



# County of Sonoma

## State of California

Date: July 12, 2022

Item Number: \_\_\_\_\_

Resolution Number: \_\_\_\_\_

☐ 4/5 Vote Required

**Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California,  
approving the issuance of tax-exempt obligations by the California Enterprise Development  
Authority in an aggregate principal amount not to exceed \$7,500,000 to finance and refinance  
various capital facilities owned by Progress Foundation**

**Whereas,** Progress Foundation, a California nonprofit corporation (the "Borrower") has requested that the California Enterprise Development Authority, a joint exercise of powers agency established pursuant to the laws of the State of California (the "Authority") issue its tax-exempt obligations (the "Obligation"), in an aggregate principal amount not expected to exceed \$7,500,000, for the purpose of making one or more loans to the Borrower pursuant to a plan of financing for various capital facilities as more fully described below; and

**Whereas,** The County of Sonoma (the "County") is a member of the Authority; and

**Whereas,** The Borrower expects to use the proceeds of the Obligation for: (i) refinance outstanding indebtedness incurred by the Borrower, the proceeds of which were used to finance and refinance the cost of the acquisition, construction, installation, rehabilitation, equipping and furnishing of mental health treatment and rehabilitation facilities located in California at 3400 Montgomery Drive, Santa Rosa (approximately \$532,860) (the "Local Facility"), and at 50 Shrader Street, San Francisco (approximately \$894,370), 368 Fell Street, San Francisco (approximately \$383,150), 25 Beulah Street, San Francisco (approximately \$986,240), 212 Ashbury Street, San Francisco (approximately \$397,430), 2210 Clay Street, San Francisco (approximately \$1,090,580), 1443 7th Avenue, San Francisco (approximately \$49,815), 405 Baker Street, San Francisco

(approximately \$1,120,770) and 50-54 Dore Street, San Francisco (approximately \$2,044,785) (collectively, the "Facilities"), and (ii) pay various transaction costs and related costs; and

**Whereas,** The Facilities are and will be owned by the Borrower and operated by the Borrower in connection with its tax-exempt mission of providing community-based residential treatment and supported housing programs as alternatives to institutional treatment for individuals with mental disabilities and for the management and administration of such programs; and

**Whereas,** The issuance of the Obligation shall be subject to the approval of and execution by the Authority of all financing documents relating thereto to which the Authority is a party; and

**Whereas,** The Local Facility is located wholly within the County; and

**Whereas,** The interest on the Obligation may qualify for tax exemption under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the Obligation is approved in accordance with Section 147(f) of the Code; and

**Whereas,** The Board of Supervisors of the County (the "Board") is the elected legislative body of the County and is the applicable elected representative required to approve the issue within the meaning of Section 147(f) of the Code; and

**Whereas,** The Authority has requested the Board to approve the issuance of the Obligation in order to satisfy the public approval requirements of Section 147(f) of the Code; and

**Whereas,** On July 1, 2022, the County caused a notice to appear in The Press Democrat, which is a newspaper of general circulation in the County, stating that a public hearing with respect to the issuance of the Obligation would be held by the County's Board on July 12, 2022; and

**Whereas,** The Board held the public hearing described above on July 12, 2022, and an opportunity was provided for persons to comment on the issuance of the Obligation and plan of financing; and

**Resolved,** That this Board hereby finds and declares the above recitals are true and correct; and, be it

**Further Resolved,** That this Board hereby approves the issuance of the Obligation by the Authority; and be it

**Further Resolved,** That it is the purpose and intent of this Board that this Resolution constitutes approval of the issuance of the Obligation by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Local Facility is located for the purposes of and in accordance with Section 147(f) of the Code; and, be it

**Further Resolved,** That the approval of the issuance of the Obligation by the County is neither an approval of the underlying credit of the Borrower or the Facilities nor an approval of the financial structure of the Obligation; and the County, nor any department thereof, shall have no responsibility or liability whatsoever with respect to the Obligation or the Facilities; and be it

**Further Resolved,** That the Obligation shall not constitute a debt or obligation of the County and the payment of the principal, prepayment premium, if any, and purchase price of and interest on the Obligation shall be solely the responsibility of the Borrower; and be it

**Further Resolved,** That adoption of this Resolution shall not obligate (i) the County to provide financing to the Borrower for the acquisition, rehabilitation and development of the Facilities or to issue the Obligation for purposes of such financing; (ii) make any contribution or advance any funds to the Authority; or (iii) the County, or any department of the County, to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other regulatory action sought in connection with the Facilities; and be it

**Further Resolved,** That this Resolution shall take effect immediately upon its adoption.

Resolution #22-

Date:

Page 4

**Supervisors:**

Gorin:

Rabbitt:

Coursey:

Hopkins:

Gore:

Ayes:

Noes:

Absent:

Abstain:

**So Ordered.**