

RESOLUTION NO. 23-07

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF TAX-EXEMPT AND/OR TAXABLE LOAN OBLIGATIONS IN AN AMOUNT NOT TO EXCEED \$27,500,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF CHILDREN'S DAY SCHOOL, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, PROVIDING THE TERMS AND CONDITIONS FOR SAID LOAN 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, Children's Day School, Inc., a California nonprofit public benefit corporation (the "Borrower"), has submitted an application (the "Application") to IBank for assistance in (a) financing, refinancing, and/or reimbursing the Borrower for all or a portion of the costs of the acquisition, construction, improvement, furnishing and equipping of the Borrower's educational facilities located at (i) 3275-3279 16th Street, San Francisco, California 94103 and 333 Dolores Street, San Francisco, California 94110 comprising the Borrower's Lower School Campus and consisting of (A) an approximately 6,579 square foot three-story Edwardian style building; (B) an approximately 28,817 square foot three story building and (C) an approximately 8,000 square foot building, which properties and buildings will house classrooms, offices, workspace rooms, transitional kindergarten classroom, art studio, playground, roof deck to be used as outdoor play area, other educational facilities and administrative facilities (in the aggregate approximate amount of \$18,000,000); (ii) 601 Dolores Street, San Francisco, California 94110 comprising the Borrower's Middle School Campus and consisting of an approximately 18,000 square foot building and includes classrooms, offices, playground, administrative facilities and related educational facilities (in the aggregate approximate amount of \$7,000,000); and (iii) 381 Dolores Street, San Francisco, California 94110, consisting of an approximately 2,380 square foot, four bedroom single family residence, adjacent to the Borrower's Lower School Campus which may be used for classrooms, offices, and other educational or administrative facilities (in the aggregate approximate amount of \$2,500,000); (b) pay interest on the Obligations (defined below); and (c) pay certain costs of issuance and related costs in connection with the Obligations (collectively, the "Project"); and

WHEREAS, the Borrower has requested that IBank issue its tax-exempt and/or taxable loan obligations pursuant to the terms set forth in the Term Sheet (defined below) (the

“Obligations”) and loan the proceeds of the Obligations to the Borrower for the purpose of financing and refinancing the Project; and

WHEREAS, for these purposes, the Borrower has requested that IBank (a) authorize the issuance and delivery of the Obligations to Umpqua Bank, an Oregon state-chartered banking corporation, and/or a related or successor entity thereto (collectively, the “Lender”), pursuant to the terms set forth in **Exhibit 1** (the “Term Sheet”) attached hereto; (b) loan the proceeds of the Obligations to the Borrower pursuant to one or more loan agreements among IBank, the Lender and the Borrower (collectively, the “Loan Agreement”) to finance, refinance and/or reimburse the cost of the Project (collectively, the “Borrower Loan”); (c) provide for the payment of the principal of, premium, if any, and interest on the Obligations with revenues derived solely from the Borrower’s repayment of the Borrower Loan and with moneys in any fund or account created under the Loan Agreement; and (d) 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 underwritten offering or sold directly to investors that are qualified institutional buyers within the meaning of S.E.C. Rule 144A, or an accredited investor within the meanings of the Code of Federal Regulations, Section 230.501(a)(1), (2), (3), (7), (8), (9), or (12), and willing to sign a sophisticated investor letter acceptable to IBank, provided that IBank’s conditions for such transactions are met; and

WHEREAS, because the Transaction provides for the Obligations to be placed directly with the Lender, a qualified institutional buyer, 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 the Loan Agreement and any other related documents (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 a tax-exempt and/or taxable basis, 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 Project pursuant to terms and provisions as approved by this resolution (this “Resolution”).

Section 3. In accordance with IBank’s policies on limited underwritten offering, direct purchase and private placement to investors that are qualified institutional buyers within the meaning of S.E.C. Rule 144A, or an accredited investor within the meanings of the Code of Federal Regulations, Section 230.501(a)(1), (2), (3), (7), (8), (9), or (12), and willing to sign a sophisticated investor letter acceptable to IBank, 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, substantially in the form on file with the Secretary of the Board and with such changes therein as an Authorized Representative may require or approve to carry out the intent of this Resolution. 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 necessary or advisable 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 are hereby approved, confirmed and ratified. Any Authorized Representative is hereby authorized to take actions and execute and deliver any and all instruments, documents and certificates which they 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 June 28, 2023, by the following vote:

AYES: Dombrowski, Fernandez, Miller, Quant, Steinorth

NOES:

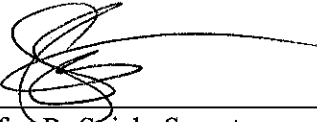
ABSENT:

ABSTAIN:

By **scott wu** Digitally signed by scott
wu
Date: 2023.06.28
14:44:55 -07'00'

Scott Wu, Executive Director

Attest:

By 

Stefan R. Spich, Secretary
of the Board of Directors

Exhibit 1

IBank Term Sheet **Children's Day School, Inc.** **Date: June 28, 2023**

Par Amount: Not to exceed \$27,500,000; Tax-Exempt and/or Taxable Loan Obligations.

Type of Offering: Private Placement.

Lender: Umpqua Bank, an Oregon state-chartered banking corporation.

Credit Enhancement and Expected Credit Rating: None.

Interest: Fixed interest rate as set forth in the Transaction Documents.

Maturity: July 1, 2055*.

Collateral: First lien deed of trust, security agreement, assignment of leases and rents, and fixture filing on certain real property of the Borrower.

Expected Closing Date: July 20, 2023*.

Conduit Transaction: The Obligations are the special limited obligations of IBank 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 Maturity and Expected Closing Date are estimates and subject to change.