

RESOLUTION OMFPA-29

A RESOLUTION OF THE OTAY MESA ENHANCED INFRASTRUCTURE FINANCING DISTRICT PUBLIC FINANCING AUTHORITY DECLARING THE INTENT OF THE DISTRICT TO BE REIMBURSED FOR CERTAIN CAPITAL EXPENDITURES RELATED TO DISTRICT CAPITAL IMPROVEMENTS FROM THE PROCEEDS OF OBLIGATIONS.

WHEREAS, the Otay Mesa Enhanced Infrastructure Financing District (District) is an enhanced infrastructure financing district and a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of Chapter 2.99 of Part 1 of Division 2 of Title 5 (commencing with Section 53398.50) of the Government Code of the State of California (EIFD Law), including the power to issue bonds to finance capital improvements and other costs as provided in the EIFD Law; and

WHEREAS, the Otay Mesa Enhanced Infrastructure Financing District Public Financing Authority (Authority) serves as governing body of the District pursuant to the EIFD Law; and

WHEREAS, the Authority approved an Infrastructure Financing Plan (Infrastructure Financing Plan) for the District by Resolution Number OMPFA-2 adopted on July 24, 2017; and

WHEREAS, the primary goals of the District are to facilitate economic development and improve the quality of life of residents within the boundaries of the District set forth in the District's Infrastructure Financing Plan through the accelerated provision of needed infrastructure within the District; and

WHEREAS, the Infrastructure Financing Plan identifies the public improvements and facilities described in the City of San Diego Otay Mesa Public Facilities Financing Plan (PFFP) as the public facilities and development proposed within the EIFD Project Area (EIFD Project); and

WHEREAS, the Authority has authorized the issuance and sale by the District of one or more taxable or tax-exempt series of Tax Allocation Bonds (Obligations) in the anticipated aggregate principal amount of \$172,000,000 pursuant to the provisions of the EIFD Law and the District's Infrastructure Financing Plan for the purpose of providing funds to finance the EIFD Project; and

WHEREAS, the District reasonably expects that certain proceeds of the Obligations, when issued, will be used to reimburse the District for certain capital expenditures in connection with the EIFD Project (Expenditures); and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the District to declare its reasonable official intent to be reimbursed for prior Expenditures made for the EIFD Project with proceeds of the sale of the Obligations; NOW, THEREFORE,

BE IT RESOLVED, by the Authority that:

1. The Authority hereby finds and determines that the statements set forth above in the recitals to this Resolution are true and correct.
2. The Authority hereby states its intention and reasonably expects to reimburse, with proceeds of the Obligations, costs of the EIFD Project incurred prior to the issuance of the Obligations.
3. The reasonably expected aggregate principal amount of the Obligations is \$172,000,000.
4. This Resolution is being adopted on or prior to the date that is not later than sixty (60) days after the date or dates that the District will expend monies for costs of the EIFD Project to be reimbursed from proceeds of the Obligations (such date or dates, the Expenditure Date or Dates).

5. Except as described below, the expected date of issue of the Obligations will be within eighteen (18) months of the later of the Expenditure Date or Dates and the date the applicable portion of the EIFD Project is placed in service; provided that the reimbursement may not be made more than three (3) years after an Expenditure Date.

6. Proceeds of the Obligations to be used to reimburse prior Expenditures are not expected to be used, within one (1) year of reimbursement, directly or indirectly to pay debt service with respect to any obligation (other than to pay current debt service coming due within the next succeeding one-year period on any tax-exempt obligation of the District other than the Obligations) or to be held as a reasonably required reserve or replacement fund with respect to an obligation of the District or any entity related in any manner to the District, or to reimburse any Expenditure that was originally paid with the proceeds of any obligation, or to replace funds that are or will be used in such manner.

7. This Resolution is consistent with the budgetary and financial circumstances of the District, as of the date hereof. No monies from sources other than the Obligations issued are, or are reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside by the District (or any related party) pursuant to their budgets or financial policies with respect to the costs of the EIFD Project. To the best of our knowledge, this District is not aware of the previous adoption of official intents by the District that have been made as a matter of course for the purpose of reimbursing Expenditures and for which tax-exempt obligations have not been issued.

8. The limitations described in sections 4 and 5 do not apply to (a) costs of issuance of the Obligations, (b) an amount not in excess of the lesser of \$100,000 or five percent (5%) of the proceeds of the Obligations, or (c) any preliminary Expenditures, such as architectural, engineering, surveying, soil testing, and similar costs other than land acquisition, site preparation,

and similar costs incident to commencement of construction, not in excess of twenty percent (20%) of the aggregate issue price of the Obligations that finance the EIFD Project for which the preliminary Expenditures were incurred.

9. This Resolution is adopted as an official action of the District in order to comply with Treasury Regulation § 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of District Expenditures incurred prior to the date of issue of the Obligations, is part of the District's official proceedings and will be available for inspection by the general public at the main administrative office of the District.

10. This declaration of intent does not bind the District to make any Expenditure, incur any indebtedness, or proceed with the EIFD Project.

11. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED by the Otay Mesa Enhanced Infrastructure Financing District Public Financing Authority at a duly noticed meeting held on February 23, 2023.

Vivian Moreno
Chair