

RESOLUTION NO. 2025-XXXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, CALIFORNIA, APPROVING THE ISSUANCE OF REVENUE BONDS BY THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$30,000,000 FOR THE PURPOSE OF FINANCING CERTAIN EDUCATIONAL FACILITIES AND CERTAIN OTHER MATTERS RELATING THERETO FOR THE BENEFIT OF BAYPOINT PREPARATORY ACADEMY

WHEREAS, on April 23, 2013, the City Council (“City Council”) of the City of San Marcos (“City”) adopted Resolution No. 2013-7773 which approved the City becoming an associate member of the California Enterprise Development Authority (“Authority”) in order to participate in economic development financing programs for the benefit of businesses and nonprofit entities within its jurisdiction; and

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

WHEREAS, Baypoint Preparatory Academy (the “Borrower”), a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), has requested that the Authority issue and sell revenue bonds (the “Bonds”) in a maximum principal amount not-to-exceed \$30,000,000 for the purpose of making a loan to the Borrower to (i) finance, refinance and/or reimburse the Borrower for all or a portion of the costs of the acquisition, construction, improvement, installation, furnishing and equipping of an approximately 41,830 square foot educational facility located on an approximately 4.93 acre property at 520 E Carmel Street, San Marcos, California 92078, (ii) pay certain expenses incurred in connection with the issuance of the Bonds; (ii) and fund working capital, all or a portion of a debt service reserve fund and/or capitalized interest with respect to the financing (collectively, the “Project”); and

WHEREAS, the Project will be owned by the Borrower and used by the Borrower for the educational purposes thereof as a public charter school, and is located entirely within the territorial limits of the City; and

WHEREAS, pursuant to Section 147(f) of the Code, the issuance of the Bonds by the Authority must be approved by the City because the Project is located within the territorial limits of the City; and

WHEREAS, the City Council is the elected legislative body of the City and is one of the “applicable elected representatives” required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the Authority has requested that the City Council approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirements of Section 147(f) of the Code, and the Council wishes to secure indemnification agreement to avoid any fiscal impact to the City with respect to the issuance of the Bonds and the use of funds from the same, which the Borrower and the Authority have indicated is acceptable; and

WHEREAS, a public hearing was held telephonically by the Authority on June 10, 2025, at the meeting which commenced at 1:00 p.m., following duly published notice thereof in a newspaper of general circulation in the City of San Marcos, on June 3, 2025, and all persons desiring to be heard have been heard; and

WHEREAS, the City Council now desires to approve the issuance of the Bonds by the Authority.

NOW, THEREFORE, the City Council of the City of San Marcos, California, does hereby resolve, declare, determine and order as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. The City Council hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the City Council that this Resolution constitute approval of the issuance of the Bonds for the purposes of 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); *provided, however*, that this Resolution shall not constitute an approval by the City Council of the Project for any other purpose.

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. Neither the City nor the City Council shall have any responsibility or liability whatsoever with respect to the Bonds and/or any other obligation whatsoever arising from or relating to the same, and the City Council hereby authorizes the City Manager and City Attorney to negotiate, finalize, and execute an indemnification agreement with the Borrower and the Authority to this effect.

Section 4. The adoption of this Resolution shall not obligate the City 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, construction, rehabilitation, 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. The officers of the City 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 6. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED by the City Council of the City of San Marcos at a regular meeting held on the 24th day of June, 2025, by the following roll call vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

Rebecca D. Jones, Mayor
City of San Marcos

ATTEST

Phillip Scollick, City Clerk
City of the San Marcos