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Southern Humboldt Community Healthcare District

# GOVERNING BOARD RESOLUTION
# 24:03
## APPROVAL OF A LOAN FROM REDWOOD REGION ECONOMIC DEVELOPMENT COMMISSION

A RESOLUTION OF SOUTHERN HUMBOLDT COMMUNITY HEALTHCARE DISTRICT AUTHORIZING EXECUTION AND DELIVERY OF A LOAN AND SECURITY AGREEMENT, PROMISSORY NOTE, AND CERTAIN ACTIONS IN CONNECTION THEREWITH FOR THE REDWOOD REGION ECONOMIC DEVELOPMENT COMMISSION.

WHEREAS, **Southern Humboldt Community Healthcare District** (the "Borrower") has determined that it is in its best interest to borrow an aggregate amount not to exceed **$1,500,000.00** from Commercial Funding Partners, LLC (the "Lender"), and

WHEREAS, the Borrower intends to use the funds for the following: **Operating Expenses**;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Borrower as follows:

Section 1. **Matt Rees, Chief Executive Officer** (an "Authorized Officer"), is hereby authorized and directed, for and on behalf of the Borrower, to do any and all things and to execute and deliver any and all documents that the Authorized Officer deems necessary or advisable in order to consummate the borrowing of moneys from the Lender and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 2. The proposed Loan and Security Agreement (the "Agreement") dated as of February 29, 2024, which contains the terms of the loan, is hereby approved. The loan shall be in a principal amount not to exceed $1,500,000.00 and the loan shall bear interest at a rate of 6% per annum until February 28, 2025 (the "Maturity Date"). The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Agreement in a substantially said form that includes the Assignment of Anticipated Ad Valorem Operating Tax Assessment Collections in the event of default, with such changes therein as the Authorized Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The proposed form of Promissory Note (the "Note") dated as of **February 29, 2024**, as evidence of the Borrower's obligation to repay the loan is hereby approved. The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Note in substantially said form, with such changes therein as the Authorized Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of Environmental Compliance Certificate dated as of **February 29, 2024,** certifying for the benefit of the Lender to the best knowledge of Borrower with regard to any violations of or claims regarding environmental laws or conditions, is approved. The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Environmental Compliance Certificate in substantially said form, with such changes therein s the Authorized Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

PASSED AND ADOPTED by the Board of Directors of SOUTHERN HUMBOLDT COMMUNITY HEALTHCARE DISTRICT, this 29th day of February 29, 2024, by the following vote:

Ayes: Galen Latsko, Corinne Stromstad, Jay Soater, Barbara Truitt, and Keriachur

Noes: ______________________

Abstain: ______________________

Absent: ______________________

Corinne Stromstad
Witnessed by: Corinne Stromstad, President

Barbara Truitt
Witnessed by: Barbara Truitt, Vice-President/Secretary

SECRETARY'S CERTIFICATE

I, **Barbara Truitt**, Secretary of **Southern Humboldt Community Healthcare District**, hereby certify that the foregoing is a complete, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors of **Southern Humboldt Community Healthcare District** duly and regularly held at the regular meeting place thereof on the 29th day of February, 2024 of which meeting all of the members of said Board of Directors had due notice and at which the required quorum was present and voting and the required majority approved said resolution by the following vote at said meeting:

Ayes: Galen Latsko, Kevin Church, Barbara Truitt, Jay Sooter, and Corinne Stromstad

Noes: ______

Absent: ______

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 said 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 is now in full force and effect.

Barbara Truitt
Secretary

February 29, 2024
Date