

NOTICE OF PUBLIC HEARING

PUBLIC NOTICE IS HEREBY GIVEN that a public hearing will be held by the City Council of the City of Santa Barbara, California (the “City”), at 735 Anacapa Street, City Council Chambers, Santa Barbara, California 93101, on May 23, 2023, at 2:00 p.m., or as soon thereafter as the hearing may be held, with respect to the issuance by the California Enterprise Development Authority (the “Authority”) from time to time, pursuant to a plan of finance, of one or more series of its tax-exempt bonds, notes, or other evidence of indebtedness pursuant to Section 145 of the Internal Revenue Code of 1986, as amended, for the benefit of Sanctuary Centers of Santa Barbara, Inc., a nonprofit public benefit corporation, duly organized and existing under the laws of the State of California (the “State”), and/or a related entity (the “Borrower”) in an aggregate principal amount not to exceed \$15,000,000.00 (the “Obligations”). The proceeds of the Obligations are expected to be loaned to the Borrower pursuant to one or more loan agreements (collectively, the “Loan Agreement”). The proceeds of the Obligations will be applied by the Borrower to (a) to finance or reimburse the cost of acquisition, construction, installation, furnishing and equipping of a five-story facility that will include 34 low-income supportive housing units, an integrated care clinic, and space for related activities and services located at 115 W. Anapamu Street, Santa Barbara, California 93101 (the “Facilities”); (b) to pay a portion of the interest on the Obligations, if deemed necessary or advisable by the Borrower; (c) to provide working capital to the Borrower, if deemed necessary or advisable by the Borrower; (d) to fund a debt service reserve fund, if deemed necessary or advisable by the Borrower; and (e) to pay certain expenses incurred in connection with the issuance of the Obligations.. The Facilities will be owned and used by the Borrower in connection with the Borrower’s mission to provide clients with powerful, comprehensive and transformative mental health care.

The Obligations will not be deemed to constitute a debt or liability of the City, the State of California (the “State”) or any political subdivision thereof, but will be payable solely from the funds provided therefor by the Borrower. The Authority will not be obligated to pay the principal of the Obligations, or the redemption premium, if any, or interest thereon, except from funds provided from loan repayments by the Borrower.

Neither the faith and credit nor taxing power of the City, the State or any political subdivision thereof, will be pledged to the payment of the principal or redemption premium, if any, or interest on the Obligations. The issuance of the Obligations will not directly, indirectly or contingently obligate the City, the State or any political subdivision thereof to levy or to pledge any form of taxation or to make any appropriation for their payment. The City is conducting the public hearing as an accommodation to the Borrower to facilitate the financing of the Facilities and the payment of the costs of issuing the Obligations. The City will not be the issuer of the Obligations and takes no responsibility for the financing of cost of the development, construction, installation, equipping and furnishing of the Facilities.

Those wishing to comment on the proposed financing and the nature and location of the Facilities may either appear in person at the public hearing or submit written comments, which must be received by the City prior to the hearing. Written comments should be sent to the City Clerk, City of Santa Barbara, 735 Anacapa Street, Santa Barbara, California 93101.