



---

# Agenda

Tuesday, April 28, 2020

**Place:** County Board of Supervisors Chambers  
Kings County Government Center, Hanford, CA

**Time:** 11:00 a.m. or soon thereafter, immediately following the meeting of the Kings County Board of Supervisors

## **CALPFA PUBLIC MEETING PROTOCOL IN RESPONSE TO CORONAVIRUS COVID-19**

California Governor Gavin Newsom issued Executive Orders N-25-20 and N-29-20 on March 12, 2020 and March 17, 2020, respectively, relating to the convening of public agency meetings in light of the COVID-19 pandemic. The California Public Finance Authority hereby provides notice that it will convene its regularly scheduled public meetings by teleconference going forward, except as described below, until further notice.

Pursuant to the Executive Orders, and to maintain the orderly conduct of the meeting, the California Public Finance Authority will allow the Board of Directors, staff and interested members of the public to attend the meeting telephonically or by the Internet, and to participate in the meeting to the same extent as if they were present in the Board's Chambers. Members of the public who choose to attend the meeting virtually, using certain digital or landline phones, may listen to the audio broadcast of the meeting, but will not be able to comment during the meeting. Only those members of the public who cannot participate virtually, due to a need for a special accommodation (vision, hearing, etc.), may attend the meeting in the Board Chambers where efforts will be made to allow adequate social distancing and to ensure that exposed surfaces are sanitized. No more than 10 individuals will be allowed in the Board Chambers at a time. To secure the accommodation consistent with the American's with Disabilities Act and to attend in person, interested parties will need to contact the Clerk of the Board as directed below no later than 8:30 a.m. the morning of the meeting.

Members of the public who wish to participate in the meeting virtually can do so one of three ways: Via the worldwide web; by telephone; or by postal or electronic mail. Members of the public who participate via their computers or through the WebEx app, may provide public comment at the meeting by using the "Raise Your Hand" function. Public comment will be limited to two (2) minutes during the "Unscheduled Appearances" section of the meeting. Public comment will not be available via phone. All others who wish to submit comments may only do so as outlined below.

- **Web Access:** To access the meeting via computer, please go to the Kings County homepage (<https://www.countyofkings.com/>) and click on the link that says **Join Meeting**. You may also participate from your smart phone by downloading the **WebEx Meetings app** to your smartphone. After opening the app, click on **Join Meeting**, and then enter the meeting information. The **meeting number 285 275 567** and the **password is KingsBOS**. **This meeting will take place following the Kings County Board of Supervisors meeting (but no sooner than 11:00 a.m.) in the same WebEx meeting.**
- If you have trouble logging in through the Internet, you may join the meeting via telephone by calling **(415) 655-0003**, then enter the **access code of 285 275 567#**.
- For members of the public who wish to participate, but are unable to do so virtually, you may submit written comments on any matter within the Board's subject matter jurisdiction, regardless of whether it is on the agenda for Board consideration or action, and those comments will be entered into the administrative record of the meeting. To submit written comments by U.S. Mail or email for inclusion in the meeting record, they must be received by the Clerk of the Board no later than 9:30 a.m. on the morning of the noticed meeting. To submit written comments by email, please forward them to either [Catherine.Venturella@co.kings.ca.us](mailto:Catherine.Venturella@co.kings.ca.us) or [Melanie.Curtis@co.kings.ca.us](mailto:Melanie.Curtis@co.kings.ca.us). To submit such comments by U.S. Mail, please forward them to:

Clerk of the Board, County of Kings, 1400 W. Lacey Blvd., Hanford, CA 93230

### **1. CALL TO ORDER**

ROLL CALL – Clerk to the Board

### **2. APPROVAL OF MINUTES**

Approval of the minutes from the April 14, 2020 regular meeting.

### **3. NEW BUISNESS**

- a. Consideration of approving resolution 20-01A for SPL Total Solutions, LLC, City of Brea, County of Orange; up to \$40,000,000 in taxable revenue bonds.

**4. PUBLIC COMMENT**

*Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.*

**5. STAFF UPDATES**

**6. ADJOURNMENT**

*Adjourn as the California Public Finance Authority.*



CALIFORNIA  
PUBLIC  
FINANCE  
AUTHORITY

**2. APPROVAL OF MINUTES**

Approval of the minutes from the April 14, 2020 regular meeting.



# Action Summary

Tuesday, April 14, 2020

**Place:** County Board of Supervisors Chambers  
Kings County Government Center, Hanford, CA

**Time:** 10:00 a.m. or soon thereafter, immediately following the meeting of the Kings County Board of Supervisors

## CALPFA PUBLIC MEETING PROTOCOL IN RESPONSE TO CORONAVIRUS COVID-19

California Governor Gavin Newsom issued Executive Orders N-25-20 and N-29-20 on March 12, 2020 and March 17, 2020, respectively, relating to the convening of public agency meetings in light of the COVID-19 pandemic. The California Public Finance Authority hereby provides notice that it will convene its regularly scheduled public meetings by teleconference going forward, except as described below, until further notice.

Pursuant to the Executive Orders, and to maintain the orderly conduct of the meeting, the California Public Finance Authority will allow the Board of Directors, staff and interested members of the public to attend the meeting telephonically or by the Internet, and to participate in the meeting to the same extent as if they were present in the Board's Chambers. Members of the public who choose to attend the meeting virtually, using certain digital or landline phones, may listen to the audio broadcast of the meeting, but will not be able to comment during the meeting. Only those members of the public who cannot participate virtually, due to a need for a special accommodation (vision, hearing, etc.), may attend the meeting in the Board Chambers where efforts will be made to allow adequate social distancing and to ensure that exposed surfaces are sanitized. No more than 10 individuals will be allowed in the Board Chambers at a time. To secure the accommodation consistent with the American's with Disabilities Act and to attend in person, interested parties will need to contact the Clerk of the Board as directed below no later than 8:30 a.m. the morning of the meeting.

Members of the public who wish to participate in the meeting virtually can do so one of three ways: Via the worldwide web; by telephone; or by postal or electronic mail. Members of the public, who participate via their computers or through the WebEx app, may provide public comment at the meeting by using the "Raise Your Hand" function. Public comment will be limited to two (2) minutes during the "Unscheduled Appearances" section of the meeting. Public comment will not be available via phone. All others who wish to submit comments may only do so as outlined below.

- **Web Access:** To access the meeting via computer, please go to <https://countyofkings.webex.com/countyofkings/j.php?MTID=m679681def36b5255e8161cfd23100384>. You may also participate from your smart phone by downloading the **WebEx Meetings app** to your smartphone. After opening the app, click on **Join Meeting**, and then enter the meeting information. The **meeting number is 283 947 372** and the **password is KingsBOScpfa**. **Please note that the time stated in WebEx is not correct for this meeting. 10:00 a.m. is the correct time.**
- If you have trouble logging in through the Internet, you may join the meeting via telephone by calling **(415) 655-0003**, then enter the **access code of 283 947 372#**.
- For members of the public who wish to participate, but are unable to do so virtually, you may submit written comments on any matter within the Board's subject matter jurisdiction, regardless of whether it is on the agenda for Board consideration or action, and those comments will be entered into the administrative record of the meeting. To submit written comments by U.S. Mail or email for inclusion in the meeting record, they must be received by the Clerk of the Board no later than 9:30 a.m. on the morning of the noticed meeting. To submit written comments by email, please forward them to either [Catherine.Venturella@co.kings.ca.us](mailto:Catherine.Venturella@co.kings.ca.us) or [Melanie.Curtis@co.kings.ca.us](mailto:Melanie.Curtis@co.kings.ca.us). To submit such comments by U.S. Mail, please forward them to:

Clerk of the Board, County of Kings, 1400 W. Lacey Blvd., Hanford, CA 93230

### 1. CALL TO ORDER

ROLL CALL – Clerk to the Board

**MEMBERS PRESENT: JOE NEVES, DOUG VERBOON, CRAIG PEDERSEN, RICHARD FAGUNDES**

**MEMBERS ABSENT: RICHARD VALLE**

### 2. APPROVAL OF MINUTES

Approval of the minutes from the March 31, 2020 regular meeting.

**ACTION: APPROVED AS PRESENTED (RF, JN, CP, DV- Aye, RV-Absent)**

**3. CONSENT CALENDAR**

- a. Consideration of approving an inducement resolution 20-03I for 1717 University Associates, LLC (The Bosco), City of Berkeley, County of Alameda; up to \$12,000,000 in revenue bonds.

**ACTION: APPROVED CONSENT CALENDAR AS PRESENTED (JN, CP, RF, DV-Aye, RV-Absent)**

**4. PUBLIC COMMENT**

*Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item. **None***

**5. STAFF UPDATES**

**None**

**6. ADJOURNMENT**

*The meeting was adjourned at 10:23 a.m.*



CALIFORNIA  
PUBLIC  
FINANCE  
AUTHORITY

**3. NEW BUSINESS**

- a. Consideration of approving resolution 20-01A for SPL Total Solutions, LLC, City of Brea, County of Orange; up to \$40,000,000 in taxable revenue bonds.



**DATE:** APRIL 28, 2020

**APPLICANT:** SPL TOTAL SOLUTIONS, LLC

**AMOUNT:** UP TO \$40 MILLION OF REVENUE BONDS

**PURPOSE:** FINANCE REAL ESTATE, PERSONAL PROPERTY, WORKING CAPITAL AND OTHER CORPORATE ASSETS FOR JOB RETENTION, TAX BASE PRESERVATION AND ECONOMIC DEVELOPMENT PURPOSES

**PRIMARY ACTIVITY:** LOCAL EMPLOYER, TITLE AND RECORDATION SERVICES

**LEGAL STRUCTURE:** LIMITED LIABILITY COMPANY

**Background:**

SPL Total Solutions, LLC (“Borrower”) is a special purpose entity formed to borrow the proceeds of the Bonds, which it will use to (i) finance the acquisition of certain companies and corporations, including SYNREGO, Inc., a corporation duly organized and validly existing under the laws of the State of California, and California Research Tabulations, Inc., a corporation duly organized and validly existing under the laws of the State of California (“CRT”); (ii) finance the acquisition and equipping by the Company of an office building located at 590 West Lambert Road, Brea, California, together with the land and improvements thereon (the “Lambert Road Facility”); (iii) finance the acquisition and equipping by the Borrower of an office building located at 595 Vanguard Way, Brea, California, together with the land and improvements thereon (the “Vanguard Way Facility”); (iv) repay certain outstanding debt; (v) satisfy working capital requirements for the Company; and (vi) pay certain costs of issuance (collectively, the “Project”).

The Project will help to keep the above-referenced commercial activities in the City of Brea, including the jobs at the above locations, thereby providing public benefits to the City of Brea, as described below.

**Public Benefit:**

With the Brea City Council’s authorization and direction, the City of Brea has provided a letter indicating that the project will provide economic development, job development, real estate improvements, business retention and increased local revenue. The borrower has recently added 10 jobs to its operations in the City of Brea.

**TEFRA Information:**

No TEFRA is required as this is a taxable financing.



**Finance Team:**

- Bond Counsel: Jones Hall, A Professional Law Corporation, San Francisco
- Bond Trustee: U.S. Bank National Association, Los Angeles
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Placement Agent: Westhoff, Cone & Holmstedt, Walnut Creek
- Private Placement: Accredited Investors (3), including NATB LLC, Teton Financial Membership Series, LLC, Swiss Alpha Management

**Financing Structure:**

The Bonds will be privately placed with the above accredited investors. The interest rate will be 6.0% fixed for a term of 15 years. The Bonds will be unrated. Three office buildings will be acquired by the Borrower, at which time the Borrower will grant a deed of trust to the bond trustee to secure the Bonds. The Bonds are also secured by the bond proceeds until spent. The proposed issuance is in accordance with CalPFA’s issuance guidelines.

**Estimated Sources and Uses:**

Sources	
Par Amount*	36,000,000.00
	36,000,000.00
Uses	
Total Project Costs	35,755,000.00
Costs of Issuance	245,000.00
	36,000,000.00

\* Preliminary, subject to change.

**Recommendation:**

Based on the overall Project public benefit and finance related considerations detailed above and compliance with CalPFA’s general and issuance policies, Staff recommends that the Board of Directors approve the Resolution as submitted to the Board, which:

1. Approves the issuance of the Bonds and the loan of the proceeds thereof to the Borrower;
2. Approves all necessary actions and documents in connection with the financing; and
3. Authorizes any member of the Board or authorized signatory to sign all necessary documents.





## City of Brea

April 7, 2020

California Public Finance Authority  
800 S. Broadway, Suite 470  
Walnut Creek, CA 94596  
Attention: Scott Carper, Program Administrator

Re: Proposed Synrgo Project

Dear Mr. Carper:

I am delivering this letter in response to the request by California Public Finance Authority (“**CalPFA**”). The City of Brea (the “**City**”) understands that CalPFA is proposing to issue bonds (“**Bonds**”) to finance a project by Synrgo, Inc., a California corporation (“**Synrgo**”) to, among other things, acquire and improve properties located in the City to expand an existing business (the “**Project**”). The City is not a member of CalPFA and will not be a participant in any part of the proceedings for the issuance of the Bonds.


Synrgo has represented to the City that the Project will increase jobs to the City. The City Council, on April 7, 2020, authorized the delivery of this letter. The City Council understands that the Project, based on Synrgo’s representations, will promote:

1. Economic development and business expansion;
2. Job development;
3. Building tenant improvement and new equipment;
4. Business retention; and
5. Increased local revenue.

This letter is not intended to be, and shall not be interpreted as, the City’s approval of any required City entitlements or permits for the Project. This letter does not affect, positively or negatively, the City’s full legal discretion to grant or deny any City entitlements or permits, or other approvals required for the Project or to enforce any City local laws or requirements relating to the Project. The City will have no responsibility or liability whatsoever with respect to the Bonds. The City has not undertaken any independent review of the feasibility of the Project, the expected financing or operation of the Project or the Synrgo’s ability to fulfill its repayment or other obligations in connection with the Bonds.

CITY OF BREA

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

  
William Gallardo  
City Manager

City Council

**Marty Simonoff**  
Mayor

**Steven Vargas**  
Mayor Pro Tem

**Cecilia Hupp**  
Council Member

**Christine Marick**  
Council Member

**Glenn Parker**  
Council Member

**RESOLUTION NO. 20-01A**

**CALIFORNIA PUBLIC FINANCE AUTHORITY**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000 TO FINANCE AN ECONOMIC DEVELOPMENT PROJECT FOR SPL TOTAL SOLUTIONS LLC OR AN AFFILIATE THEREOF AND OTHER MATTERS RELATING THERETO**

WHEREAS, 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 “Act”), Kings County and the Housing Authority of Kings County (the “Charter Members”) entered into a joint exercise of powers agreement (the “Agreement”) pursuant to which the California Public Finance Authority (the “Authority”) was organized;

WHEREAS, the Authority is authorized by its Agreement and under the Act to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing of certain projects;

WHEREAS, the SPL Total Solutions, LLC, a California limited liability company (the “Company”), wishes to finance the uses of proceeds (the “Project”) described in the transaction term sheet attached hereto as Exhibit A (the “Term Sheet”) to be located in the City of Brea, California (the “City”);

WHEREAS, the Company is requesting the assistance of the Authority in financing the Project;

WHEREAS, pursuant to an Indenture of Trust (the “Indenture”), between the Authority and U.S. Bank National Association (the “Trustee”), the Authority will issue the California Public Finance Authority Taxable Revenue Bonds (SPL Total Solutions, LLC) Series 2020A, Series 2020B and Series 2020C (collectively, the “Bonds”) for the purpose, among others, of financing the Project;

WHEREAS, pursuant to a Loan Agreement (the “Loan Agreement”), between the Authority and the Company, the Authority will loan the proceeds of the Bonds to the Company for the purpose, among others, of financing the Project;

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Authority, as a conduit financing provider, has received certain representations and good faith estimates from the Company and has disclosed such good faith estimates as set forth on Exhibit B attached hereto; and

WHEREAS, there have been made available to the Board of Directors of the Authority the following documents and agreements:

- (1) A proposed form of the Indenture; and

- (2) A proposed form of the Loan Agreement;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Public Finance Authority, as follows:

**Section 1.** Pursuant to the Act and the Indenture, the Authority is hereby authorized to issue its revenue bonds designated as the “California Public Finance Authority Taxable Revenue Bonds,” in one or more series designated “Series 2020A,” “Series 2020B,” “Series 2020C” and with such other series designations as may be deemed appropriate by the Authorized Signatory (defined below), all in an aggregate principal amount not to exceed forty million dollars (\$40,000,000). The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indenture. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Board of Directors of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 18-01C of the Authority, adopted on December 4, 2018 (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the manual signature of any Authorized Signatory.

**Section 2.** The proposed form of Indenture, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Indenture in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The trustee, dated date, maturity date or dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

**Section 3.** The proposed form of Loan Agreement, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 4.** The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee’s Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

**Section 5.** The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

**Section 6.** All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

**Section 7.** This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 28th day of April, 2020.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called and properly noticed regular meeting of the Board of Directors of the Authority, at which a quorum was acting and present throughout, held in accordance with law on April 28, 2020.

By: \_\_\_\_\_  
Authorized Signatory  
California Public Finance Authority

## EXHIBIT A

### TERM SHEET

SYNRGO Bond Financing  
Term Sheet  
4/20/20 v.5

Issuer	California Public Finance Authority
Borrower	SPL Total Solutions LLC
Bond Trustee	U.S. Bank National Association
Bond Purchasers	<ul style="list-style-type: none"><li>• NATB LLC, for the Chihene Nde Apache (NATB)</li><li>• Teton Financial Membership Series, LLC - Teton Savings &amp; Loan - Series 2 (TFMS) Shoshone &amp; Apache</li><li>• Swiss Alpha Management (HK, Swiss Family Office) also representing NATB &amp; TFMS</li></ul>
Purchaser Restrictions	<ul style="list-style-type: none"><li>• All bond purchasers must be “Accredited Investors” under Reg. D or “Qualified Institutional Buyers” under Rule 144A.</li><li>• All purchasers will need to sign a traveling investor letter.</li><li>• All initial purchasers will need to be represented by counsel (Mike Meyer).</li></ul>
Placement Agent	Westhoff, Cone & Holmstedt.
Minimum Denomination	\$500,000 or multiples of \$5,000 in excess thereof
DTC Book-Entry Only	Yes.
Principal Amount of Bonds	\$36,000,000 - 3 series of \$12 million each, a pro rata strip for each purchaser.
Other Sources	None.
Uses	<p>The proceeds of the Bonds must be used for the following purposes unless otherwise approved in writing:</p> <ul style="list-style-type: none"><li>• Acquire Stock: Acquire 100% of shares in two companies, SYNRGO and CRT, owned by same two parties. The payment for the shares will be made by paying off two owner loans of \$1.4M and \$1.1M <span style="float: right;">\$ 2,500,000</span></li><li>• Acquire Real Estate: (The two owners of the target companies also own 3 Office Buildings valued at \$6M+</li></ul>

	<p>FMV. Payment will be made in \$2.5M of cash plus assuming mortgages of \$3.8M <span style="float: right;">2,500,000</span></p> <ul style="list-style-type: none"> <li>• Tenant Improvements (some repairs and some build out of empty space) <span style="float: right;">1,000,000</span></li> <li>• Acquire Equipment/Furnishings (furniture, computer, etc.) <span style="float: right;">1,000,000</span></li> <li>• Working Capital (a little more than 1 month of op. ex.) <span style="float: right;">2,000,000</span></li> <li>• Payoff Debt (current owners have a Marquette Capital Line; this is traditional working capital that has been converted to long term debt, not to be confused with short term line from Marquette used to advance moneys in RE escrows) <span style="float: right;">19,000,000</span></li> <li>• Acquisitions (about 11 or 12 companies targeted to acquire and roll up into existing business or expand business into other areas) <span style="float: right;"><u>8,000,000</u></span></li> </ul> <p>Total <span style="float: right;">\$36,000,000</span></p>
Interest	<p>Rate - Fixed rate (6% per annum)  Default Rate - Fixed rate plus 400 bps  day count - actual/actual  IPDs - quarterly, beginning 10/1/2020  Arrears/advance - in arrears  Interest only - for first 5 years, then principal amortizes (see below).  Capitalized Interest - none</p>
Bond Interest Tax Treatment	Federally taxable; state tax-exempt
Points, Other Fees and Expenses	None
Bond Maturity	15 years
Bond Amortization	Interest only for first 5 years. Then starting at the end of year 5, principal begins to amortize according to a level-debt, 20 year amortization schedule but outstanding balance is paid off at maturity at the end of the 15th year (i.e., 10 years of amortization with a balloon).
Bond Prepayment	Lockout? None.

	Premium? Prepayable at any time without premium.
Security for the Bonds (describe)	<p>The following security will be provided by the Borrower for repayment of the Bond debt:</p> <ul style="list-style-type: none"> <li>• Second lien mortgage on three office buildings, including land and all improvements, after the \$3.8M first mortgages</li> <li>• First lien (or as high as possible given existing liens) on all FF&amp;E and other personal property, hard and intangible.</li> <li>• Pledge of Revenues? Yes.</li> <li>• DACA? - No security interest in accounts.</li> <li>• Collateral Assignments - Stock in companies, TI contract, Architecture, other? None.</li> <li>• Personal or corporate guaranties? Spouses? Joint and several? None.</li> <li>• CLTA Loan Policy (no survey). Yes.</li> <li>• Reserves (operating, replacement, debt service). No.</li> </ul> <p>NOTE: the real estate acquisitions will close some time after the bond closing. See “Closing Date,” below.</p> <p>The Bonds are fully nonrecourse to the Bond Issuer. The Bonds will only be paid to the extent of payments or collateral made available by the Borrower. <b>Under no circumstances will Bond Issuer, the State of California, the City of Brea or any other governmental entity be liable to pay the Bonds from any other source.</b></p>
Recourse to Borrower	Yes. This debt is a general obligation of the borrower, and is to be further secured as described herein.
Disbursement of Bond Proceeds	Fully funded - yes, fully funded at closing into a project fund held by trustee. Project fund requisitions subject to signature of Bondholder Representative (James D. Daily, Esq. or Ben Zvenia)
Due diligence / Conditions to Closing	<p>Appraisal - completed and sent to purchasers.</p> <p>Survey - not required for bond closing.</p> <p>Environmental - not required for bond closing.</p> <p>TI plan and GC review - not required for bond closing.</p>

	<p>Building Permits - not required for bond closing.</p> <p>Borrower resolutions - Company counsel is working on this.</p>
Financial Covenants	None.
Other Covenants	<p>Start and completion of TI - no</p> <p>Financial or other reporting - basic quarterly and annual accounting. Other info, as reasonably requested.</p> <p>Insurance (hazard, liability, workers' comp, other?) - None, bondholders have other insurance arrangements in place with the borrower.</p> <p>Environmental indemnity - use standard provision.</p> <p>General indemnity - not required by bondholders.</p> <p>Tax and insurance deposits - borrower pays taxes and insurance on their own.</p>
Acceleration	<p>Accelerable with a cure period, and voluntary forbearance at discretion of bondholders.</p> <p>Due on Sale of RE? Yes, due on sale but bondholders have the right to consent not to be unreasonably withheld.</p> <p>Due on sale of company(ies)? Yes, bondholder wants the option to make bonds due.</p>
Property Ownership	<p>Is there a requirement for a particular entity to own the RE?</p> <p>Personal property? No.</p>
Closing Date	<p>The bond closing is anticipated to take place on 4/30/2020. However, the acquisition of the real estate and associated personal property, and the completion of the other project fund "Uses" described above, will take place after the bond closing. Therefore, the borrower's delivery of any associated security or collateral, such as deeds of trust, personal property security, title policies and the like, will not take place until such "Uses" transactions occur. The Bondholders will be secured primarily by the project fund held by the bond trustee until such time as the proceeds therein are spent on the project, as described in "Uses," above. The disbursement of proceeds from the project fund are subject to signature approval of the Bondholder Representative (TBD). The Bondholder Representative's approval can be conditioned on delivery of security and collateral expected from Borrower - that will be up to the Bondholders and their Bondholder Representative.</p>



## EXHIBIT B

### PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the "COMPANY") identified below has provided the following required information to California Public Finance Authority (the "Authority") as conduit financing provider, prior to the Authority's regular meeting (the "Meeting") of its board of directors (the "Board") at which Meeting the Board will consider the authorization of conduit revenue obligations (the "Obligations") as identified below.

1. Name of Corporation: SPL Total Solutions, LLC
2. Authority Meeting Date: April 28, 2020
3. Name of Obligations: Taxable Revenue Bonds (SPL Total Solutions, LLC), Series 2020A, Series 2020B and Series 2020C
4.  Private Placement Lender or Bond Purchaser,  Underwriter or  Financial Advisor (mark one) engaged by the Corporation provided the Corporation with the required good faith estimates relating to the Obligations as follows:
  - (A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 6.1%.
  - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$245,000.
  - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$35,755,000.
  - (D) The total payment amount, which means the sum total of all payments the Corporation will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$66,210.668.
5. The good faith estimates provided above were presented to the governing board of the Corporation, or presented to the official or officials or committee designated by the governing board of the Corporation to obligate the Corporation in connection with the Obligations or, in the absence of a governing board, presented to the official or officials of

the Corporation having authority to obligate the Corporation in connection with the Obligations (mark one).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Corporation.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: April 28, 2020