

DESERT COLLEGE FINANCING CORP.

RESOLUTION APPROVING, AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY BY THE CORPORATION OF CERTAIN DOCUMENTS IN CONNECTION WITH THE TERMINATION AND UNWINDING OF THE 2014 NEW MARKETS TAX CREDITS FINANCING TRANSACTION AND AUTHORIZING AND DIRECTING THE EXECUTION OF NECESSARY DOCUMENTS AND TAKING CERTAIN ACTIONS WITH RESPECT THERETO

RESOLVED, by the Board of Directors (the "Board") of the Desert College Financing Corp., a California nonprofit public benefit corporation (the "Corporation");

WHEREAS, as authorized by Resolution adopted by this Board on June 16, 2014, the Corporation, working together with the Desert Community College District, a political subdivision organized and existing under the constitution and laws of the State of California (the "District"), participated in a new markets tax credit financing (the "NMTC Financing") with BCCCXI, LLC, a California limited liability company (the "CDE Lender") which provided a loan to the Corporation from the CDE Lender in the amount of Eight Million Nine Hundred Twenty-Eight Thousand Dollars (\$8,928,000) (the "CDE Loan"); the proceeds of the CDE Loan were used to finance and refinance the construction of the District's East Valley Campus Education Center in Indio (collectively, the "Project");

WHEREAS, the NMTC Financing closed on June 25, 2014 (the "Closing Date"); a summary of that transaction is set forth at Attachment No. 1 hereto;

WHEREAS, U.S. Bancorp Community Development Corporation as "Investor" has advised the District that the Investor will exercise its rights under that certain Put and Call Agreement (the "Put and Call Agreement") between the District as "Purchaser" and Investor. The Put and Call Agreement provides, among other matters, that the Investor may put to the District all of Investor's membership interest in Twain Investment Fund 10, LLC (the "Investment Fund") for \$1,000 on or about the 7th anniversary of the Closing Date, June 25, 2021;

WHEREAS, the exercise of the put by Investor will initiate the following events (collectively, the "Unwind"): the District will become the sole member of the Investment Fund and the holder of the promissory notes evidencing the CDE Loan; the District will become the "Beneficiary" under the leasehold deed of trust (the "Senior Deed of Trust") securing repayment of the CDE Loan, and the junior leasehold deed of trust (the "Junior Deed of Trust") securing repayment of a subordinate loan by the District to the Corporation in the amount of \$10,000,000 (the "District Loan");

WHEREAS, in addition to the events described in the prior paragraph, upon exercise of the put, the Investor and the CDE will request the Corporation to enter into those agreements as listed on Attachment No. 2 hereto;

WHEREAS, upon completion of the Unwind, the District will reconvey the Senior Deed of Trust and the Junior Deed of Trust, and the Corporation as Lessee and the District as Lessor will terminate the Site Lease, and the Corporation as Lessor and the District as Lessee will terminate the Lease Agreement; the agreements to implement the foregoing actions (and below) are listed on Attachment No. 3 hereto;

WHEREAS, it is in the public interest and for the public benefit that the Corporation authorize and direct execution of those documents as are convenient and necessary to implement the Unwinding of the NMTC financing;

WHEREAS, the Corporation has full legal right, power and authority under the laws of the State of California to enter into the transactions herein authorized;

WHEREAS, the Board has been presented with the form of each document referred to and defined herein, and the Board has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of the transactions contemplated thereby; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of such transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Corporation is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DESERT COLLEGE FINANCING CORPORATION, ORDERED and DETERMINED as follows:

Section 1. All of the recitals above are true and correct and the Board so finds.

Section 2. The proposed forms of the below-enumerated documents, as presented to this Board and on file with the Secretary of the Corporation, be and are hereby approved, and the President, Vice President or such other member of the Board as the President may designate, are each hereby authorized and directed to execute said documents for and in the name of and on behalf of the Corporation, with such changes, insertions and omissions as may be approved by such officials, and the Secretary is hereby authorized and directed to attest to such official's signature.

Section 3. At such time as all of the assets of the Corporation have been distributed and all liabilities of the Corporation have been satisfied, the Corporation has no assets, the Corporation shall wind up and dissolve, and if these resolutions have not been approved by all of the Directors of the Corporation, California Form ELEC NP, Nonprofit Certificate of Election to Wind Up and Dissolve shall be executed.

Section 4. At such time as the known debts and liabilities of the Corporation have been actually paid or paid as far as its assets permitted, the Corporation shall be dissolved and California Form DISS NP, Nonprofit Certificate of Dissolution, shall be executed by a majority of the Directors then in office, or if there is only one director in office, by the sole director. The Corporation or its counsel shall request from the California Attorney General's Registry of Charitable Trusts, a waiver of objections to dissolution.

Section 5. The Board does hereby approve, authorize, ratify and confirm (a) the execution and delivery by the Corporation of the documents to implement the Unwind to which the Corporation is a party and (b) the consummation of all other transactions described in the recitals to this Resolution and documents as may be required to implement the unwinding of the NMTC Financing transaction and to wind up and dissolve the Corporation.

Section 6. The Board authorizes and directs the President or Vice President, on behalf of the Corporation or such other member of the Board or other permitted person as the President may designate or as required by law, to take such further actions and execute documents as are deemed necessary and appropriate to unwind the NMTC Financing transaction, to wind up and dissolve the Corporation, and to perform its obligations under the foregoing.

Section 7. The President or Vice President, on behalf of the Corporation or such other member of the Board or other permitted person as the President may designate or as required by law, is authorized and directed to cause and take such further actions prior to the signing of the final documents and instruments as are deemed necessary or appropriate to implement the unwinding of the NMTC Financing transaction and dissolving the Corporation. The execution of the final documents and instruments shall include such changes and additions thereto deemed advisable by the President or Vice President and shall be conclusive evidence of the approval of such documents and instruments.

Section 8. This Resolution shall take effect immediately upon its adoption.

Section 9. All actions heretofore taken by the officers, employers and agents of the Corporation with respect to the NMTC Financing and the transactions contemplated by the foregoing resolutions are hereby ratified, affirmed, and approved in all respects.

* * * * *

SECRETARY'S CERTIFICATE

I, Bryan H. Montgomery, Secretary of the Desert College Financing Corp., hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors of said Corporation duly and regularly held on the 26th day of May, 2021 were present; and that at said meeting said resolution was adopted by the following vote:

AYES: 4

NOES: 0

ABSENT: 1

An agenda of said meeting was posted at least 72 hours before said meeting at Desert Community College District, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office; that the foregoing resolution 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 or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: May 26, 2021.



Name: Bryan H. Montgomery
Vice President/Secretary
Desert College Financing Corp.

ATTACHMENT NO. 1

SUMMARY OF THE NMTC FINANCING FOR THE DCCD EAST VALLEY
EDUCATION CENTER CLOSED ON JUNE 25, 2014

On June 25, 2014, in order to close the NMTC Financing, the following events took place:

1. The Investor, US Bancorp Community Development Corporation, paid \$2,901,600 to Twain Investment Fund 10, LLC (the "Investment Fund"), and the District, as the "leverage lender" made the Leverage Loan in the amount of \$6,403,700 to the Investment Fund.

2. The Investment Fund made a "Qualified Equity Investment" in BCCCXI, LLC (the "CDE Lender") in the amount of \$9,300,000.

3. The CDE Lender made two loans in the aggregate amount of \$8,928,000 to Desert College Financing Corp., a special purpose entity created for this transaction.

4. The District made a loan in the amount of \$10,000,000 to the Financing Corp; the proceeds of the CDE Loan and the District loan were used to pay transaction costs and to purchase a 70-year leasehold (the "Site Lease") from the District for \$18,111,565, and the District used those funds to reimburse itself for costs incurred to construct the East Valley Education Center.

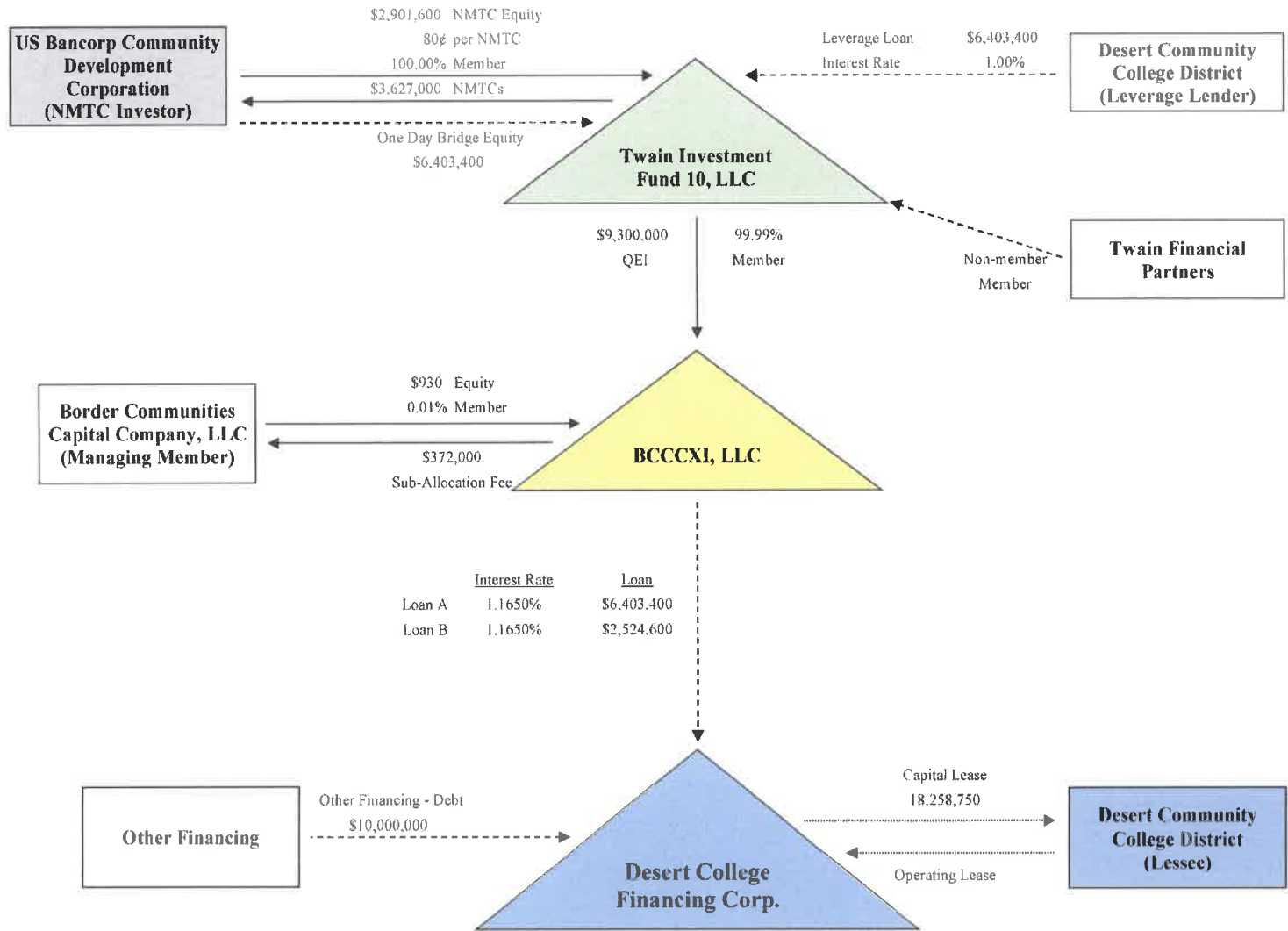
5. The Financing Corp. executed and recorded 2 leasehold deeds of trust: one to secure repayment of the CDE Loan and one to secure repayment of the District Loan.

6. The Financing Corp. then master leased the property to the District pursuant to the Project Lease for a term of 28 years.

For the next 7 years (the "Compliance Period"): The Investor benefited from the NMTCs; the District paid rent to the Financing Corp.; the Financing Corp. paid interest on the CDE Loans; the CDE Lender distributed funds to the Investment Fund; and the Investment Fund paid interest to the District on the Leverage Loan. At the end of the Compliance Period the Investor has received all of the benefits from the NMTCs, and may exercise its "Put" in order to exit the transaction, and the parties may Unwind the transaction.

Attached to this summary is a diagram depicting the NMTC closing.

**COD EAST VALLEY CAMPUS EDUCATION CENTER
 USB PROJECT # 22972
 FINANCIAL FORECAST
 ENTITY FLOW CHART - AT CLOSING**



PRELIMINARY DRAFT - FOR DISCUSSION PURPOSES ONLY
 This draft is subject to adjustments and/or revisions.

ATTACHMENT NO. 2

DOCUMENTS TO BE EXECUTED BY
THE DESERT COMMUNITY COLLEGE DISTRICT
AND
DESERT COLLEGE FINANCING CORP.
IN CONNECTION WITH THE JUNE 2021 UNWINDING OF THE NEW MARKETS
TAX CREDITS FINANCING

TO BE EXECUTED BY DESERT COMMUNITY COLLEGE DISTRICT

- (a) Membership Interest Purchase Agreement between the Investor and the District for the purchase of all of the membership interests in Twain Investment Fund, LLC;
- (b) Confirmation and Reaffirmation of QALICB Recapture Indemnity to be executed by the District and the Corporation for the benefit of the Investor;
- (c) Lost Note Affidavit (Leverage Loan) to be executed by the District;
- (d) Assignment of Loan Documents by CDE Lender and the District; and
- (e) Assignment of Recorded Documents by CDE Lender and the District.

TO BE EXECUTED BY DESERT COLLEGE FINANCING CORP.

- (a) Confirmation and Reaffirmation of QALICB Recapture Indemnity to be executed by the District and the Corporation for the benefit of the Investor;
- (b) Termination of the Site Lease;
- (c) Termination of the Project Lease;

ATTACHMENT NO. 3

DOCUMENTS TO BE EXECUTED BY
DESERT COMMUNITY COLLEGE DISTRICT
AND
DESERT COLLEGE FINANCING CORP.
AFTER COMPLETION OF THE UNWIND PROCESS

TO BE EXECUTED BY DESERT COMMUNITY COLLEGE DISTRICT

- (a) Cancellation of the leverage loan promissory note in the amount of \$6,403,700 evidencing the obligation under the Fund Loan Agreement;
- (b) Cancellation of Promissory Notes A and B (the NMTC promissory notes);
- (c) Termination of the Site Lease;
- (d) Termination of the Project Lease;
- (e) Reconveyance of the Senior Deed of Trust;
- (f) Reconveyance of the Junior Deed of Trust; and
- (g) File Notice of Winding Up and Articles of Termination for the Investment Fund with the Missouri Secretary of State.

TO BE EXECUTED BY DESERT COLLEGE FINANCING CORP.

- (a) Termination of the Site Lease;
- (b) Termination of the Project Lease;
- (c) File the final Form 990 with the IRS;
- (d) File the final Form 199 with the Franchise Tax Board;
- (e) Pay to the Franchise Tax Board its minimum franchise tax for 2021;
- (f) Adopt a Certificate of Election to Wind Up and Dissolve;
- (g) Notify the California Attorney General's Registry of Charitable Trusts of the Corporation's Election to Wind Up and Dissolve and obtain the Registry's waiver of objections to dissolution;

(h) File the Certificate of Election to Wind Up and Dissolve together with the Registry's waiver letter with the California Secretary of State; and

(i) Adopt and file a Certificate of Dissolution with the California Secretary of State.