



**CITY OF ELK GROVE  
CITY COUNCIL STAFF REPORT**

**AGENDA TITLE:** A Public Hearing to consider a resolution approving the issuance of Hospital Revenue Bonds in an amount not to exceed \$900 Million by the California Public Finance Authority for the California Northstate Medical Center Campus Project Hospital to be repaid by Northern California Health Services and Research Foundation, Incorporated (CEQA Exempt)

**MEETING DATE:** August 21, 2019

**PREPARED BY:** Brandon Merritt, Finance Analyst

**DEPARTMENT HEAD:** Brad Koehn, Director of Finance and Administration

**RECOMMENDED ACTION:**

Staff recommends the City Council of the City of Elk Grove:

1. Conduct a public hearing under the requirements of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and the Internal Revenue Code of 1986, as amended, in connection with the proposed issuance of one or more series of tax-exempt revenue bonds in an amount not to exceed \$900 Million by the California Public Finance Authority; and
2. Adopt a resolution approving the issuance of the Bonds by the California Public Finance Authority for the benefit of Northern California Health Services and Research Foundation, Incorporated, a California non-profit public-benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, to provide for the financing of the California Northstate University Medical Center Campus Project Hospital. Such adoption is solely for the purposes of satisfying the requirements of TEFRA, the Internal Revenue Code, and California Government Code Section 6500 (and following), and does not constitute a Project approval by, or indebtedness of, the City of Elk Grove.

## **BACKGROUND INFORMATION:**

In December 2018, California Northstate University, an Elk Grove-based for-profit health sciences university (the “Developer” or “CNU”), submitted an application to the City of Elk Grove for approval of a District Development Plan and other related entitlements for the California Northstate University Medical Center Project (the “Project”). The Project is to be located in one or more buildings on a site in the City of Elk Grove consisting of approximately 25-acres situated on the western boundary of the City including some or all of the following parcels (Assessor Parcel Numbers 132-2480-001, -002, -003, -004, -005, -007, -008, -010, -011, 132-2160-001, -002, 132-0460-076). These parcels are generally bordered by Elk Grove Boulevard to the north, Interstate 5 to the west, West Taron Drive to the east, and the Laguna Stone Lake subdivision to the south, with street addresses that may include 9700 West Taron Drive, 9650 West Taron Drive, and/or 2501 through 2619 West Taron Drive.

As proposed, the Project would be built in three phases and would consist of the following key components:

- 700,000 square foot (“SF”) 12-story 400-bed teaching hospital (built in two phases) with underground and surface parking;
- 29,300 SF central plant building with a 15,000 SF mechanical yard;
- 257,000 SF parking structure with 50,000 SF of medical offices and services in the ground floor;
- 125,000 SF out-patient clinic;
- 123,000 SF medical office building;
- 207,000 SF second parking structure with 40,000 SF of ground floor retail;
- 172,500 SF dormitory;
- 67,000 SF third parking structure with roof-top sports facilities; and
- Other related improvements.

The Project would result in the partial demolition of, among other things, the Stonelake Landing Shopping Center controlled by the Developer. Phase I of the Project would consist of demolition of a portion of the Stonelake Landing Shopping Center, and construction of the hospital, the central plant, surface and underground parking, landscaping and hardscaping, and related site work. Review of the application by the City is in process.

## **ANALYSIS:**

To finance the hospital portion of the Project, the Developer's affiliated non-profit, Northern California Health Services and Research Foundation, Incorporated (the "Borrower"), has made an application to the California Public Finance Authority (the "Authority") for an initial issuance of up to \$200 Million of tax-exempt revenue bonds. The total amount of financing needed for the hospital is estimated to be \$900 Million. Accordingly, the Developer, Borrower, and Authority have requested that the City conduct a TEFRA hearing and adopt a resolution to approve the issuance by the Authority of up to \$900 Million in tax-exempt hospital revenue bonds (the "Bonds").

In order for the Bonds to qualify as tax-exempt, pursuant to TEFRA and the Internal Revenue Code of 1986, as amended, a TEFRA hearing must be held by a "governmental unit" in which the Project is located, providing members of the community with an opportunity to speak in favor of or against the use of tax-exempt bonds for the financing of the project. Prior to the TEFRA hearing, federal regulations require that not less than seven days' notice be provided to the public. The public notice (Resolution, Exhibit A) was published in the Elk Grove Citizen on Friday August 9, twelve days prior to the public hearing. Additionally, the City provided email notification to those who signed up to receive updates about the hospital project and posted information about the TEFRA hearing on its website.

Following the close of the TEFRA hearing, an "applicable elected representative" of the governmental unit hosting the Project must provide its approval of the issuance of the Bonds for the purposes stated in the resolution. In this case, the City of Elk Grove is a governmental unit in which the Project is located, and the applicable elected representative is the City Council of the City of Elk Grove. The Bond proceeds would be used to: (a) finance and/or refinance the costs of land acquisition, construction, site improvements, and acquisition of furniture, fixtures, and equipment; (b) reimburse the Borrower for costs incurred in connection with the Project; (c) fund a debt service reserve fund for the Bonds, if necessary; (d) pay capitalized interest on the Bonds, if required; (e) refinance outstanding debt, if required; and (f) pay certain Bond issuance expenses related to the Project.

The Borrower is a non-profit public-benefit corporation organized in August of 2019 by CNU for the specific purposes of developing a foundation for basic health science research, to provide for the training of health care professionals in both research and clinical settings, and to construct hospitals, clinics, and related housing. The Borrower is organized and

operates exclusively for charitable, educational, and scientific purposes within the meaning of Internal Revenue Code section 501(c)(3). Pat Takeda is listed as the Chief Executive Officer, Paul J. Wagstaffe is the Secretary, and Alvin Cheung is the Chief Financial Officer.

The Authority is a public entity and joint powers authority established under the Joint Exercise of Powers Act for the purpose of issuing tax-exempt and taxable conduit bonds for public and private entities throughout California. The Authority is based in Kings County, California.

The TEFRA hearing and/or the approval of the TEFRA resolution does not impact the lawful discretion of the City to consider, reject, approve, or disapprove any Project entitlement, environmental document, or environmental mitigation measure, or permit over which the City has lawful approval authority. Approval of the TEFRA resolution does not constitute approval of the Project. Further, the Bonds, if issued, would not constitute an indebtedness of the City of Elk Grove. The TEFRA hearing or the approval of the resolution should not be construed as an indication of financial participation on the part of the City of Elk Grove in the Project.

The resolution authorizes the City to become an Additional Member of the CPFA pursuant to Section 12 of the Joint Exercise of Powers Agreement, dated as of May 12, 2015 (the "JPA Agreement"), between the County of Kings and Housing Authority of County of Kings, creating and establishing the Authority, which is a requirement of a governmental unit approving the issuance of bonds by the Authority.

#### **ALTERNATIVE ACTIONS:**

As an alternative, the City Council could decline to conduct the TEFRA hearing and/or decline to approve the resolution approving the issuance of the Bonds by the Authority.

#### **ENVIRONMENTAL ANALYSIS:**

Approval of the TEFRA resolution does not constitute the approval of a project under the California Environmental Quality Act ("CEQA"). The approval of the resolution is, therefore, exempt from CEQA. (Pub. Res. Code § 21065, CEQA Guidelines §§ 15060(c),(2)(3); 15352; 15378(b)(4).)

**FISCAL IMPACT:**

There is no fiscal impact as a result of the recommended actions. The Bonds would be the sole responsibility of the Borrower, and the City would have no legal or moral obligation, liability, or responsibility for the Project or the repayment of the Bonds for the financing of the Project. The Bonds are to be paid for solely from funds provided by the Borrower.

**ATTACHMENTS:**

1. Resolution
  - a. Exhibit A: Notice of Public Hearing
  - b. Exhibit B: JPA Agreement
  - c. Exhibit C: Report of the Hearing Officer

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE  
APPROVING THE ISSUANCE OF HOSPITAL REVENUE BONDS IN AN AMOUNT  
NOT TO EXCEED \$900 MILLION BY THE CALIFORNIA PUBLIC FINANCE  
AUTHORITY FOR THE CALIFORNIA NORTHSTATE MEDICAL CENTER CAMPUS  
PROJECT HOSPITAL TO BE REPAID BY NORTHERN CALIFORNIA HEALTH  
SERVICES AND RESEARCH FOUNDATION, INCORPORATED (CEQA EXEMPT)**

**WHEREAS**, The Northern California Health Services and Research Foundation, Inc. (the "Borrower"), a California non-profit public-benefit corporation (or any successor or assigns thereto), has requested that the California Public Finance Authority (the "Authority"), a political subdivision of the State of California established under the Joint Exercise of Powers Act, participate in the issuance of one or more series of revenue bonds in an aggregate principal amount not to exceed \$900,000,000 (the "Bonds") and loan the proceeds of the Bonds to the Borrower for the financing or refinancing, including through reimbursement: (a) land acquisition, construction, site improvements, and the acquisition of furniture, fixtures and equipment for the use by the Borrower in one or more buildings to be located on a site in the City of Elk Grove (the "City") consisting of approximately 25-acres situated on the western boundary of the City including some or all of the following parcels (assessor parcel numbers 132-2480-001, -002, -003, -004, -005, -007, -008, -010, -011, 132-2160-001, -002, 132-0460-076), which parcels are generally bordered by Elk Grove Boulevard to the north, Interstate 5 to the west, West Taron Drive to the east, and the Laguna Stone Lake subdivision to the south, with street addresses that may include 9700 West Taron Drive, 9650 West Taron Drive, and/or 2501 through 2619 West Taron Drive, Elk Grove, California 95757 (the "Facilities"); (b) reimbursing the Borrower for costs incurred in connection with the Facilities; (c) funding a debt service reserve fund for the Bonds, if necessary; (d) paying capitalized interest on the Bonds, if required; (e) refinancing outstanding debt, if required; and (f) paying certain Bond issuance expenses (collectively, the "Project"); related to the acquisition, construction, and equipping of a hospital related to the California Northstate Medical Center Campus Project in the City of Elk Grove; and

**WHEREAS**, the Project will be owned by the Borrower for federal income tax purposes and will be located at or near the real property described above and in the Notice of Public Hearing, a true and correct copy of which is attached hereto as Exhibit "A" (the "Notice") and incorporated herein by reference; and

**WHEREAS**, the City proposes to become an Additional Member of the Authority pursuant to Section 12 of the Joint Exercise of Powers Agreement, dated as of May 12, 2015 (the "JPA Agreement"), between the County of Kings and Housing Authority of County of Kings, creating and establishing the Authority, a true and correct copy of which is attached hereto as Exhibit "B" and incorporated herein by reference; and

**WHEREAS**, in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the issuance of the Bonds must be approved by the "Applicable Elected Representative" of a "governmental unit" where the Project is located; and

**WHEREAS**, the City is a host jurisdiction and a governmental unit where the Project is located; and

**WHEREAS**, the City Council of the City (the “City Council”) is the elected legislative body of the City and is the “Applicable Elected Representative” of the City for purposes of Section 147(f) of the Code; and

**WHEREAS**, in accordance with Section 147(f) of the Code, the City Council, as a host jurisdiction for the Project, has provided public notice of a public hearing concerning the Authority’s intention to issue the Bonds, and approve the issue; and

**WHEREAS**, Mayor Steve Ly of the City (the “Hearing Officer”), conducted such public hearing related to the Bonds, as Hearing Officer, on behalf of the City; and

**WHEREAS**, a public hearing was held before the Hearing Officer and the Elk Grove City Council on August 21, 2019, during which public hearing interested individuals were provided a reasonable opportunity to express their views concerning the plan of finance concerning the issuance of the Bonds by the Authority to finance the Project, as required by Section 147(f) of the Code; a true and correct copy of the report of the Hearing Officer is attached hereto as Exhibit “C” (the “Report of the Hearing Officer”), and incorporated herein by reference; and

**WHEREAS**, the Borrower and the Authority have requested the City Council provide limited approval of the issuance of the Bonds by the Authority for purposes of Section 147(f) of the Code and the JPA Agreement; and

**WHEREAS**, the Bonds, if and when issued by the Authority, will be special, limited obligations of the Authority payable solely from the proceeds to be derived from the repayment of the related loan to the Borrower or from the security pledged therefor by the Borrower, and the City will not be the issuer of the Bonds nor will the City be obligated to pay the Bonds or have any obligation or liability pecuniary or otherwise in any respect whatsoever with respect to the Bonds or the Project; and

**WHEREAS**, the action taken by this Resolution does not constitute the approval of a project under the California Environmental Quality Act (“CEQA”) and is therefore exempt from CEQA. (Pub. Res. Code § 21065, CEQA Guidelines §§ 15060(c),(2)(3); 15352; 15378(b)(4).)

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

Section 1. RECITALS. The foregoing recitals are true and correct.

Section 2. REQUEST FOR MEMBERSHIP IN AUTHORITY. The City hereby requests to become an Additional Member of the Authority pursuant to Section 12 of the JPA Agreement. The JPA Agreement is hereby approved and the Mayor of the City and all other proper officers and officials of the City, or a designee thereof, are hereby authorized to execute the JPA Agreement and file the signed JPA Agreement with the Authority.

Section 3. APPROVAL OF ISSUANCE OF BONDS. The City Council hereby approves the issuance of the Bonds by the Authority for the purpose of financing the Project. It is the purpose and intent of the City Council that this Resolution constitute approval by the City, which is a governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code.

Section 4. GENERAL AUTHORITY. The members of the City Council, the City Manager, the City Attorney, the City Clerk, and/or their designees are hereby authorized and directed, jointly and severally, to do any and all things and execute and deliver any and all documents, certificates and other instruments 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. Any actions heretofore taken by such officers are hereby ratified and approved.

Section 5. LIMITATION. The City Council expressly conditions its approval of this Resolution on its understanding that the City shall have no obligation whatsoever to pay any principal, interest, fees or any other costs associated with the Authority's issuance of the Bonds for the financing of the Project.

Section 6. NO LIABILITY OR ENDORSEMENT. The City shall have no obligation, financial or otherwise, with respect to the Bonds, and the approval given herein by the City Council shall not be deemed or construed to create any obligation or liability, pecuniary or otherwise, of the City in connection with either the Bonds or the Project in any respect whatsoever and the Authority shall so provide in the documents related to the issuance of the Bonds. The City has no repayment obligation (legal or moral) and the bonds are not a debt of the City. The general credit or taxing power of the City or the State of California or any political subdivision or public agency thereof shall not be pledged to the payment of the Bonds. No statement, representation, or recital made herein shall be deemed to constitute a legal conclusion or a determination by the City that any particular action or proposed action is required, authorized, or permitted under the laws of the State of California, any other state, or the United States.

The approval given herein shall not be construed as: (i) an endorsement of the creditworthiness of the Borrower or the financial viability of the Project; (ii) a recommendation to any prospective purchaser to purchase the Bonds; (iii) an evaluation of the likelihood of the repayment of the debt service on the Bonds; or (iv) approval of any necessary land use or other City entitlement applications or approval or acquiescence to the alteration of existing zoning or land use nor approval for any other regulatory permits relating to the Project, and the City Council shall not be construed by reason of its adoption of this Resolution to make any endorsement, finding, or recommendation or to have waived any right of the City Council or to have estopped the City Council from asserting any rights or responsibilities it may have in such regard.

Section 7. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** by the City Council of the City of Elk Grove this 21<sup>st</sup> day of August 2019

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STEVE LY, MAYOR of the  
CITY OF ELK GROVE

ATTEST:

APPROVED AS TO FORM:

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JASON LINDGREN, CITY CLERK

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JONATHAN P. HOBBS  
CITY ATTORNEY

**CITY OF ELK GROVE – CITY COUNCIL  
NOTICE OF PUBLIC HEARING**

Dated: August 9, 2019

**NOTICE** is hereby given that on **August 21, 2019, at 6:00 p.m.**, or as soon thereafter as the matter may be heard, the City Council of the City of Elk Grove (the “City”) will hold a Public Hearing at the **Elk Grove City Hall, located at 8400 Laguna Palms Way, Elk Grove**, to consider the following actions:

**CALIFORNIA PUBLIC FINANCE AUTHORITY BOND ISSUANCE  
RELATED TO THE CALIFORNIA NORTHSTATE MEDICAL CENTER CAMPUS PROJECT HOSPITAL**

The purpose of this public hearing required by Section 147(f) of the Internal Revenue Code of 1986 (the “Code”) is to consider a proposed plan of financing providing for the issuance by the California Public Finance Authority (the “Authority”) of its tax-exempt and taxable revenue bonds in one or more series issued from time to time, including bonds issued to refund such revenue bonds in one or more series from time to time, and at no time to exceed \$900,000,000 (the “Bonds”) in outstanding aggregate principal amount. The proceeds of the Bonds will be used to finance and/or refinance the costs of: (a) land acquisition, construction, site improvements and the acquisition of furniture, fixtures and equipment for the use of Northern California Health Services and Research Foundation f/k/a Pharmacy and Health Sciences Research Foundation, a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Code (the “Borrower”), in one or more buildings to be located on a site in the City of Elk Grove consisting of approximately 25-acres situated on the western boundary of the City including some or all of the following 12 parcels (assessor parcel numbers 132-2480-001, -002, -003, -004, -005, -007, -008, -010, -011, 132-2160-001, -002, 132-0460-076), which parcels are generally bordered by Elk Grove Boulevard to the north, Interstate 5 to the west, West Taron Drive to the east, and the Laguna Stone Lake subdivision to the south, with street addresses that may include 9700 West Taron Drive, 9650 West Taron Drive, and/or 2501 through 2619 West Taron Drive, Elk Grove, California 95757 (the “Facilities”); (b) reimbursing the Borrower for costs incurred in connection with the Facilities; (c) funding a debt service reserve fund for the Bonds, if necessary; (d) paying capitalized interest on the Bonds, if required, (e) refinancing outstanding debt, if required; and (f) paying certain Bond issuance expenses (collectively, the “Project”). The Project will be owned by the Borrower for federal income tax purposes and the Facilities will be operated by the Borrower as an approximately 400 bed teaching hospital.

This hearing is NOT for consideration of the Project approval or disapproval by the City. The hearing does not impact the lawful discretion of the City to consider, reject, approve, or disapprove any Project entitlement, environmental impact, environmental document, or environmental mitigation measure, or permit over which the City has lawful approval authority.

The Bonds are expected to be issued by the Authority pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California. The Bonds and the obligation to pay principal of and interest thereon and any redemption premium with respect thereto do not constitute indebtedness or an obligation of the Authority, the State of California, or any political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them. The Bonds shall be a limited obligation of the Authority, payable solely from certain revenues duly pledged therefor and generally representing amounts paid by the Borrower.

The Bonds, if issued, would NOT constitute an indebtedness of the City of Elk Grove. The proposed Bonds and the hearing should not be construed as an indication of financial participation on the part of the City of Elk Grove in the Project.

The City of Elk Grove encourages interested persons to attend public meetings and comment on the issues being discussed. Interested persons wishing to express their views on the issuance of the Bonds or on the nature and location of the facilities proposed to be financed or refinanced may attend the public hearing and express their views. Interested persons may also submit written comments to the City Clerk at or prior to time of the hearing, which written comments will be made a part of the public record. Written comments may be submitted to the City Clerk, City of Elk Grove, 8401 Laguna Palms Way, Elk Grove, CA 95758, or at the hearing. Additional information concerning the above matter may be obtained from Brandon Merritt, Finance Analyst, at 916-478-2203 or [bmerritt@elkgrovecity.org](mailto:bmerritt@elkgrovecity.org).

This notice is given in accordance with the public notice requirements of Section 147(f) of the Code and the Tax Equity and Fiscal Responsibility Act of 1982.

Dated / Published: August 9, 2019

JASON LINDGREN  
CITY CLERK, CITY OF ELK GROVE

**NOTICE REGARDING CHALLENGES TO DECISIONS**

Pursuant to all applicable laws and regulations, if you wish to challenge in court any of the above decisions, you may be limited to raising only those issues you or someone else raised at the public hearing(s) described in this notice/agenda, or in written correspondence delivered to the City at, or prior to, this public hearing.

**ADA COMPLIANCE STATEMENT**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (916) 478-3635. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

**JOINT EXERCISE OF POWERS AGREEMENT  
RELATING TO THE CALIFORNIA PUBLIC FINANCE AUTHORITY**

THIS AGREEMENT, dated as of May 12, 2015, among the parties executing this Agreement (all such parties, except those which have withdrawn as provided herein, are referred to as the "Members" and those parties initially executing this Agreement are referred to as the "Charter Members"):

**WITNESSETH**

WHEREAS, pursuant to Title 1, Division 7, Chapter 5 of the California Government Code (in effect as of the date hereof and as the same may from time to time be amended or supplemented, the "Joint Exercise of Powers Act"), two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, each of the Members is a "public agency" as that term is defined in Section 6500 of the Joint Exercise of Powers Act; and

WHEREAS, each of the Members is empowered by law to promote economic, cultural and community development, including, without limitation, the promotion of opportunities for the creation or retention of employment, the stimulation of economic activity, the increase of the tax base, and the promotion of opportunities for education, cultural improvement and public health, safety and general welfare; and

WHEREAS, each of the Members may accomplish the purposes and objectives described in the preceding preamble by various means; and

WHEREAS, each Member is also empowered by law to acquire, construct, improve, operate and dispose of real property for a public purpose; and

WHEREAS, the Joint Exercise of Powers Act authorizes the Members to create a joint exercise of powers entity with the authority to exercise any powers common to the Members, as specified in this Agreement and to exercise the additional powers granted to it in the Joint Exercise of Powers Act and any other applicable provisions of the laws of the State of California; and

WHEREAS, a public entity established pursuant to the Joint Exercise of Powers Act is empowered to issue or execute bonds, notes, commercial paper or any other evidences of indebtedness, leases, installment sale or other financing agreements or certificates of participation therein (herein "Bonds"), and to otherwise undertake financing programs under the Joint Exercise of Powers Act or other applicable provisions of the laws of the State of California to accomplish its public purposes; and

WHEREAS, the Members have determined to specifically authorize a public entity authorized pursuant to the Joint Exercise of Powers Act to issue Bonds pursuant to the Joint Exercise of Powers Act or other applicable provisions of the laws of the State of California; and

WHEREAS, it is the desire of the Members to use a public entity established pursuant to the Joint Exercise of Powers Act to undertake the financing and/or refinancing of projects of any nature, including, but not limited to, capital or working capital projects, purchase or acquisition of property, receivables, commodities, bonds, other revenue streams or assets of any kind, liability or other insurance, or retirement programs, or facilitating Members use of existing or new financial instruments and mechanisms; and

WHEREAS, by this Agreement, each Member desires to create and establish the “California Public Finance Authority” for the purposes set forth herein and to exercise the powers provided herein;

NOW, THEREFORE, the Members, for and in consideration of the mutual promises and agreements herein contained, do agree as follows:

**Section 1. Purpose.**

This Agreement is made pursuant to the provisions of the Joint Exercise of Powers Act. The purpose of this Agreement is to establish a public entity for the joint exercise of powers common to the Members and for the exercise of additional powers given to a joint powers entity under the Joint Powers Act or any other applicable law, including, but not limited to, the issuance of Bonds for any purpose or activity permitted under the Joint Exercise of Powers Act or any other law. Such purpose will be accomplished and said power exercised in the manner hereinafter set forth.

**Section 2. Term.**

This Agreement shall become effective in accordance with Section 17 as of the date hereof and shall continue in full force and effect until such time as it is terminated in writing by all the Members; provided, however, that this Agreement shall not terminate or be terminated until all Bonds issued or caused to be issued by the Authority (defined below) shall no longer be outstanding under the terms of the indenture, trust agreement, resolution or other instrument pursuant to which such Bonds are issued.

**Section 3. Authority.**

**A. CREATION AND POWERS OF AUTHORITY.**

Pursuant to the Joint Exercise of Powers Act, there is hereby created a public entity to be known as the “California Public Finance Authority” (the “Authority”), and said Authority shall be a public entity separate and apart from the Members. Its debts, liabilities and obligations do not constitute debts, liabilities or obligations of any Members.

B. BOARD.

The Authority shall be administered by the Board of Directors (the “Board,” or the “Directors” and each a “Director”) whose members shall be, at all times, members of the Board of Supervisors (the “Board of Supervisors”) of Kings County, California, with each such Director serving in his or her individual capacity as Director of the Board. The term of office as a member of the Board shall terminate when such member shall cease to be a member of the Board of Supervisors and the successor to such member of the Board of Supervisors shall become a member of the Board.

Notwithstanding the preceding paragraph, the Board may by resolution or bylaws provide for changes in the qualifications, composition and number of Directors, the appointment of Directors, successors, their respective terms of office and any other provisions relating to the qualification and office of the Directors, including provision for alternative Directors (in which case all references in this Agreement to any Director shall be deemed to refer to and include the applicable alternate Director, if any, when so acting in place of a regularly appointed Director).

The Board shall be the administering agency of this Agreement and, as such, shall be vested with the powers set forth herein, and shall administer this Agreement in accordance with the purposes and functions provided herein.

Directors shall not receive any compensation for serving as such, but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as a Director, if the Board shall determine that such expenses shall be reimbursed and there are unencumbered funds available for such purpose.

C. OFFICERS; DUTIES; OFFICIAL BONDS.

The officers of the Authority shall be the Chair, Vice-Chair, Secretary and Treasurer (defined below). The Board, in its capacity as administering agent of this Agreement, shall elect a Chair, a Vice-Chair, and a Secretary of the Authority from among Directors to serve until such officer is re-elected or a successor to such office is elected by the Board. The Board shall appoint one or more of its officers or employees to serve as treasurer, auditor, and controller of the Authority (the “Treasurer”) pursuant to Section 6505.6 of the Joint Exercise of Powers Act to serve until such officer is re-elected or a successor to such office is elected by the Board.

Subject to the applicable provisions of any resolution, indenture, trust agreement or other instrument or proceeding authorizing or securing Bonds (each such resolution, indenture, trust agreement, instrument and proceeding being herein referred to as an “Indenture”) providing for a trustee or other fiscal agent, and except as may otherwise be specified by resolution of the Board, the Treasurer is designated as the depository of the Authority to have custody of all money of the Authority, from whatever source derived and shall have the powers, duties and responsibilities specified in Sections 6505, 6505.5 and 6509.5 of the Joint Exercise of Powers Act.

The Treasurer of the Authority is designated as the public officer or person who has charge of, handles, or has access to any property of the Authority, and such officer shall file an official bond with the Secretary of the Authority in the amount specified by resolution of the Board but in no event less than \$1,000.

The Board shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants.

The Board shall have the power, by resolution, to the extent permitted by the Joint Exercise of Power Act or any other applicable law, to delegate any of its functions to one or more of the Directors or officers, employees or agents of the Authority and to cause any of said Directors, officers, employees or agents to take any actions and execute any documents or instruments for and in the name and on behalf of the Board or the Authority.

#### D. MEETINGS OF THE BOARD.

(1) Ralph M. Brown Act.

All meetings of the Board, including, without limitation, regular, adjourned regular, special, and adjourned special meetings shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the Government Code of the State of California), or any successor legislation hereinafter enacted (the "Brown Act").

(2) Regular Meetings.

The Board shall provide for its regular meetings; provided, however, it shall hold at least one regular meeting each year. The date, hour and place of the holding of the regular meetings shall be fixed by resolution of the Board. To the extent permitted by the Brown Act, such meetings may be held by telephone conference.

(3) Special Meetings.

Special meetings of the Board may be called in accordance with the provisions of Section 54956 of the Government Code of the State of California. To the extent permitted by the Brown Act, such meetings may be held by telephone conference.

(4) Minutes.

The Secretary of the Authority shall cause to be kept minutes of the regular, adjourned regular, special, and adjourned special meetings of the Board and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director.

(5) Quorum.

A majority of the Board shall constitute a quorum for the transaction of business. No action may be taken by the Board except upon the affirmative vote of a majority of the Directors present at the meeting, except that less than a quorum may adjourn a meeting to another time and place.

E. RULES AND REGULATIONS.

The Authority may adopt, from time to time, by resolution of the Board such bylaws, policies or rules and regulations for the conduct of its meetings and affairs as may be required.

**Section 4. Powers.**

The Authority shall have the power, in its own name, to exercise the common powers of the Members and to exercise all additional powers given to a joint powers entity under any of the laws of the State of California, including, but not limited to, the Joint Exercise of Powers Act, for any purpose authorized under this Agreement. Such powers shall include the common powers specified in this Agreement and may be exercised in the manner and according to the method provided in this Agreement. The Authority is hereby authorized to do all acts necessary for the exercise of such power, including, but not limited to, any of all of the following: to make and enter into contracts; to employ agents and employees; to acquire, construct, improve, own, maintain and operate, or provide for maintenance and operation, and sell, lease, pledge, assign, mortgage or otherwise dispose, of any property, improvements, commodities, leases, contracts, receivables, bonds or other revenue streams or assets of any kind; to exercise the power of condemnation; to incur debts, liabilities or obligations; to receive gifts, contributions and donations of property, funds, services, and other forms of assistance from person, firms, corporations and any governmental entity; to sue and be sued in its own name; to establish and collect fees; to form public benefit nonprofit corporations or other affiliate entities to accomplish any of its purposes; to make grants, loans or provide other financial assistance to governmental, nonprofit and for profit organizations to accomplish any of its purposes; and generally to do any and all things necessary or convenient to accomplish its purposes. The boundaries of the Authority shall encompass the boundaries of all the Members and the powers of the Authority may be exercised anywhere within those boundaries or to the extent permitted by the laws of the State of California, including, but not limited to the Joint Exercise of Powers Act, outside of those boundaries, which may be outside of the State of California, provided that the power of condemnation may only be exercised within the jurisdictional boundaries of the Charter Members.

Without limiting the generality of the foregoing, the Authority may issue or cause to be issued Bonds, and pledge any property, contracts or revenues as security to the extent permitted under the Joint Exercise of Powers Act, or any other applicable provision of law.

The manner in which the Authority shall exercise its powers and perform its duties is and shall be subject to the restrictions upon the manner in which a California county could exercise such powers and perform such duties. The manner in which the Authority shall exercise its powers and perform its duties shall not be subject to any restrictions applicable to the manner in which any other public agency could exercise such powers or perform such duties, whether such agency is a party to this Agreement or not.

**Section 5. Fiscal Year.**

For the purposes of this Agreement, the term "Fiscal Year" shall mean the fiscal year as established from time to time by resolution of the Board, being, at the date of this Agreement, the period from July 1 to and including the following June 30, except for the first Fiscal Year which shall be the period from the date of this Agreement to June 30, 2015.

**Section 6. Disposition of Assets.**

At the end of the term hereof or upon the earlier termination of this Agreement as set forth in Section 2, after payment of all expenses and liabilities of the Authority, all property of the Authority both real and personal shall automatically vest in the Members in the manner and amount determined by the Board in its sole discretion and shall thereafter remain the sole property of the Members; provided, however, that any surplus money on hand shall be returned in proportion to the contributions made by the Members.

**Section 7. Bonds.**

From time to time the Authority shall issue Bonds, in one or more series, for the purpose of exercising its powers and raising the funds necessary to carry out its purposes under this Agreement.

The services of bond counsel, financing consultants and other consultants and advisors working on the projects and/or their financing or refinancing or on post-issuance compliance or administration may be used by the Authority. The expenses of the Board shall be paid from the proceeds of the Bonds, payments made by Bond obligors or other third parties, or any other unencumbered funds of the Authority available for such purpose.

**Section 8. Bonds Only Limited and Special Obligations of Authority.**

The Bonds, together with the interest and premium, if any, thereon, shall not be deemed to constitute a debt of any Member or pledge of the faith and credit of the Members or the Authority. The Bonds shall be only special obligations of the Authority, and the Authority shall under no circumstances be obligated to pay the Bonds except from revenues and other funds pledged therefor. Neither the Members nor the Authority shall be obligated to pay the principal of, premium, if any, or interest on the Bonds, or other costs incidental thereto, except the Authority from the revenues and funds pledged and available therefor, and neither the faith and credit nor the taxing power of the Members nor the faith and credit of the Authority shall be pledged to the payment of the principal of, premium, if any, or interest on the Bonds nor shall the

Members or the Authority in any manner be obligated to make any appropriation for such payment.

No covenant or agreement contained in any Bond or related document shall be deemed to be a covenant or agreement of any Director, or any officer, employee or agent of the Authority in his or her individual capacity, and neither the Board of the Authority nor any Director or officer thereof executing the Bonds shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

**Section 9. Accounts and Reports.**

All funds of the Authority shall be strictly accounted for. The Authority shall establish and maintain such funds and accounts as may be required by good accounting practice and by any provision of any Indenture (to the extent such duties are not assigned to a trustee of Bonds). The books and records of the Authority shall be open to inspection at all reasonable times by each Member.

The Treasurer of the Authority shall cause an independent audit to be made of the books of accounts and financial records of the Authority by a certified public accountant or public accountant in compliance with the provisions of Section 6505 of the Joint Exercise of Powers Act. In each case the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California and shall conform to generally accepted auditing standards. When such an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member and also with the county auditor of each county in which a Member is located; provided, however, that to the extent permitted by law, the Authority may, instead of filing such report with each Member and such county auditor, elect to post such report as a public record electronically on a website designated by the Authority. Such report if made shall be filed within 12 months of the end of the Fiscal Year or Years under examination.

The Treasurer is hereby directed to report in writing on the first day of July, October, January, and April of each year to the Board and the Members which report shall describe the amount of money held by the Treasurer for the Authority, the amount of receipts since the last such report, and the amount paid out since the last such report (which may exclude amounts held by a trustee or other fiduciary in connection with any Bonds to the extent that such trustee or other fiduciary provided regular reports covering such amounts.)

Any costs of the audit, including contracts with, or employment of, certified public accountants or public accountants in making an audit pursuant to this Section, shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for that purpose.

In any Fiscal Year the Board may, by resolution adopted by unanimous vote, replace the annual special audit with an audit covering a two-year period.

**Section 10. Funds.**

Subject to the applicable provisions of any Indenture, which may provide for a trustee or other fiduciary to receive, have custody of and disburse Authority funds, the Treasurer of the Authority shall receive, have the custody of and disburse Authority funds pursuant to the accounting procedures developed under Sections 3.C and 9, and shall make the disbursements required by this Agreement or otherwise necessary to carry out any of the provisions of purposes of this Agreement.

**Section 11. Notices.**

Notices and other communications hereunder to the Members shall be sufficient if delivered to the clerk of the governing body of each Member; provided that, to the extent permitted by law, the Authority may provide notices and other communications and postings electronically (including, without limitation, through email or by posting to a website).

**Section 12. Additional Members/Withdrawal of Members.**

Qualifying public agencies may be added as parties to this Agreement and become Charter Members upon: (1) the filing by such public agency with the Authority of an executed counterpart of this Agreement, together with a copy of the resolution of the governing body of such public agency approving this Agreement and the execution and delivery hereof; and (2) adoption of a resolution of the Board approving the addition of such public agency as a Charter Member. Upon satisfaction of such conditions, the Board shall file such executed counterpart of this Agreement as an amendment hereto, effective upon such filing.

Qualifying public agencies may also be added as Non-Charter Members (“Additional Members”) of the Authority upon: (1) the filing by such public agency with the Authority of a resolution of the governing body of such public agency requesting to be added as an Additional Member of the Authority, and (2) adoption of a resolution of the Board approving the addition of such public agency as an Additional Member. An Additional Member may limit in the aforementioned resolution the scope of its Additional Membership to what is necessary or appropriate to facilitate the financing or refinancing of one or more specified projects or programs.

A Member may withdraw from this Agreement upon written notice to the Board; provided, however, that at least one Member shall be a Charter Member and no such withdrawal shall result in the dissolution of the Authority so long as any Bonds remain outstanding. Any such withdrawal shall be effective only upon receipt of the notice of withdrawal by the Board, which shall acknowledge receipt of such notice of withdrawal in writing and shall file such notice as an amendment to this Agreement effective upon such filing.

**Section 13. Indemnification.**

To the full extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a Director or an officer, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by

reason of the fact that such person is or was such a Director or an officer, employee or other agent of the Authority, against expenses, including attorneys fees, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. The Board may purchase a policy or policies of insurance in furtherance of any indemnification obligation created or otherwise in protection of Directors, officers, employees or other agents.

#### **Section 14. Contributions and Advances.**

Contributions or advances of public funds and of the use of personnel, equipment or property may be made to the Authority by the Members for any of the purposes of this Agreement. Payment of public funds may be made to defray the cost of any such contribution or advance. Any such advance may be made subject to repayment, and in such case shall be repaid, in the manner agreed upon by the Authority and the Member making such advance at the time of such advance. It is mutually understood and agreed to that no Member has any obligation to make advances or contributions to the Authority to provide for the costs and expenses of administration of the Authority, even though any Member may do so. The Members understand and agree that a portion of the funds of the Authority that otherwise may be allocated or distributed to the Members may instead be used to make grants, loans or provide other financial assistance to governmental units and to nonprofit organizations to accomplish any of the governmental unit's or nonprofit organization's purposes.

#### **Section 15. Immunities.**

All of the privileges and immunities from liabilities, exemptions from laws, ordinances and rules, and other benefits which apply to the activity of officers, agents or employees of Members when performing their respective functions within the territorial limits of their respective public agencies, shall apply to the same degree and extent to the Directors, officers, employees, agents or other representatives of the Authority while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

#### **Section 16. Amendments.**

Except as provided in Sections 3B and 12 above, this Agreement shall not be amended, modified, or altered, unless the written consent of each of the Charter Members is obtained; provided that no amendment shall materially adversely affect the interests of any Additional Member unless the negative consent of that Additional Member is also obtained. To obtain the negative consent of each such Additional Member, the following negative consent procedure shall be followed: (a) the Authority shall provide each such Additional Member with a notice at least sixty (60) days prior to the date such proposed amendment is to become effective explaining the nature of such proposed amendment and this negative consent procedure; (b) the Authority shall provide each such Additional Member who did not respond a reminder notice with a notice at least thirty (30) days prior to the date such proposed amendment is to become

effective; and (c) if no such Additional Member objects to the proposed amendment in writing within sixty (60) days after the initial notice, the proposed amendment shall become effective with respect to all Members.

**Section 17. Effectiveness.**

This Agreement shall become effective and be in full force and effect and a legal, valid and binding obligation of each of the Members on the date that the Board shall have received from two of the Charter Members an executed counterpart of this Agreement, together with a certified copy of a resolution of the governing body of each such Charter Member approving this Agreement and the execution and delivery hereof.

**Section 18. Partial Invalidity.**

If any one or more of the terms, provisions, promises, covenants or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants and conditions of this Agreement shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law.

**Section 19. Successors.**

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the other Members.

**Section 20. Miscellaneous.**

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The section headings herein are for convenience only and are not to be construed as modifying or governing the language in the section referred to.

Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

This Agreement shall be governed under the laws of the State of California.

This Agreement is the complete and exclusive statement of the agreement among the Members, which supercedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the Members relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their duly authorized representatives as of the day and year first above written.

Charter Member:

COUNTY OF KINGS

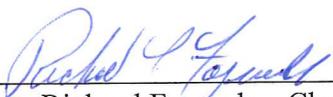
By   
Richard Fagundes, Chairman  
Kings County Board of Supervisors

ATTEST:

By   
Catherine Venturella  
Clerk of the Board

Charter Member:

HOUSING AUTHORITY OF THE  
COUNTY OF KINGS

By   
Richard Fagundes, Chairman

ATTEST:

By   
Jennifer Molina  
Clerk of the Housing Authority Board

IN WITNESS WHEREOF, the Additional Members hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized.

Dated: \_\_\_\_\_

Additional Member Name:

\_\_\_\_\_  
By:  
Its:

ATTEST:

\_\_\_\_\_  
By:  
Its:

**REPORT OF HEARING OFFICER CITY OF ELK GROVE**

This instrument shall constitute the official report of the undersigned designated official of the City of Elk Grove (the "City"), for and on behalf of the City, in connection with the proposed issuance by the California Public Finance Authority (the "Authority") of the Authority's not exceeding \$900,000,000 Hospital Revenue Bonds (the "Bonds") on behalf of Northern California Health Services and Research Foundation, Inc., a California non-profit corporation (the "Borrower"). The proceeds of the Bonds will be loaned to the Borrower for financing or refinancing, including through reimbursement, (a) land acquisition, construction, site improvements and the acquisition of furniture, fixtures and equipment for the use of the Borrower in one or more buildings to be located on a site in the City of Elk Grove consisting of approximately 25-acres situated on the western boundary of the City including some or all of the following 12 parcels (assessor parcel numbers 132-2480-001, -002, -003, -004, -005, -007, -008, -010, -011, 132-2160-001, -002, 132-0460-076), which parcels are generally bordered by Elk Grove Boulevard to the north, Interstate 5 to the west, West Taron Drive to the east, and the Laguna Stone Lake subdivision to the south, with street addresses that may include 9700 West Taron Drive, 9650 West Taron Drive, and/or 2501 through 2619 West Taron Drive, Elk Grove, California (the "Facilities"); (b) reimbursing the Borrower for costs incurred in connection with the Facilities; (c) funding a debt service reserve fund for the Bonds, if necessary; (d) paying capitalized interest on the Bonds, if required; (e) refinancing outstanding debt, if required; and (f) paying certain Bond issuance expenses (collectively, the "Project"); related to the acquisition, construction, and equipping of a hospital related to the California Northstate Medical Center Campus Project in the City of Elk Grove.

The public hearing was duly advertised in the *Elk Grove Citizen*, a newspaper of general circulation in the jurisdiction of the City, on August 9, 2019. The proof of publication was presented to me at such hearing, a copy of which is attached hereto as Exhibit "1" (the "Notice").

The hearing commenced at the time and location stated in the Notice. At such hearing, interested individuals were afforded reasonable opportunity to express their views, both orally and in writing, on all matters pertaining to the plan of finance and the financing of the Project. Information about the proposed Bonds, the location of the Facility, and the proposed use of the proceeds were presented. When the information had been presented, opportunity was given for members of the public in attendance to give their input. Following consideration of the proposed Resolution by the City Council, the undersigned then concluded the hearing.

Minutes of the public hearing will be kept on file with the City Clerk.

Respectfully submitted,

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STEVE LY, MAYOR of the  
CITY OF ELK GROVE

EXHIBIT 1

In the Superior Court of the State of California

IN AND FOR THE

Sacramento

COUNTY OF

Certificate of Publication of NOTICE OF PUBLIC HEARING

State of California

SS.

County of SACRAMENTO

I, DAVID R. HERBURGER, certify on penalty of perjury:

CITY OF ELK GROVE - CITY COUNCIL NOTICE OF PUBLIC HEARING
Dated: August 9, 2019
NOTICE is hereby given that on August 21, 2019, at 6:00 p.m., or as soon thereafter as the matter may be heard, the City Council of the City of Elk Grove (the "City") will hold a Public Hearing at the Elk Grove City Hall, located at 8400 Laguna Palms Way, Elk Grove, to consider the following actions:
CALIFORNIA PUBLIC FINANCE AUTHORITY BOND ISSUANCE RELATED TO THE CALIFORNIA NORTHSTATE MEDICAL CENTER CAMPUS PROJECT HOSPITAL
The purpose of this public hearing required by Section 147(f) of the Internal Revenue Code of 1986 (the "Code") is to consider a proposed plan of financing providing for the issuance by the California Public Finance Authority (the "Authority") of its tax-exempt and taxable revenue bonds in one or more series issued from time to time, including bonds issued to refund such revenue bonds in one or more series from time to time, and at no time to exceed \$900,000,000 (the "Bonds") in outstanding aggregate principal amount. The proceeds of the Bonds will be used to finance and/or refinance the costs of: (a) land acquisition, construction, site improvements and the acquisition of furniture, fixtures and equipment for the use of Northern California Health Services and Research Foundation f/k/a Pharmacy and Health Sciences Research Foundation, a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Code (the "Borrower"), in one or more buildings to be located on a site in the City of Elk Grove consisting of approximately 25-acres situated on the western boundary of the City including some or all of the following 12 parcels (assessor parcel numbers 132-2480-001, -002, -003, -004, -005, -007, -008, -010, -014, 132-2160-001, -002, 132-0460-076), which parcels are generally bordered by Elk Grove Boulevard to the north, Interstate 5 to the west, West Taron Drive to the east, and the Laguna Stone Lake subdivision to the south, with street addresses that may include 9700 West Taron Drive, 9650 West Taron Drive, and/or 2501 through 2619 West Taron Drive, Elk Grove, California 95757 (the "Facilities"); (b) reimbursing the Borrower for costs incurred in connection with the Facilities; (c) funding a debt service reserve fund for the Bonds, if necessary; (d) paying capitalized interest on the Bonds, if required; (e) refinancing outstanding debt, if required; and (f) paying certain Bond issuance expenses (collectively, the "Project"). The Project will be owned by the Borrower for federal income tax purposes and the Facilities will be operated by the Borrower as an approximately 400 bed teaching hospital.
This hearing is NOT for consideration of the Project approval or disapproval by the City. The hearing does not impact the lawful discretion of the City to consider, reject, approve, or disapprove any Project entitlement, environmental impact, environmental document, or environmental mitigation measure, or permit over which the City has lawful approval authority.
The Bonds are expected to be issued by the Authority pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California. The Bonds and the obligation to pay principal of and interest thereon and any redemption premium with respect thereto do not constitute indebtedness or an obligation of the Authority, the State of California, or any political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them. The Bonds shall be a limited obligation of the Authority, payable solely from certain revenues duly pledged therefor and generally representing amounts paid by the Borrower.
The Bonds, if issued, would NOT constitute an indebtedness of the City of Elk Grove. The proposed Bonds and the hearing should not be construed as an indication of financial participation on the part of the City of Elk Grove in the Project.
The City of Elk Grove encourages interested persons to attend public meetings and comment on the issues being discussed. Interested persons wishing to express their views on the issuance of the Bonds or on the nature and location of the facilities proposed to be financed or refinanced may attend the public hearing and express their views. Interested persons may also submit written comments to the City Clerk at or prior to time of the hearing, which written comments will be made a part of the public record. Written comments may be submitted to the City Clerk, City of Elk Grove, 8401 Laguna Palms
Way, Elk Grove, CA 95758, or at the hearing. Additional information concerning the above matter may be obtained from Brandon Merritt, Finance Analyst, at 916-478-2203 or bmerritt@elkgrovecity.org.
This notice is given in accordance with the public notice requirements of Section 147(f) of the Code and the Tax Equity and Fiscal Responsibility Act of 1982.

That affiant is and at all times hereinafter mentioned was a citizen of the United States, over the age of eighteen years and was at and during all said times the printer and publisher of THE ELK GROVE CITIZEN, a newspaper published in Elk Grove, County of Sacramento, State of California; that said newspaper is and was at all times herein mentioned, a newspaper of general circulation as that term is defined by Sections 6000 and 6001 of the Government Code of the State of California, and as provided by said sections is and was at all times herein mentioned published for the dissemination of local and telegraphic news and intelligence of a general character, having a bona fide subscription list of paying subscribers, and is not and was not during all said times devoted to the interests or published for the entertainment or instruction of a particular class, profession, trade, calling, race or denomination, or for the entertainment and instruction of any number of such classes, professions, trades, callings, races or denominations; that at all said times said newspaper has been established, printed and published in said Sacramento County and State, at regular intervals for more than one year preceding the first publication of the NOTICE herein mentioned; that said NOTICE was set in type not smaller than nonpareil and was preceded with words printed in black face type not smaller than nonpareil describing and expressing in general terms the purport and character of the notice intended to be given; that the NOTICE in the above entitled matter, of which the annexed is a true printed copy, was published in said newspaper on the following dates, to wit:

AUGUST 9, 2019

that the date of the first publication of said

NOTICE OF PUBLIC HEARING

in said newspaper is AUGUST 9, 2019

DAVID R. HERBURGER

THE ELK GROVE CITIZEN

Dated: AUGUST 9, 2019