

## RESOLUTION NO. 20-08

### RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF ADDITIONAL TAX-EXEMPT AND/OR TAXABLE OBLIGATIONS IN AN AMOUNT NOT TO EXCEED \$10,000,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF MARLBOROUGH SCHOOL, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, PROVIDING THE TERMS AND CONDITIONS FOR SAID TAX-EXEMPT AND/OR TAXABLE OBLIGATIONS AND OTHER MATTERS RELATING THERETO AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS ASSOCIATED THEREWITH

WHEREAS, the California Infrastructure and Economic Development Bank (“IBank”) is duly organized and existing pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 and following) as now in effect and as it may be amended or supplemented (the “Act”); and

WHEREAS, IBank is authorized under provisions of the Act to issue tax-exempt and taxable obligations to provide financing and refinancing for eligible projects located in the State of California; and

WHEREAS, IBank, Marlborough School, a California nonprofit public benefit corporation (the “Borrower”), and First Republic Bank, a California state-chartered banking corporation (the “Lender”), previously entered into to that certain Loan Agreement, dated as of April 1, 2014 (the “Loan Agreement”); and

WHEREAS, the Borrower has submitted an application (the “Application”) to IBank for assistance for the purpose of (a) financing, refinancing or reimbursing the Borrower for the cost of the design, acquisition, construction, installation, equipping or furnishing of the real property and improvements located at 250 South Rossmore Avenue, Los Angeles, California 90004 (the “Property”), including, but not limited to, (i) a new garden, an expanded multipurpose field, an aquatics center, a fitness and wellness facility and additional surface parking, (ii) a performing arts center known as Casewell Hall which provides a theater and auditorium space with seating for over 500 persons, including a new state of the art theater stage, retractable floor, retractable seating, dynamic walls and a new control room, (iii) the improvement, rehabilitation, installation and renovation of the exterior plaza area of the performing arts center, and (iv) the construction and equipping of other related and appurtenant facilities and infrastructure at the Property, and (b) paying certain financing and costs of issuance in connection with such financing and/or refinancing (collectively, the “Project”); and

WHEREAS, for these purposes, the Borrower has requested IBank to (a) authorize the issuance and delivery of tax-exempt and/or taxable loan obligations to the Lender pursuant to the terms set forth in **Exhibit 1** (the “Term Sheet”) attached hereto (the “Obligations”); (b) loan the proceeds of the Obligations to the Borrower pursuant to an amendment (the “First Amendment”) to the Loan Agreement to undertake the Project (the “Borrower Loan”); (c) provide for the

payment of the principal of, premium, if any, and interest on the Obligations with revenues derived from the Borrower's payment of the Borrower Loan; (d) authorize changes to the terms of the Loan Agreement, and (e) take and authorize certain other actions in connection with the foregoing (collectively, the "Transaction"); and

WHEREAS, consistent with IBank's policies, the requirement for credit rating by rating agencies may be waived by IBank for IBank obligations (such as the Obligations) that are privately placed in a limited offering or sold in a limited offering directly to investors that are qualified institutional buyers within the meaning of SEC Rule 144A, or equivalent sophisticated investors with a demonstrated understanding of the risks associated with the municipal market, and acceptable to IBank (collectively, "Sophisticated Investors"), provided that IBank's conditions for such transactions are met; and

WHEREAS, because the Transaction provides for the Obligations to be placed directly with sophisticated investors in accordance with IBank policy requirements, the Transaction will not be rated by any rating agency; and

WHEREAS, IBank staff has reviewed the Application from the Borrower and drafts of certain of the documents proposed to be entered into in connection with the Transaction, including a First Amendment and any other related document (collectively, the "Transaction Documents");

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Infrastructure and Economic Development Bank (the "Board"), as follows:

Section 1. The above recitals are true and correct.

Section 2. IBank authorizes and approves the issuance, execution, sale and delivery of the Obligations on terms set forth on the Term Sheet and lending the proceeds of the Obligations to the Borrower in order to finance and refinance the costs of the Project pursuant to terms and provisions as approved by this resolution (this "Resolution").

Section 3. In accordance with IBank's policies on limited offerings, direct purchase and private placement to investors that are Sophisticated Investors, IBank hereby waives the requirement for a credit rating in connection with the Transaction.

Section 4. The Executive Director or the Executive Director's assignees, each acting alone (each an "Authorized Representative"), is hereby authorized to execute and deliver the Transaction Documents. Any Authorized Representative is also authorized to execute and deliver any and all other agreements, certificates and instruments, including, without limitation, a tax regulatory agreement, a no arbitrage certificate, letters of representations and certifications of authority and other documents in connection with the Transaction, which they may deem necessary or desirable to consummate the issuance and delivery of the Obligations, assign security provided by the Borrower with respect to the Borrower Loan to the Lender as security for the Obligations, consummate the Transaction, and otherwise to effectuate the purpose of this Resolution.

Section 5. All actions heretofore taken by the officers and employees of IBank with respect to the approval and issuance of the Obligations and the loan of the proceeds thereof to the Borrower are hereby approved, confirmed and ratified. Any Authorized Representative is hereby

authorized to take actions and execute and deliver any and all certificates which they or counsel to IBank may deem necessary or desirable in order to (i) consummate the issuance and delivery of the Obligations and the use of the proceeds of the Obligations to fund the Borrower Loan; (ii) effect the financing and refinancing of the Project; (iii) facilitate the Transaction; and (iv) otherwise effectuate the purposes of this Resolution.

Section 6. Unless extended by IBank, the Board's approval of the Transaction is conditioned upon its closing within one hundred eighty (180) days from the date of the adoption of this Resolution.

Section 7. This Resolution shall take effect immediately upon its passage.

PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on May 27, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By \_\_\_\_\_  
Scott Wu, Executive Director

Attest:

By \_\_\_\_\_  
Stefan R. Spich, Secretary  
of the Board of Directors

## Exhibit 1

### IBank Term Sheet

Marlborough School

Date: May 27, 2020

**Par Amount:** Not to exceed \$10,000,000; Tax-Exempt and/or Taxable Loan Obligations.

**Type of Offering:** Private Placement.

**Lender:** First Republic Bank.

**Credit Enhancement and Expected Credit Rating:** None.

**Interest:** Series A: Fixed Rate at 2.50% (Modified)  
Series C: Fixed Rate at 2.20% (Modified)  
Series D: Fixed Rate at 1.90%

**Maturity:** Series A: 20 years  
Series C: 10 years  
Series D: 7 years

**Collateral:** Lien on all of Borrower's personal property and a negative pledge on Borrower's real property.

**Expected Closing Date:** May 28, 2020.

**Conduit Transaction:** The Obligations are special, limited obligations payable solely from payments made by the Borrower under the Transaction Documents, and IBank shall not be directly or indirectly or contingently or morally obligated to use any other moneys or assets of IBank for all or any portion of payment to be made pursuant to the Obligations.

\* Please note that the Interest Rate, Expected Maturity and Expected Closing Date are subject to change.