LLP.  
555 South Flower St., Suite 3100  
Los Angeles, CA 90071-2300

Section 7. This resolution shall take effect immediately upon its passage.

\* \* \*

ADOPTED by the Board of Supervisors of the County of Santa Barbara at a regular meeting of the Board of Supervisors held on the \_\_\_ day of \_\_\_\_\_, 2009, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

COUNTY OF SANTA BARBARA

By \_\_\_\_\_  
Chair, Board of Supervisors

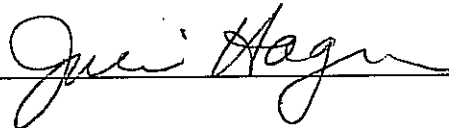
ATTEST:  
CLERK OF THE BOARD  
MICHAEL F. BROWN

By \_\_\_\_\_  
Deputy Clerk

APPROVED AS TO FORM:  
DENNIS A. MARSHALL  
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:  
ROBERT W. GEIS, C.P.A.  
AUDITOR-CONTROLLER

By  \_\_\_\_\_  
Deputy County Counsel

By  \_\_\_\_\_