

MEMBER CITIES

Alhambra
Apple Valley
Azusa
Baldwin Park
Barstow
Bell
Bellflower
Brea
Calaveras County Water District
Capitola
Carpinteria
Carson
Chino
Claremont
Clovis
Colton
Commerce
Compton
Covina
Downey
Duarte
El Monte
Fairfield
Fontana
Fresno
Gardena
Garden Grove
Glendale
Glendora
Hawaiian Gardens
Hawthorne
Huntington Park
Indio
Inglewood
La Habra
La Puente
Lakewood
Lancaster
Lawndale
Long Beach
Los Angeles
Lynwood
Monrovia
Montclair
Montebello
Monterey Park
Morgan Hill
Norwalk
Oceanside
Palmdale
Palm Springs
Paramount
Pico Rivera
Plana Community Services District
Pomona
Rancho Cucamonga
Rialto
Riverside
Rohnert Park
Salinas
San Bernardino
San Bernardino County
San Diego County
San Fernando
San Juan Capistrano
San Marcos
San Mateo County
Santa Clarita
Santa Rosa
Signal Hill
South Gate
Union City
Vernon
Visalia
Vista
West Covina
Whittier
Yucaipa

BOARD MEMBERS

OFFICERS
Sylvia Ballin, President
San Fernando
Jose Solache, Vice President/Treasurer
Lynwood

DIRECTORS

Daniel Damian, Baldwin Park
Aja Brown, Compton
Eduardo "Eddie" Martinez, Huntington Park
Al Rios, South Gate
Leticia Lopez, Vernon
Secretary/Executive Director
Debbie Smith
General Legal Counsel
Scott Campbell
Best Best & Krieger, LLP



INDEPENDENT CITIES FINANCE AUTHORITY
Regular Meeting of the Board of Directors
Regular Meeting of the Executive Committee

Monday, April 12, 2021
12:00 p.m.

TELEPHONIC BOARD MEETING

Call-In Information:

Call-In Number: 1-712-775-7031

Participant Number: 236-977-467#

NOTE: In accordance with the Governor's Executive Order (N-29-20) and the declared State of Emergency as a result of the threat of COVID-19, members of the Board of Directors and staff will be participating in this meeting remotely from multiple locations. Members of the public are encouraged to use the call-in number, which will allow them to fully participate in the meeting without having to be present in person. If members of the public have any problems using the call-in number during the meeting, please contact the ICFA office at (877) 906-0941.

STAFF REPORTS AND OTHER WRITTEN DOCUMENTS RELATED TO ITEMS ON THIS AGENDA CAN BE OBTAINED FROM THE INDEPENDENT CITIES FINANCE AUTHORITY BY CALLING (877) 906-0941.

FOR YOUR INFORMATION: The Authority Board/Executive Committee will hear from the public on any items on the agenda or an item of interest to the Board/Executive Committee that is not on the Agenda. These items may be referred for administrative action or scheduled on a future agenda. Comments are to be limited to three minutes for each speaker, unless extended by the Authority Board. Each speaker will have an opportunity to speak on any Agenda item. You have the opportunity to address the Authority Board at the following times:

- A. AGENDA ITEMS: at the time the Authority Board considers the Agenda item or during Public Comment, and
- B. NON-AGENDA ITEMS: during Public Comment – comments will be received for a maximum 30-minute period; any additional requests will be heard following the completion of the Agenda, and
- C. PUBLIC HEARINGS: at the time of the Public Hearing

I. CALL TO ORDER. *(Page 4)*

II. ROLL CALL. *(Page 4)*

City of Baldwin Park
City of Compton
City of Huntington Park
City of Lynwood

City of San Fernando
City of South Gate
City of Vernon

III. AMENDMENTS OR ADJUSTMENTS TO THE AGENDA. *(Page 4)*

IV. PUBLIC COMMENTS. At this time the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the Authority. Reasonable time limits are imposed on each topic and each speaker. In accordance with the provisions of the Ralph M. Brown Act (GC § 54950 et seq.), no action or discussion may take place by the Board of any items not on the posted agenda. The Board may respond to statements made or questions asked and may direct staff to report back on the topic at a future meeting. *(Pages 4-5)*

V. NEW BUSINESS.

A. Approval Of Minutes Of The December 22, 2020 Board Of Directors Meeting. *(Pages 5 & 12-16).* **RECOMMEND APPROVAL**

B. Approval Of The Refinancing Of A Manufactured Home Community By ICFA For Millennium Housing of California And Its Affiliates, Coach of San Diego, Inc. And Millennium Housing Corporation, Located In The City Of Capitola, County of Santa Cruz. *(Pages 5-7 & 17-23)* **RECOMMEND APPROVAL**

C. Approval/Adoption Of Resolution No. 2021-1 (A Resolution Of The Board Of Directors/Executive Committee Of The Independent Cities Finance Authority Authorizing The Issuance In One Or More Series Of Its Not To Exceed \$12,500,000 Aggregate Principal Amount Of Independent Cities Finance Authority Mobile Home Park Revenue Refunding Bonds (Castle Mobile Estates) Series 2021, And Approving Certain Documents And Authorizing Certain Actions In Connection Therewith). *(Pages 7-8 & 17-23)* **RECOMMEND APPROVAL/ADOPTION**

D. Approval Of Financial Accounting For The Period November 1, 2020 to February 28, 2021. *(Pages 9-10)* **RECOMMEND APPROVAL**

VI. COMMENTS FROM BOARD MEMBERS. *(Page 11)*

VII. MATTERS FROM STAFF. *(Page 11)*

VIII. ADJOURNMENT. *(Page 11)*

The public shall have an opportunity to comment on any item as each item is considered by the Board/Executive Committee and prior to action being taken. Agenda reports are available at the Independent Cities Finance Authority office upon request by calling (877) 906-0941.

NOTICE: New items will not be considered after 1:00 p.m. unless the Board of Directors/Executive Committee votes to extend the time limit. Any items on the agenda that are not completed will be forwarded to the next regular Board of Directors/Executive Committee meeting.

IN COMPLIANCE WITH THE AMERICAN DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE INDEPENDENT CITIES FINANCE AUTHORITY AT (877) 906-0941. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE INDEPENDENT CITIES FINANCE AUTHORITY TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING.

NOTE TO CITY CLERKS:

Please post this Meeting Notice just as you would a City Council agenda.

INDEPENDENT CITIES FINANCE AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS
REGULAR MEETING OF THE EXECUTIVE COMMITTEE

April 12, 2021 – 12:00 p.m.

AGENDA SUMMARY

I. CALL TO ORDER.

II. ROLL CALL.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

A roll call of the following member cities will be conducted:

City of Baldwin Park
City of Compton
City of Huntington Park
City of Lynwood

City of San Fernando
City of South Gate
City of Vernon

C. RECOMMENDATION:

None.

III. AMENDMENTS OR ADJUSTMENTS TO THE AGENDA.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

None.

C. RECOMMENDATION:

None.

IV. PUBLIC COMMENT.

A. MATERIAL ENCLOSED:

None.

AGENDA SUMMARY

April 12, 2021

Page Two

B. COMMENTS:

At this time the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the Authority. Reasonable time limits are imposed on each topic and each speaker. In accordance with the provisions of the Ralph M. Brown Act (GC § 54950 et seq.), no action or discussion may take place by the Board of any items not on the posted agenda. The Board may respond to statements made or questions asked and may direct staff to report back on the topic at a future meeting.

C. RECOMMENDATION:

None.

V. NEW BUSINESS.

A. APPROVAL OF MINUTES OF THE DECEMBER 22, 2020 BOARD OF DIRECTORS MEETING.

A. MATERIAL ENCLOSED: (PAGES 12-16)

Minutes of the December 22, 2020 Board of Directors meeting.

B. COMMENTS:

None.

C. RECOMMENDATION:

Approve the minutes of the December 22, 2020 Board of Directors meeting.

B. APPROVAL OF THE REFINANCING OF A MANUFACTURED HOME COMMUNITY BY ICFA FOR MILLENNIUM HOUSING OF CALIFORNIA AND ITS AFFILIATES, COACH OF SAN DIEGO, INC. AND MILLENNIUM HOUSING CORPORATION, LOCATED IN THE CITY OF CAPITOLA, COUNTY OF SANTA CRUZ.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

Proposal:

To refinance a manufactured home community in the City of Capitola, County of Santa Cruz (Castle Mobile Estates), located at 1099 38th Avenue, on behalf of Millennium Housing.

AGENDA SUMMARY

April 12, 2021

Page Three

Castle Mobile Estates comprises approximately 8.2 acres and consists of 108 mobile home spaces with single and double wide homes. Park site improvements include a laundry facility.

Millennium Housing purchased the park in July of 2011 through ICFA. Millennium is now seeking to refinance the park in order to repay a loan from the City and provide additional funds for improvements in the park.

By way of brief background, Millennium Housing of California and its affiliates have facilitated the purchase and/or refunding of twenty-four manufactured home communities through ICFA. The parks are located in the cities of Capitola, Carpinteria, Clovis, Fresno, Hermosa Beach, Morgan Hill, Moss Beach, Palm Springs, Rohnert Park, Salinas, San Juan Capistrano, San Marcos, Santa Rosa, Union City, and Yucaipa. In addition, Augusta Communities has purchased five separate manufactured home communities through ICFA in the cities of Montclair, Vista and Yucaipa.

The purchase by nonprofits of nearly, 6,000 manufactured home community spaces will have been financed by ICFA to date.

Financing Team:

The financing team for this transaction is as follows:

<u>Participant</u>	<u>Firm</u>
Issuer	Independent Cities Finance Authority
Issuer's Counsel	Best Best & Krieger LLP
Bond Counsel	Gilmore & Bell, P.C.
Underwriter	Newcomb Williams Financial Group (Securities offered through Stinson Securities, LLC)
Oversight Agent/Dissemination Agent	Wolf & Company, Inc.
Trustee	U.S. Bank National Association
Trustee's Counsel	Dorsey & Whitney LLP
Borrower	Millennium Housing
Borrower's Counsel	Charles & Kane, LLP
Borrower's 501(c)(3) Counsel	Goldfard & Lipman

Costs of Issuance:

The costs of issuance will be covered partially by the funds from the issue that are permitted to be used for this purpose by federal guidelines. The financing of this project is estimated generally as follows (please note that these numbers are preliminary and are subject to change):

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SOURCES:	
Par Amount of Bonds	\$10,620,000.00
Transfers from Prior Issue DSR Funds	472,712.00
Transfers from Series B DSRF	47,000.00
Transfers from Prior Issue Debt Service Fund	166,002.00
Transfer from Surplus Fund	374,354.00
Transfer from Prior R&R Fund	131,000.00
TOTAL SOURCE OF FUNDS	\$11,811,068.00
USES:	
Total Underwriter's Discount (1.500%)	\$ 159,300.00
Costs of Issuance	242,800.00
Issuer Fee	21,240.00
Deposit to Debt Service Reserve Fund (DSRF)	471,473.00
Deposit to Current Refunding Fund	5,882,380.32
Payoff Seller Carry Back	2,750,000.00
Payoff Agency Loan	2,066,839.85
Repair and Replacement Fund	115,243.00
Payoff Series 2011B Bond	96,863.00
Rounding Amount	4,928.83
TOTAL USES OF FUNDS	\$11,811,068.00

Bond Documents:

The ICFA resolution approving the bond documents are enumerated under Agenda Item C.

C. RECOMMENDATION:

Approve all aspects of the proposed project for Castle Mobile Estates.

C. APPROVAL/ADOPTION OF RESOLUTION NO. 2021-1 (A RESOLUTION OF THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY AUTHORIZING THE ISSUANCE IN ONE OR MORE SERIES OF ITS NOT TO EXCEED \$12,500,000 AGGREGATE PRINCIPAL AMOUNT OF INDEPENDENT CITIES FINANCE AUTHORITY MOBILE HOME PARK REVENUE REFUNDING BONDS (CASTLE MOBILE ESTATES) SERIES 2021, AND APPROVING CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH).

A. MATERIAL ENCLOSED: ([PAGES 17-23] AND UNNUMBERED BOND DOCUMENTS DELIVERED UNDER SEPARATE COVER)

1. Resolution 2021-1 (**Pages 17-23**)
2. Indenture of Trust
3. Loan Agreement
4. Regulatory Agreement
5. Administration and Oversight Agreement
6. Preliminary Official Statement
7. Purchase Contract

B. COMMENTS:

Documents:

The resolution is included in the packet; the draft bond documents were distributed via email for review. For more details, please refer first to the Preliminary Official Statement and then to the individual documents contained therein.

ICFA Payment and Responsibilities

ICFA will receive a fee at closing equal to 20 basis points times the principal amount of the bonds issued. ICFA will thereafter receive an annual fee equal to 10 basis points on the outstanding principal of the bonds as long as the bonds are outstanding. The obligation of Millennium Housing of California to pay these fees is set forth in the Regulatory Agreement.

The bonds are not a financial obligation of the Authority. They are payable solely from revenues from Castle Mobile Estates pledged by Millennium Housing of California to repayment of the bonds. This pledge is further secured by the Deed of Trust in favor of the Bond Trustee.

Generally, after issuance of the bonds, ICFA's responsibilities will be limited to reviewing reports provided by the Oversight Agent and the Trustee.

City of Capitola Obligations

The City of Capitola will conduct a TEFRA hearing on April 8, 2021 to approve the bond financing by ICFA.

Summary

The bond documents referred to above may be modified by the President, staff and General Legal Counsel to the extent necessary to carry out the purposes expressed by the Board of Directors/Executive Committee in Resolution 2021-1 following the distribution of this packet and action by the Board of Directors/Executive Committee.

Any and all questions regarding the myriad of bond documents can be answered by the various consultants participating in the meeting.

C. RECOMMENDATION:

1. Approve/adopt Resolution 2021-1 approving the bond issuance and the various agreements and documents relating thereto; and
2. Authorize President Ballin and staff to execute all necessary documents.

D. APPROVAL OF FINANCIAL ACCOUNTING FOR THE PERIOD NOVEMBER 1, 2020 TO FEBRUARY 28, 2021.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

Receipts for the period November 1, 2020 to February 28, 2021 were as follows:

MASH payments (annual fees)	\$ 267.93
Castle monthly fees (4 months)	1,930.00
Yucaipa monthly fees (4 months)	1,985.00
Vista de Santa Barbara monthly fees (4 months)	2,783.32
Hacienda Valley monthly fees (4 months)	3,196.83
Palm Springs monthly fees (4 months)	3,483.32
Zions Bank (charter school quarterly fees)	3,658.11
Palomar East monthly fees (4 months)	4,101.68
Santa Rosa monthly fees (4 months)	4,404.00
Westlake/Millbrook monthly fees (4 months)	5,529.16
Palomar West monthly fees (4 months)	5,930.00
Rancho Vallecitos monthly fees (4 months)	6,361.68
Rohnert Park monthly fees (4 months)	6,909.59
Augusta Communities (quarterly fees)	7,276.56
Pillar Ridge monthly fees (4 months)	9,112.00
The Woods monthly fees (4 months)	9,960.00
San Juan monthly fees (4 months)	11,212.00
Union City monthly fees (4 months)	11,366.64
TOTAL RECEIPTS	\$99,467.82

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April 12, 2021
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Expenditures for the period November 1, 2020 to February 28, 2021 were as follows:

Trackdown Management (sponsorship)	\$ 1,100.00
The UPS Store (notary & shipping fees)	112.84
Best Best & Krieger (legal services)	11,828.00
Tripepi Smith (public relations)	375.00
Smith, Alvarez & Castillo (staff services)	19,331.25
Vasquez & Company (audit fees)	5,500.00
Best Best & Krieger LLP (legal services)	4,041.30
Tripepi Smith (public relations)	131.25
Smith, Alvarez & Castillo (staff services)	19,331.25
Sylvia Ballin (Board meeting stipend)	150.00
Aja Brown (Board meeting stipend)	150.00
Diana Gonzales (Board meeting stipend)	150.00
Eduardo Martinez (Board meeting stipend)	150.00
Marisela Santana (Board meeting stipend)	150.00
Smith, Alvarez & Castillo (staff services)	19,331.25
Tripepi Smith (public relations)	975.00
Best Best & Krieger (legal fees)	4,000.00
See's Candy (gift cards)	440.00
Charles Conway (accounting fees)	6,480.00
Best Best & Krieger (legal fees)	3,245.98
Smith, Alvarez & Castillo (staff services)	19,331.25
Tripepi Smith (public relations)	775.00
California Contract Cities Association (sponsorship)	2,000.00
TOTAL EXPENDITURES	\$119,079.37

ICFA account balances as of February 28, 2021 are as follows:

Bank of America - \$121,888.31
 LAIF - \$368,985.53

It should also be noted that ICFA has one outstanding loan to Augusta Communities in the amount of \$90,000, with an outstanding balance of \$68,154.08.

C. RECOMMENDATION:

Approve the financial accounting for the period November 1, 2020 to February 28, 2021.

AGENDA SUMMARY

April 12, 2021

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VI. COMMENTS FROM BOARD MEMBERS.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

None.

C. RECOMMENDATION:

None

VII. MATTERS FROM STAFF.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

None.

C. RECOMMENDATION:

None.

VIII. ADJOURNMENT.

INDEPENDENT CITIES FINANCE AUTHORITY

BOARD OF DIRECTORS REGULAR MEETING

December 22, 2020

MINUTES

I. CALL TO ORDER.

The regular meeting of the Board of Directors of the Independent Cities Finance Authority (ICFA) was called to order on December 22, 2020 at 12:01 p.m. by President Sylvia Ballin.

II. ROLL CALL.

Members Of The Executive Committee/Board of Directors Present (Voting)

Sylvia Ballin, President	San Fernando
Aja Brown	Compton
Diana Gonzales	Vernon
Eduardo "Eddie" Martinez	Huntington Park
Marisela Santana	Lynwood

Alternate Members Of The Board of Directors Present

None

The cities of Baldwin Park and South Gate were not represented by a voting member.

Guests Present

Julie Ann Anopol	Willdan Financial Services
Vanessa Legbandt	Stradling Yocca Carlson Rauth
Daniel Louie	Willdan Financial Services
Jose Vera	Raymond James
Wes Wolf	Wolf & Company, Inc.

Staff Present

Ruben Duran	Best Best & Krieger LLP
Mrunal Shaw	Best Best & Krieger LLP
Debbie Smith	Smith, Alvarez & Castillo/ICFA

III. AMENDMENTS OR ADJUSTMENTS TO THE AGENDA.

There were no amendments or adjustments to the agenda.

IV. PUBLIC COMMENTS.

There were no members of the public who wished to speak.

V. NEW BUSINESS.

A. APPROVAL OF THE MINUTES OF THE JUNE 22, 2020 BOARD OF DIRECTORS MEETING.

It was moved by Marisela Santana, seconded by Eduardo Martinez, and carried by the following roll call vote to approve the minutes of the June 22, 2020 Board of Directors meeting:

AYES: Sylvia Ballin (San Fernando), Aja Brown (Compton), Diana Gonzales (Vernon), Eduardo Martinez (Huntington Park), Marisela Santana (Lynwood)

NOES: None

ABSTAIN: None

ABSENT: City of Baldwin Park, City of South Gate

B. APPROVAL OF THE ISSUANCE OF INDEPENDENT CITIES FINANCE AUTHORITY (CITY OF COMPTON, CALIFORNIA) SALES TAX REVENUE BONDS UTILIZING MEASURE M, MEASURE R, AND PROPOSITION C SALES TAX RECEIPTS FOR THE PURPOSES OF FINANCING THE CONSTRUCTION OF LOCAL STREET AND ROAD IMPROVEMENT PROJECTS IN THE CITY OF COMPTON, CALIFORNIA.

Staff reported generally as follows:

The City of Compton is proposing to issue bonds through ICFA to finance the construction of street improvement and infrastructure projects utilizing their Metropolitan Transportation Authority (Metro) Measure M, Measure R, and Proposition C sales tax receipts.

Staff introduced the following members of the financing team:

- Julie Ann Anopol from Willdan Financial Services (Municipal Advisor) who discussed Metro's local return program and how it relates to the City of Compton

- Jose Vera of Raymond James (Underwriter) reviewed the financial aspects of the issuance
- Vanessa Legbandt from Stradling Yocca Carlson Rauth (Co-Bond and Disclosure Counsel) who discussed the legal documents
- Daniel Louie from Willdan Financial Services (Municipal Advisor) who discussed the timeline of the project

It was noted that ICFA will receive a fee at closing of 20 basis points times the principal amount of the bonds issued, and will thereafter receive an annual fee equal to 10 basis points on the outstanding principal of the bonds.

It was also noted that the City of Compton conducted a public hearing and adopted the necessary documents to approve the bond financing at its meeting held December 15, 2020.

In addition, it was noted that the bonds are not an obligation of the Authority. All expenditures are paid solely from Measure M, Measure R, and Proposition C receipts pledged by the City of Compton for repayment of the bonds.

President Ballin asked if there were any questions or comments.

Aja Brown, City of Compton, thanked those members of the financing team for their efforts which will allow the City to restore their dignity to the community by improving their streets and other infrastructure projects through this bond financing.

President Ballin expressed her support of the City of Compton and thanked Major Brown for allowing ICFA to be part of the process in improving their City.

It was moved by Aja Brown, seconded by Marisela Santana, and carried by the following roll call vote to approve all aspects of the proposed project for the City of Compton sales tax revenue bond financing:

AYES: Sylvia Ballin (San Fernando), Aja Brown (Compton), Diana Gonzales (Vernon), Eduardo Martinez (Huntington Park), Marisela Santana (Lynwood)
NOES: None
ABSTAIN: None
ABSENT: City of Baldwin Park, City of South Gate

C. APPROVAL/ADOPTION OF RESOLUTION NO. 2020-2 (A RESOLUTION OF THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY AUTHORIZING THE ISSUANCE OF THE INDEPENDENT CITIES FINANCE AUTHORITY (CITY OF COMPTON, CALIFORNIA), SALES TAX REVENUE BONDS; THE EXECUTION AND DELIVERY BY THE AUTHORITY OF AN INSTALLMENT SALE AGREEMENT, TRUST AGREEMENT AND BOND PURCHASE AGREEMENT; AUTHORIZING THE DISTRIBUTION OF A LIMITED OFFERING MEMORANDUM IN CONNECTION WITH THE ISSUANCE OF THE BONDS; AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

Staff noted that this item approves all the bond documents (previously discussed by Co-Bond and Disclosure Counsel) and all aspects of the financing relative to the City of Compton sales tax revenue bond issuance.

President Ballin asked if there were any questions or comments. There were none.

It was moved by Eduardo Martinez, seconded by Marisela Santana, and carried by the following roll call vote to: 1) approve/adopt Resolution 2020-2 approving the bond issuance and the various agreements and documents relating thereto; 2) authorize General Legal Counsel to work with respective parties to finalize necessary documents; and 3) authorize President Ballin and staff to execute any and all necessary documents relating thereto:

AYES: Sylvia Ballin (San Fernando), Aja Brown (Compton), Diana Gonzales (Vernon), Eduardo Martinez (Huntington Park), Marisela Santana (Lynwood)
NOES: None
ABSTAIN: None
ABSENT: City of Baldwin Park, City of South Gate

RESOLUTION NO. 2021-1

A RESOLUTION OF THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY AUTHORIZING THE ISSUANCE IN ONE OR MORE SERIES OF ITS NOT TO EXCEED \$12,500,000 AGGREGATE PRINCIPAL AMOUNT OF INDEPENDENT CITIES FINANCE AUTHORITY MOBILE HOME PARK REVENUE REFUNDING BONDS (CASTLE MOBILE ESTATES) SERIES 2021, AND APPROVING CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the Independent Cities Finance Authority, a joint powers authority duly organized and existing under the laws of the State of California (the "Authority"), is authorized to issue bonds pursuant to Chapter 8 of Part 5 of Division 31 of the Health and Safety Code of the State of California (the "Act") to finance the acquisition and refinancing of mobile home parks by nonprofit organizations within the jurisdiction of the Authority; and

WHEREAS, the Authority previously issued its Mobile Home Park Revenue Bonds (Castle Mobile Estates) Series 2011A (the "Prior Series A Bonds"), its Mobile Home Park Subordinate Revenue Bonds (Castle Mobile Estates) Series 2011B (Federally Taxable) (the "Prior Series B Bonds") and its Mobile Home Park Subordinate Revenue Bonds (Castle Mobile Estates) Series 2011C (the "Prior Series C Bonds" and collectively with the Prior Series A Bonds and the Prior Series B Bonds, the "Prior Bonds") pursuant to an Indenture of Trust, dated as of July 1, 2011 (the "Prior Indenture"), between the Authority and MUFG Union Bank, N.A. (formerly known as Union Bank, N.A.), in such capacity (the "Prior Trustee"), and loaned the proceeds of the Prior Bonds (the "Prior Loan") to Millennium Housing LLC, a California limited liability company (the "Borrower"), in order to provide financing with respect to the acquisition and improvement of a mobile home park with approximately 108 spaces known as the Castle Mobile Estates (the "Project") located at 1099 38th Avenue, Capitola, California; and

WHEREAS, the Borrower has requested that the Authority issue and sell one or more series of its revenue refunding bonds for the purpose of refinancing the Prior Loan, refunding the Prior Bonds, refinance certain other debt, and financing certain improvements to the Project; and

WHEREAS, the sole member of the Borrower is qualified as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and the operation of the Project by the Borrower will further its purpose to encourage, preserve, rehabilitate, develop, operate, and maintain decent, safe, sanitary and affordable housing for low income and disadvantaged persons in the State of California; and

WHEREAS, the operation of the Project by the Borrower will lessen the governmental burden of the City by preserving affordable housing within the City and is in the public interest; and

WHEREAS, pursuant to the Act, the Authority proposes to issue its Mobile Home Park Revenue Refunding Bonds (Castle Mobile Estates) Series 2021 in a principal amount not to exceed \$12,500,000 (the "Bonds") and to loan the proceeds of such Bonds to the Borrower in order to refinance the Prior Loan, refund the Prior Bonds, refinance certain debt of the Borrower,

finance certain improvements to the Project and to pay certain costs incurred in connection with the issuance of the Bonds; and

WHEREAS, there has been presented to the Board of Directors/Executive Committee at this meeting proposed forms of an Indenture of Trust, a Loan Agreement, a Regulatory Agreement and Declaration of Restrictive Covenants for the Project, an Administration and Oversight Agreement, a Preliminary Official Statement relating to the Bonds, and a Purchase Contract among the Authority, the Borrower and Newcomb Williams Financial Group, securities offered through Stinson Securities, LLC (the “Underwriter”) pursuant to which the Bonds will be purchased by the Underwriter for sale to the public; and

WHEREAS, as required by Section 147(f) of the Code, the City Council of the City has conducted a duly noticed public hearing with respect to the proposed issuance of the Bonds and financing of the Project by the Authority, such notice having been published in a newspaper of general circulation in the City, and as the applicable elected representatives of the City, the City Council has approved the issuance of the Bonds; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the issuance of the Bonds exist or will exist, have happened or will happen and have been or will be performed in due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to issue the Bonds for the purposes, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY AS FOLLOWS:

SECTION 1. Recitals. The above recitals, and each of them, are true and correct.

SECTION 2. Appointment of Trustee. U.S. Bank National Association is hereby appointed as the initial trustee (the “Trustee”) under the Indenture of Trust (the “Indenture”) relating to the Bonds, with the duties and powers of such Trustee as are set forth in the Indenture.

SECTION 3. Indenture. The Indenture authorizing the issuance of the Bonds, between the Authority and the Trustee, in the form presented at this meeting, is hereby approved and the President, Vice President or Executive Director (each, an “Authorized Officer”), each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Indenture in substantially the form hereby approved together with such additions or changes as the officer executing the same, upon consultation with the Authority counsel or bond counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof by the Authority.

SECTION 4. Form of Bonds. The form of the Bonds, as set forth in the Indenture, is hereby approved and the President or Vice President and the Secretary are hereby authorized and directed to execute by manual or facsimile signature, for and in the name and on behalf of the Authority, the Bonds in substantially the form hereby approved together with such additions or changes as the officer executing the same, upon consultation with the Authority counsel or bond

counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof by the Authority, in either temporary and/or definitive form in the aggregate principal amounts and all in accordance with the terms and provisions of the Indenture.

SECTION 5. Loan Agreement. The Loan Agreement (the “Loan Agreement”) by and among the Authority, the Trustee and the Borrower, whereby the proceeds of the Bonds are to be loaned to the Borrower for the purposes set forth therein, in the form presented at this meeting, is hereby approved and the Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Loan Agreement in substantially the form hereby approved together with such additions or changes as the officer executing the same, upon consultation with the Authority counsel or bond counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof by the Authority.

SECTION 6. Regulatory Agreement. The Regulatory Agreement and Declaration of Restrictive Covenants for the Project by and among the Authority, the Trustee and the Borrower (the “Regulatory Agreement”) in the form presented at this meeting, is hereby approved and the Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Regulatory Agreement in substantially the form hereby approved together with such additions or changes therein as the officer executing the same, upon consultation with the Authority counsel or bond counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof by the Authority.

SECTION 7. Official Statement. The Preliminary Official Statement relating to the Bonds (the “Preliminary Official Statement”) in the form presented at this meeting, is hereby approved for use in connection with the marketing of the Bonds. The Executive Director is hereby authorized and directed to make changes to the form of the Preliminary Official Statement hereby approved, upon consultation with the Authority counsel or bond counsel, as necessary or desirable to reflect the terms of the financing and the documents with respect thereto.

The Preliminary Official Statement may be brought into the form of a final Official Statement which shall contain such changes or modifications thereto as may be deemed necessary or desirable by the Executive Director, upon consultation with the Authority counsel or bond counsel. The Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the final Official Statement. The Authorized Officers, each acting alone, are authorized and directed, on behalf of the Authority, to certify the Preliminary Official Statement as “deemed final” for purposes of Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended (“Rule 15c2-12”), and to certify the Official Statement as “final” pursuant to Rule 15c2-12.

SECTION 8. Purchase Contract. The Purchase Contract with respect to the Bonds among the Authority, the Borrower and the Underwriter, in the form presented at this meeting, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized to execute the Purchase Contract in substantially said form, together with such additions or changes as the officer executing the same, upon consultation with the Authority counsel or bond counsel, may approve, such approval to be conclusively evidenced by the execution and delivery of the Purchase Contract by the Authority; provided that the principal amount, the net interest cost, the

maturity date and the Underwriter's discount for the Bonds do not exceed the following: (i) Maximum Principal Amount: \$12,500,000; (ii) Net Interest Cost: 4.75%; (iii) Maturity Date: December 31, 2056; and (iv) Underwriter's Discount or Fee: 2.0%.

SECTION 9. Administration Agreement. The Administration and Oversight Agreement (the "Administration Agreement") in the form presented at this meeting, by and among the Authority, the Borrower, and Wolf & Company Inc. (or such other entity as the Executive Director shall select) as Oversight Agent, is hereby approved and the Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute the Administration Agreement in substantially the form hereby approved, together with such additions or changes as the officer executing the same, upon consultation with the Authority counsel or bond counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 10. Designation of Professionals. The law firm of Gilmore & Bell, P.C. is hereby designated as bond counsel and disclosure counsel to the Authority with respect to the Bonds. Newcomb Williams Financial Group, securities offered through Stinson Securities, LLC is hereby designated as underwriter for the Bonds. Best Best & Krieger, LLC shall serve as the issuer's counsel.

SECTION 11. Ratification of Prior Acts. All actions previously taken (not inconsistent with the provisions of this resolution) by the Authority and by the officers of the Authority directed toward the issuance and sale of the Bonds are hereby ratified and approved.

SECTION 12. Other Acts. The President, Vice President, members of the Board of Directors/Executive Committee, Executive Director, Secretary, Treasurer, Authority counsel, and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including without limitation, obtaining bond insurance and a rating for the Bonds, if either is deemed to be advisable upon consultation with the Authority's financial consultant and the Underwriter, and including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents which they, or any of them, may deem necessary or advisable in order to consummate the transactions as described herein in connection with the issuance and sale of the Bonds or to otherwise effectuate the purposes of this Resolution.

SECTION 13. Limited Obligations. The Bonds, together with interest thereon, shall be limited obligations of the Authority, giving rise to no pecuniary liability of the Authority, any member of the Authority, the State of California or any political subdivision thereof, nor any charge against its general credit, and shall be payable solely from the Indenture trust estate. The Bonds shall not constitute an indebtedness or loan of the credit of the Authority, any member of the Authority or the State of California or any political subdivision thereof within the meaning of any constitutional or statutory provisions.

SECTION 14. Severability. If any provisions of this Resolution should be held invalid, the invalidity of such provision shall not affect the validity of any of the other provisions of this resolution.

SECTION 15. Effective Date. All resolutions of the Authority or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This Resolution shall take effect immediately upon adoption.

PASSED, APPROVED, AND ADOPTED BY THE INDEPENDENT CITIES FINANCE
AUTHORITY THIS 12TH DAY OF APRIL, 2021.

President

Secretary/Executive Director

I, Deborah Smith, Secretary and Executive Director of the Independent Cities Finance Authority, do hereby certify that the foregoing Resolution was duly adopted by the Board of Directors/Executive Committee of said Authority at the meeting of the Board of Directors/Executive Committee of said Authority held on the 12th day of April, 2021, and that the same was passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Deborah Smith, Secretary and Executive Director
of the Independent Cities Finance Authority