

RESOLUTION NO. 2025-XXXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, CALIFORNIA, APPROVING THE ISSUANCE OF CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY KAISER PERMANENTE REVENUE BONDS IN ONE OR MORE SERIES FROM TIME TO TIME PURSUANT TO A PLAN OF FINANCE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$880,000,000 FOR THE PURPOSE OF FINANCING OR REFINANCING THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, EQUIPPING, RENOVATION, REHABILITATION, REMODELING AND OTHER CAPITAL PROJECTS OF CERTAIN HEALTH FACILITIES AND CERTAIN OTHER MATTERS RELATING THERETO

WHEREAS, Kaiser Foundation Hospitals, Kaiser Foundation Health Plan, Inc., Kaiser Health Plan Asset Management, Inc., and Kaiser Hospital Asset Management, Inc., each a California nonprofit public benefit corporation (collectively, “Kaiser”), have requested that the California Statewide Communities Development Authority (the “Authority”) participate in the issuance of one or more series of revenue bonds from time to time pursuant to a plan of finance in an aggregate principal amount not to exceed \$880,000,000 (the “Bonds”) for the purpose of financing or refinancing the acquisition, construction, improvement, equipping, renovation, rehabilitation, remodeling and other capital projects of certain health facilities (the “Facilities”) owned or operated by Kaiser Foundation Hospitals or its affiliates (the “Project”) and located in (1) the City of San Marcos (the “City”) and (2) certain other California jurisdictions (the “Other Jurisdictions”); and

WHEREAS, Kaiser currently expects that Bonds in an aggregate principal amount not to exceed \$450,000,000 will be issued to finance or refinance Facilities located in the City and that Bonds in an aggregate principal amount of not to exceed \$430,000,000 will be issued to finance or refinance Facilities located in the Other Jurisdictions; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the “Code”), the issuance of the Bonds by the Authority must be approved by the City because certain of the Facilities are located within the territorial limits of the City; and

WHEREAS, the Other Jurisdictions will separately consider approving the issuance of the Bonds by the Authority for the purpose of financing or refinancing the Facilities that are located within the territorial limits of the Other Jurisdictions; and

WHEREAS, the City Council of the City (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 for the purposes of financing or refinancing the Project in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 9 of the Amended and Restated Joint Exercise of Powers

Agreement, dated as of June 1, 1988 (the “Agreement”), among certain local agencies, including the City, and the Council wishes to secure indemnification 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 Authority have indicated is acceptable; and

WHEREAS, the Authority is also requesting that the City Council approve the issuance of any refunding bonds hereafter issued by the Authority for the purpose of refinancing the Bonds that financed or refinanced the portions of the Project within the City (the “Refunding Bonds”) but only in such cases where federal tax laws would not require additional consideration or approval by the City Council; and

WHEREAS, pursuant to Section 147(f) of the Code, on July 17, 2025, the Authority has, at the request of the City and following notice duly given, held a public hearing regarding the issuance of the Bonds and, following the public hearing, provided a description of any public comments made at the time of the public hearing and any written comments received by the Authority in advance of the public hearing to the City; and

WHEREAS, pursuant to Section 147(f) of the Code, the City Council now desires to approve the issuance of the Bonds by the Authority;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of San Marcos as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. The City Council hereby approves the issuance of the Bonds and the Refunding Bonds by the Authority from time to time pursuant to a plan of finance for the purposes of financing or refinancing the portions of the Project within the City. It is the purpose and intent of the City Council that this Resolution constitute approval of the issuance of the Bonds and the Refunding Bonds by the Authority, for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of the issuer of the Bonds and the governmental unit having jurisdiction over the area in which the Facilities are located, in accordance with said Section 147(f) and (b) Section 9 of the Agreement; *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 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 22nd day of July, 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 San Marcos