

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA APPROVING A FINANCING TO BE UNDERTAKEN BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY FOR THE BENEFIT OF MARANATHA HIGH SCHOOL IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$18,500,000 FOR THE PURPOSE OF REFUNDING CERTAIN BONDS AND FINANCING AND/OR REFINANCING CERTAIN FACILITIES, AND OTHER MATTERS RELATING THERETO**

**WHEREAS**, Maranatha High School (the “Corporation”), a nonprofit religious corporation organized and existing under the laws of the State of California (the “State”) and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), has requested that the California Municipal Finance Authority (the “Authority”) incur, pursuant to a plan of finance, one or more tax-exempt loans in an aggregate principal amount not to exceed \$18,500,000 (collectively, the “Loan”) for the purposes of (1) refinancing certain indebtedness of the Corporation (as further described below, the “Refunded Debt”) and (2) paying certain expenses incurred in connection with the Loan. The Refunded Debt consists of the 2014 tax-exempt loan to the Corporation by the Authority. The proceeds of the Refunded Debt were used to (i) refinance certain indebtedness of the Borrower, consisting of certain bank loans (the “Bank Loans”), (ii) finance a portion of the costs of the acquisition, construction, equipping and/or improvement of the Facilities, as defined below, and (iii) pay certain expenses incurred in connection with the Refunded Debt. The Bank Loans were used to refinance the Colorado Educational and Cultural Facilities Authority Educational Facilities Revenue Bonds, Series 2007 (Maranatha High School Project) issued in the original principal amount of \$27,900,000 (the “2007 Bonds”). The proceeds of the 2007 Bonds were used to: (1) refinance certain indebtedness of the Borrower, the proceeds of which were used to finance the costs of acquiring, constructing and equipping the Borrower’s original campus located at 169 S. St. John Avenue, Pasadena, California 91105 (the “Original Facilities”); (2) finance certain improvements to the Original Facilities and the acquisition of real property near or adjacent to the Original Facilities, including the Manor Del Mar Mansion at 359 W. Del Mar Blvd. and the Mayfair Mansion at 182 S. Orange Grove Blvd., each in Pasadena, California (the “Adjacent Facilities” and together with the Original Facilities, the “Project”); (3) fund capitalized interest with respect to the 2007 Bonds; (4) fund a debt service reserve fund with respect to the 2007 Bonds; and (5) pay certain costs of issuance of the 2007 Bonds. The Project is owned and operated by the Corporation and is located entirely within the territorial limits of the City of Pasadena (the “City”); and

**WHEREAS**, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the “Code”), the Loan must be approved by the City because the Project is located within the territorial limits of the City; 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 Loan under Section 147(f) of the Code; and

**WHEREAS**, the Authority has requested that the City Council approve the Loan in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the "Agreement"), among certain local agencies, including the City; and

**WHEREAS**, pursuant to Section 147(f) of the Code, the City has, following notice duly given, held a public hearing regarding the Loan, and the City Council of the City now desires to approve the Loan; and

**WHEREAS**, the Corporation and/or the Authority will reimburse the City for its costs associated with the public hearing and will provide indemnification satisfactory to the City in connection with the Loan;

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Pasadena as follows:

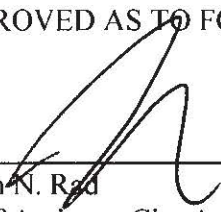
1. The above recitals are true and correct.
2. The City Council hereby approves the Loan and the Project to be financed and/or refinanced thereby. It is the purpose and intent of the City Council that this resolution constitute approval of the incurrence of the Loan by the Authority for the purposes of (i) 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) and (ii) Section 4 of the Agreement. The City of Pasadena does not bear any responsibility for the tax-exempt status of the Loan, the debt service on the Loan or any other matter related to the Loan.
3. 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.
4. The Loan shall be subject to the approval of the Authority of all financing documents relating thereto to which the Authority is a party.
5. 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, 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.
6. This resolution shall take effect immediately upon its adoption.

**ADOPTED** at the regular meeting of the City Council of the City of Pasadena held on the 14<sup>th</sup> day of September, 2020, by the following vote:


AYES:  
NOES:  
ABSTAIN:  
ABSENT:

By: \_\_\_\_\_  
Mark Jomsky, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Javan N. Red  
Chief Assistant City Attorney

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Danny Kim  
Nixon Peabody LLP