

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CLARA APPROVING THE ISSUANCE AND SALE OF NOT TO EXCEED \$350,000,000 AGGREGATE PRINCIPAL AMOUNT OF COUNTY OF SANTA CLARA, CALIFORNIA, GENERAL OBLIGATION BONDS (ELECTION OF 2016), 2024 SERIES C (FEDERALLY TAXABLE) (DEDICATED UNLIMITED *AD VALOREM* PROPERTY TAX BONDS); APPROVING THE FORM OF A SECOND SUPPLEMENTAL PAYING AGENT AGREEMENT, THE FORMS AND DISTRIBUTION OF AN OFFICIAL STATEMENT, AN OFFICIAL NOTICE OF SALE, A NOTICE OF INTENTION TO SELL, A BOND PURCHASE AGREEMENT, AND A CONTINUING DISCLOSURE CERTIFICATE; AND AUTHORIZING THE TAKING OF ALL NECESSARY ACTIONS IN CONNECTION THEREWITH

WHEREAS, pursuant to Resolution No. BOS-2016-94 of the County of Santa Clara (the “County”), adopted June 21, 2016, the County duly called an election, and an election was regularly held, in the County on November 8, 2016, at which a proposition (“Measure A”) was submitted to the electors of the County, summarized as follows:

“To provide affordable local housing for vulnerable populations including veterans, seniors, the disabled, low and moderate income individuals or families, foster youth, victims of abuse, the homeless and individuals suffering from mental health or substance abuse illnesses, which housing may include supportive mental health and substance abuse services, shall the County of Santa Clara issue up to \$950 million in general obligation bonds to acquire or improve real property subject to independent citizen oversight and regular audits?”;

WHEREAS, Measure A was approved by at least two-thirds of the votes cast;

WHEREAS, pursuant to said favorable vote and pursuant to Article 1, Chapter 6, Division 3, Title 3, commencing with Section 29900, and the bond issuance provisions of Article 4.5 of Chapter 3 of Division 2 of Title 5, commencing with Section 53506, of the Government Code of the State of California, and other applicable law, the County is authorized to issue said bonds and shall issue said bonds pursuant thereto;

WHEREAS, on November 9, 2017, the County issued its \$250,000,000 aggregate principal amount of “General Obligations Bonds (Election of 2016), 2017 Series A (Federally Taxable) (Dedicated Unlimited *Ad Valorem* Property Tax Bonds)” (the “2017A Bonds”) according to the terms and in the manner as set forth in the Paying Agent Agreement, dated as of November 1, 2017 (the “Paying Agent Agreement”), between the County and U.S. Bank Trust Company, National Association (successor-in-interest to U.S. Bank National Association), as paying agent (the “Paying Agent”), for the purpose of financing costs of the projects authorized

by Measure A (as further defined herein, the “Project”) and the costs of issuance of the 2017A Bonds;

WHEREAS, on July 28, 2021, the County issued its \$350,000,000 aggregate principal amount of “General Obligations Bonds (Election of 2016), 2021 Series B (Federally Taxable) (Dedicated Unlimited *Ad Valorem* Property Tax Bonds)” (the “2021B Bonds”) according to the terms and in the manner as set forth in the Paying Agent Agreement, as supplemented by that certain First Supplemental Paying Agent Agreement, dated as of July 1, 2021, between the County and the Paying Agent, for the purpose of financing costs of the Project and the costs of issuance of the 2021B Bonds;

WHEREAS, the County deems that it is necessary and desirable to issue its “County of Santa Clara, California, General Obligation Bonds (Election of 2016), 2024 Series C (Federally Taxable) (Dedicated Unlimited *Ad Valorem* Property Tax Bonds)” (the “2024C Bonds”) in an aggregate principal amount not to exceed \$350,000,000, according to the terms and in the manner as set forth in the Paying Agent Agreement, as supplemented by that certain Second Supplemental Paying Agent Agreement between the County and the Paying Agent for the purposes of financing the costs of the Project and the costs of issuance of the 2024C Bonds;

WHEREAS, the “Project” is defined as the specific purposes set forth in Resolution No. BOS-2016-94, including the full text of Measure A attached thereto (the “Election Resolution”), and includes, but is not limited to, the specific Project descriptions included herein and in Exhibit A;

WHEREAS, issuance of the 2024C Bonds is not a “project” for purposes of the California Environmental Quality Act (CEQA), Public Resources Code section 21000 *et seq.* because it is a government funding mechanism involving no commitment to any specific project that may result in a potentially significant physical impact on the environment (14 Cal. Code Regs., § 15378);

WHEREAS, in order to minimize debt service and maximize benefits to the County, the County will sell the 2024C Bonds bearing interest at fixed rates through a competitive sale to the lowest true interest cost bidder, subject to all of the terms and conditions of an Official Notice of Sale describing the 2024C Bonds, or by negotiated sale to one or more underwriters to be selected by an Authorized County Representative pursuant to this Resolution, such selection to be identified in one or more Bond Purchase Agreements executed in connection therewith and further disclosed at the next meeting of this Board occurring after such selection;

WHEREAS, the issuance of the 2024C Bonds will not cause the total outstanding bonded indebtedness of the County to exceed 1.25% of total assessed value of property in the County as of the last equalized assessment roll;

WHEREAS, there have been prepared and made available (by filing with the Finance Agency of the County (the “Finance Agency”)) or presented to the Board proposed forms of:

1. a Second Supplemental Paying Agent Agreement (such Second Supplemental Paying Agent Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being hereinafter referred to as the “Second Supplemental Paying Agent Agreement”);
2. an Official Statement in preliminary form to be used in connection with the offering and sale of the 2024C Bonds (the “Official Statement”);
3. a Notice of Intention to Sell Bonds relating to the 2024C Bonds (the “Notice to Sell Bonds”), to be published once, no later than 5 days before the date of sale of said 2024C Bonds in a financial publication generally circulated throughout the State of California;
4. a Bond Purchase Agreement (the “Bond Purchase Agreement”), among the County and the underwriters to be specified therein;
5. an Official Notice of Sale relating to the 2024C Bonds (the “Official Notice of Sale”); and
6. a Continuing Disclosure Certificate (such Continuing Disclosure Certificate, in the form presented to this meeting, with such changes, omissions and insertions as are made pursuant to this Resolution, being hereinafter referred to as the “Continuing Disclosure Certificate”), which is proposed to be executed by the County;

WHEREAS, Orrick, Herrington & Sutcliffe LLP is serving as bond counsel (“Bond Counsel”), KNN Public Finance, LLC, is serving as financial advisor or municipal advisor (“Financial Advisor” or “Municipal Advisor”), and Hawkins Delafield & Wood LLP is serving as disclosure counsel (“Disclosure Counsel”) to the County in connection with the financing;

WHEREAS, in order to ensure the validity of the 2024C Bonds and the Project to be financed with the proceeds of the 2024C Bonds, the County will proceed to issue the 2024C Bonds only after the 60 day period for actions to be brought pursuant to Section 863 of the California Code of Civil Procedure has expired;

WHEREAS, pursuant to Section 5852.1 of the Government Code of the State of California, the County has received certain representations and good faith estimates from the Municipal Advisor and the County has disclosed such good faith estimates as set forth on Exhibit B attached hereto; and

WHEREAS, each document referred to herein relating to the 2024C Bonds has been made available to the Board for review and the Board desires to authorize and direct the execution of such documents and the consummation of such financing;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, AS FOLLOWS:**

Section 1. The foregoing recitals are true and correct, and the issuance by the County of the County of Santa Clara, California, General Obligation Bonds (Election of 2016), 2024 Series C (Federally Taxable) (Dedicated Unlimited *Ad Valorem* Property Tax Bonds), in one or more series, in an aggregate principal amount not to exceed \$350,000,000, on the terms and conditions set forth herein and in the Paying Agent Agreement, as supplemented by the Second Supplemental Paying Agent Agreement, as finally executed and delivered, is hereby authorized and approved.

The project (the “Project”) to be financed with the proceeds of the 2024C Bonds as described herein is hereby authorized and approved, and includes, but is not limited to, the following:

- a) Acquisition of real property by the County or other parties (e.g., affordable housing developers, lenders, or funders);
- b) Improvement of real property by the County or other parties (e.g., affordable housing developers, lenders, or funders) including, but not limited to: clearing; grading; landscaping; demolition; constructing, reconstructing or installing buildings, structural components, building systems, utilities, infrastructure, or other improvements; and major maintenance, reconstruction, and other work that continues or enhances the useful life of real property or a real property improvement;
- c) Loans or other financial assistance to other parties (e.g., affordable housing developers, lenders or funders; first-time homebuyers) for the acquisition or improvement of real property;
- d) Any other direct or indirect costs and fees associated with the acquisition or improvement of real property including, but not limited to, real estate fees and commissions, appraisals, title insurance, transfer taxes, financing costs, attorneys’ fees and other legal fees and costs, architecture, project design, general contractor, application/permitting/entitlement fees, geology, hazardous materials, project design, inspection, engineering, and project management/administration;
- e) All direct and indirect costs and fees associated with Measure A financing, program development, implementation and administration including, but not limited to, bond issuance costs, County personnel costs, consultant costs, attorneys’ fees and other legal fees and costs;

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- f) All direct and indirect costs and fees associated with Measure A oversight including, but not limited to, County personnel, consultants, auditors, and the Measure A Independent Citizens' Oversight Committee; and

Other Measure A program-related costs, including, but not limited to, those set forth on Exhibit A attached hereto and incorporated herein.

Section 2. The proposed form of the Second Supplemental Paying Agent Agreement on file with the Finance Agency is hereby approved. The Director of Finance of the County and the County Executive or any designee of either such officer or any other officer of the County designated by the Board (collectively, the "Authorized County Representative") are hereby authorized and directed to execute and deliver the Second Supplemental Paying Agent Agreement in substantially such form with such changes, insertions and omissions as may be approved, following approval by County Counsel as to form and legality, by the Authorized County Representative executing the same, said execution being conclusive evidence of such approval. The proceeds of the 2024C Bonds (after payment of the costs of issuance thereof) will be applied to provide funds for the purposes hereinabove described, provided that all premium with respect to the 2024C Bonds shall be placed into the interest and sinking fund of the County for payment of principal and interest on the 2024C Bonds. The maximum term of the 2024C Bonds shall not exceed thirty-one (31) years. The earliest maturity of the 2024C Bonds shall not be more than two years from their date of issuance. The 2024C Bonds shall be issued in the form attached as Exhibit A to the Second Supplemental Paying Agent Agreement and shall be signed by the manual or facsimile signature of the President of the Board of Supervisors of the County and the Director of Finance of the County and countersigned by the manual or facsimile signature of the Clerk of the Board of Supervisors of the County, and the manual or facsimile seal of the County shall be affixed to the 2024C Bonds. The 2024C Bonds shall be authenticated by a manual signature of a duly authorized officer of the Paying Agent. The date of the Second Supplemental Paying Agent Agreement, the name of the 2024C Bonds, the series designations, the principal amount per maturity, interest rates, and the interest payment dates, denominations, form(s), manner of execution, terms of redemption and other terms of the 2024C Bonds shall be as provided in the Second Supplemental Paying Agent Agreement as finally executed.

Section 3. The preliminary Official Statement in the form presented to the Board and on file with the Finance Agency is hereby approved, and an Authorized County Representative is hereby authorized and directed to execute and deliver one or more final Official Statements in substantially such form with such additions, corrections and revisions as may be determined to be necessary or desirable by such officer or County Counsel. The Municipal Advisor is hereby authorized and directed to cause to be supplied to prospective bidders for the 2024C Bonds copies of the preliminary Official Statement in such form, and to supply the winning bidder of the 2024C Bonds with copies of a final Official Statement, completed to include, among other things the interest rate or rates and final sale information. The Authorized County Representative is hereby authorized and directed to execute a certificate confirming that the preliminary Official Statement has been "deemed final" by the County for purposes of Securities and Exchange Commission Rule 15c2-12.

Section 4. The proposed forms of the Notice to Sell Bonds and the Official Notice of Sale on file with the Finance Agency are hereby approved. The Municipal Advisor is hereby authorized and directed to cause to be delivered to prospective bidders for the 2024C Bonds copies of said Official Notice of Sale, in substantially said form with such additions, corrections and revisions as may be determined to be necessary or desirable by the Authorized County Representative upon the advice of the Municipal Advisor, County Counsel or Bond Counsel.

The Authorized County Representative is authorized to award the 2024C Bonds in accordance with the Official Notice of Sale, provided that the price for the 2024C Bonds shall not be less than 100% of the aggregate principal amount thereof and the interest rate or rates on the 2024C Bonds shall not exceed eight percent (8%) per annum; and provided further that such officer may, with the consent of the County Executive and the Director of Finance of the County, cancel the public sale of the 2024C Bonds and negotiate for the sale of the 2024C Bonds pursuant to the proposed form of Bond Purchase Agreement on file with the Finance Agency which is hereby approved. In such event, the Authorized County Representative is hereby authorized and directed, for and in the name and on behalf of the County, to select one or more underwriters and to execute and deliver one or more Bond Purchase Agreements in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided that the true interest cost of such 2024C Bonds shall not exceed seven percent (7%) and the underwriting discount (excluding any original issue discount) shall not exceed one percent (1%) of the principal amount of the 2024C Bonds.

A negotiated sale of the 2024C Bonds is hereby expressly approved in order to provide more flexibility in structuring the debt service for the 2024C Bonds and the timing of the sale of the 2024C Bonds, to better ensure the tax rate estimated to voters at the time of the election will be consistent with the rate required to pay the 2024C Bonds, and to increase the opportunity to pre-market the 2024C Bonds to more investors aiming at a lower overall cost of borrowing. The estimated costs associated with the sale of the 2024C Bonds, excluding the underwriter's discount, is an amount not to exceed one percent of the authorized principal amount of the 2024C Bonds. The selection of one or more underwriters shall be disclosed at the next meeting of this Board occurring after such selection.

Section 5. The proposed form of Continuing Disclosure Certificate on file with the Finance Agency is hereby approved. The Authorized County Representative is hereby authorized and directed, for and in the name and on behalf of the County, to execute and deliver the Continuing Disclosure Certificate in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The Authorized County Representative is hereby authorized to negotiate with providers of credit support for the 2024C Bonds, including bond insurers and, if such officer determines it is in the best interest of the County, to commit to purchase or enter into or approve agreements providing credit support for some or all of the 2024C Bonds.

Section 7. Pursuant to Sections 29922 and 29923 of the California Government Code, the County shall, at the time of making the general tax levy for Fiscal Year 2024-25 in anticipation of the issuance of the 2024C Bonds, and annually thereafter, until the 2024C Bonds are paid, or until there is a sum in the treasury of the County or held by the Paying Agent or other fiduciary and set apart for the purpose of paying all principal of and interest (and redemption premiums, if any) on the 2024C Bonds as the same become due and payable, levy in addition to all other taxes, a tax for that year upon the taxable property of the County in an amount not less than sufficient to pay the interest on the 2024C Bonds and such portion of the principal thereof, including any sinking fund installments or redemption premiums required to be paid pursuant to the Second Supplemental Paying Agent Agreement, as will become due, or, with respect to Fiscal Year 2024-25, which is anticipated to come due, before the proceeds of a tax levied at the next general tax levy will be made available for such purposes.

Section 8. The County hereby pledges all revenues from the property taxes collected from the levy for the payment of the 2024C Bonds and amounts on deposit in the interest and sinking fund of the County collected for the 2024C Bonds to the payment of the principal or redemption price of and interest on the 2024C Bonds. This pledge shall be valid and binding from the date hereof for the benefit of the owners of the 2024C Bonds and successors thereto. The property taxes and amounts held in the interest and sinking fund of the County shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the interest and sinking fund of the County to secure the payment of the 2024C Bonds and shall be effective, binding, and enforceable against the County, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. This pledge is an agreement between the County and the bondholders to provide security for the 2024C Bonds in addition to the statutory lien set forth in Section 53515 of the Government Code of the State of California, and for purposes of this pledge means all bonds of the County issued pursuant to voter approved Measure A of the County, including the 2024C Bonds and any bonds issued to refund the 2024C Bonds or any other bonds issued pursuant to Measure A.

Section 9. The officials, officers and employees of the County are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, but not limited to, execution of signature certificates, no-litigation certificates and certificates concerning the contents of the Official Statement distributed in connection with the sale of the 2024C Bonds. The appropriate officers of the County are hereby authorized and directed to execute and deliver any and all certificates, instructions as to investments, written requests and other certificates necessary or desirable to execute and deliver the 2024C Bonds, pay costs of issuance or to accomplish the transactions contemplated herein. The County Counsel is hereby authorized to execute agreements for legal services, including bond and disclosure counsel services, required to complete the transactions contemplated herein.

Section 10. Bond Counsel, on behalf of this Board is hereby authorized and directed to cause notices of the proposed sale and final sale of the 2024C Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to Section 8855 of the Government Code, including certifying that the 2024C Bonds shall be issued in compliance with the adopted Debt Policy of the County.

Section 11. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the issuance of the 2024C Bonds, including without limitation any of the foregoing which may be necessary or desirable in connection with administering the documents or any default under or amendment of such documents or additional confirmations, settlements or revisions, or approval of additional trustees, paying agents or other entities facilitating the transaction may be taken or given by the Authorized County Representative, without further authorization by this Board, and the Authorized County Representative is hereby authorized and directed to give such consent, approval, notice, order or request and to take any such action which such officer may deem necessary or desirable to further the purposes of this Resolution and the transactions contemplated hereby.

Section 12. All actions heretofore taken by the officials, officers, employees and agents of the Board or the County with respect to the issuance of the 2024C Bonds are hereby ratified, confirmed and approved.

Section 13. The 2024C Bonds are subject to California Code of Civil Procedure Section 860 *et seq.* In order to ensure the validity of the 2024C Bonds and the Project to be financed with the proceeds of the 2024C Bonds, the County will proceed to issue the 2024C Bonds only after the 60 day period for actions to be brought pursuant to Section 863 of the California Code of Civil Procedure has expired.

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Section 14. This Resolution shall take effect from and after its adoption and approval.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Clara,
State of California, on _____, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SUSAN ELLENBERG, President
Board of Supervisors

Signed and certified that a copy of this
document has been delivered by electronic
or other means to the President, Board of Supervisors.

ATTEST:

CURTIS BOONE
Acting Clerk of the Board of Supervisors

APPROVED AS TO FORM AND
LEGALITY:



RAJIV NARAYAN
Deputy County Counsel

Exhibit to this Resolution:

Exhibit A – Project Costs of the County

Exhibit B – Good Faith Estimates

CERTIFICATE OF CLERK OF THE BOARD OF SUPERVISORS
COUNTY OF SANTA CLARA

I, Curtis Boone, Acting Clerk of the Board of Supervisors of the County of Santa Clara, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a meeting of the Board of Supervisors of the County of Santa Clara duly and regularly held in San José, California, on May ___, 2024, of which meeting all of the members of said Board had due notice.

I further certify that I have carefully compared the foregoing copy with the original minutes of said meeting on file and of record in my office; that said copy is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified, rescinded or revoked in any manner since the date of its adoption, and the same is now in full force and effect.

I further certify that an agenda of said meeting was posted at least 72 hours before said meeting at a location in San José, California, freely accessible to the public, and a brief general description of the resolution to be adopted at said meeting appeared on said agenda.

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the Board of Supervisors of the County of Santa Clara hereto as of this date, May ___, 2024.

CURTIS BOONE
Acting Clerk of the Board of Supervisors
County of Santa Clara

EXHIBIT A

PROJECT COSTS OF THE COUNTY

2016 MEASURE A – AFFORDABLE HOUSING BOND USES

Uses of Measure A bond proceeds may include, but are not limited to, the following:

1. **Implementation Costs** - All program administrative costs, activity/project delivery costs, and soft costs, which will be documented in SAP, including:
 - a. **Program Administration** (covers costs for staff-time and overhead costs for planning and general administration, management, oversight, coordination and implementation of activities that will be funding with 2016 Measure A bond proceeds, reasonable costs of overall program management, marketing, monitoring and evaluation).
 - i. Oversight Committee staffing including cost of meeting materials.
 - ii. Independent Auditor (e.g., consultant costs)
 - iii. Loan Committee (materials and staff time)
 - iv. Salaries of executive officers, staff and consultants with general program oversight responsibilities
 1. Time spent developing general program policies and procedures;
 2. Dissemination of information on the program, eligible activities and how to apply;
 3. Dissemination of education in the community about affordable and supportive housing.
 - v. Leased office space
 - b. **Activity Delivery Costs** (covers the costs of staff directly carrying out the activity in addition to equipment, supplies and training that is necessary for successful completion of the activity; these costs are tied to a specific project/address)
 - i. Salaries of employees for the time devoted to a specific project (e.g., County Counsel, Finance Agency Staff, Accounting Project Manager, Planning)
 - ii. Cost of materials (e.g., paper for applications, loan agreements, file cabinets for filing applications)
 - iii. Cost of project-specific environmental costs (e.g., NEPA, CEQA compliance)
 - iv. Travel costs (e.g., site visits conducted to check on work progress).
2. **Program Area 1: Lending for Homeownership**
 - a. Downpayment assistance
 - b. Closing cost assistance

3. Program Area 2: Acquisition of and Lending for Affordable Housing

- a. Predevelopment: Needed to obtain the appropriate professional services, resources, and financing necessary to develop affordable and supportive housing. Costs eligible for reimbursement if projects proceed include the following:
 - i. Initial feasibility study
 - ii. Appraisal fees
 - iii. Cost of preliminary financial application
 - iv. Architectural fees for preliminary architectural design work (site and floor plans, elevations, renderings).
 - v. Engineering fees
 - vi. Fees for toxics and asbestos assessment studies (e.g., Phase I)
 - vii. Legal fees
 - viii. Permit fees (those necessary to apply for financing)
 - ix. Option agreements
 - x. Syndication expenses, including (tax credit application fees, legal fees, consultant fees)
 - xi. Title, recording and escrow charges associated with closing the Predevelopment Loan.
 - xii. Title clearance costs
 - xiii. Cost of construction loan commitments
 - xiv. Costs of entitlements/zoning approvals
- b. Acquisition if the intent is housing for owner occupied or rental units including the following:
 - i. Total Purchase Price (Land and/or Building Cost)
 - ii. Holding Costs
 - iii. Demolition
 - iv. Legal/ Title and Recording (associated with the acquisition)
 - v. Acquisition loan fees and/or interest
 - vi. Appraisal fees (if not included in predevelopment)
- c. Construction - Hard Costs
 - i. Demolition
 - ii. Toxic/Hazmat Abatement
 - iii. Off-site Improvement
 - iv. Site work (onsite and eligible offsite)
 - v. Structures
 - vi. Parking
 - vii. General Requirements
 - viii. Contractor Overhead
 - ix. Contractor Profit
 - x. Contractor Bond and General Liability Insurance
 - xi. Construction contingency

- xii. Utility connections
 - xiii. Testing and inspections
 - xiv. Prevailing Wage
- d. Architectural Fees
 - i. Design
 - ii. Supervision
 - iii. Survey and Engineering
- e. Construction Interest & Fees
 - i. Construction Loan Interest
 - ii. Origination Fee
 - iii. Construction loan expenses
 - iv. Payment and Performance Bonds
 - v. Property taxes during construction
 - vi. Insurance during construction
 - vii. Construction Title and Recording
- f. Permanent Financing
 - i. Loan Origination Fee
 - ii. Loan expenses
 - iii. Permanent Title and Recording
- g. Legal Fees
- h. Appraisal
- i. Other Development Related Costs
 - i. California Tax Credit Allocation Committee (TCAC) Application Fees
 - ii. Environmental Audit/Studies
 - iii. Soils Report
 - iv. Permit Processing Fees (e.g., Local permit fees)
 - v. School Fees
 - vi. Marketing
 - vii. Relocation Expenses (temporary and permanent)
 - viii. Accounting/Audit
 - ix. Acquisition/Predevelopment Loan Fees and expenses
 - x. Acquisition/Predevelopment Loan Interest
 - xi. Construction Management
 - xii. Holding Cost
 - xiii. Market Study
 - xiv. Security (during construction)
 - xv. Green Building Certification
 - xvi. Consultant
- j. Developer Costs
 - i. Developer Fee
 - ii. Consultant/Processing Agent

Resolution Authorizing Issuance and
 Sale of 2024 Series C G.O. Bonds
 (2016 Measure A) Not Exceeding
 \$350,000,000

EXHIBIT B

GOOD FAITH ESTIMATES

County of Santa Clara, California, General Obligation Bonds
(Election of 2016), 2024 Series C (Federally Taxable)
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds)

The following information was obtained from KNN Public Finance, LLC, as the municipal advisor of the bonds defined above (the “2024C Bonds”), for consideration prior to the authorization in the foregoing Resolution of the proposed 2024C Bonds:

1. *True Interest Cost of the 2024C Bonds.* Assuming an aggregate principal amount of the 2024C Bonds in the amount of \$350,000,000 is sold to effectuate the financing with annual debt service savings and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the 2024C Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the 2024C Bonds, is 5.05%.

2. *Finance Charge of the 2024C Bonds.* Assuming such a principal amount of the proposed 2024C Bonds is sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the Finance Charge of the 2024C Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the issuance of the 2024C Bonds), is \$2,250,000.

3. *Amount of Proceeds to be received.* Assuming such aggregate principal amount of the proposed 2024C Bonds required to effectuate the financing is sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the issuer for sale of the 2024C Bonds less the Finance Charge of the 2024C Bonds described in 2 above and any reserves or capitalized interest paid or funded with proceeds of the 2024C Bonds, is \$347,750,000.

4. *Total Payment Amount.* Assuming such aggregate principal amount of the proposed 2024C Bonds (\$350,000,000) are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the issuer will make to pay debt service on the 2024C Bonds plus the Finance Charge of the 2024C Bonds described in paragraph 2 above not paid with the proceeds of the 2024C Bonds, calculated to the final maturity of the 2024C Bonds, is \$560,682,460.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment

Resolution Authorizing Issuance and
Sale of 2024 Series C G.O. Bonds
(2016 Measure A) Not Exceeding
\$350,000,000

amount may vary from the estimates above due to variations from these estimates in the timing of 2024C Bond sales, the amount of 2024C Bonds sold, the amortization of the 2024C Bonds sold and market interest rates at the time of each sale. The date or dates of sale and the amount of 2024C Bonds sold will be determined by the issuer based on need for funds and other factors. The actual interest rates at which the 2024C Bonds will be sold will depend on the bond market at the time of sale. The actual amortization of the 2024C Bonds will also depend, in part, on market interest rates at the time of each sale. Market interest rates are affected by economic and other factors beyond the issuer's control.