

RESOLUTION NO. 25-07

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF REVENUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$160,000,000 CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK REVENUE BONDS (THE BROAD) SERIES 2025 TO PROVIDE FINANCIAL ASSISTANCE FOR DEVELOPMENT OF ECONOMIC DEVELOPMENT FACILITIES FOR THE BENEFIT OF THE BROAD, A 501(c)(3) ORGANIZATION IN ONE OR MORE SERIES, PROVIDING THE TERMS AND CONDITIONS FOR THE ISSUANCE OF SUCH TAX-EXEMPT REVENUE BONDS 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 from time to time hereafter be amended or supplemented, the “Act”), for the purpose of promoting economic development; and

WHEREAS, IBank is authorized under the Act to issue revenue bonds to provide financing and refinancing for economic development facilities (as defined in the Act) located in the State of California (the “State”); and

WHEREAS, The Broad, a nonprofit public benefit corporation organized under the laws of the State (“The Broad”), has requested assistance from and has filed its application with the IBank requesting a loan of the proceeds of the IBank’s revenue bonds under the Act to (i) finance or refinance a portion of the costs associated with the development, design, construction, commissioning, installation, and equipping of an approximately 50,000 square foot expansion to The Broad’s existing contemporary art museum facility located at 221 S. Grand Ave, Los Angeles, CA 90012, along with modifications and renovations to the existing museum facility and parking facility, all in order to provide additional space for The Broad’s ongoing exempt activities, including the public exhibition of paintings, sculptures, photographs, mixed media, and other works of contemporary art, administrative space, art storage, preparation and study space, a theater/event space for public performances, outdoor spaces for visitors, possibly a refreshment concession for the convenience of museum patrons and employees, and space for other, related activities, all located at the existing museum facility, or immediately adjacent and to the west of the existing museum, on an air space parcel bounded by 2nd Street to the north, Hope Street to the west, and the East West Bank Plaza to the south, in the City of Los Angeles, California (collectively with other related direct or indirect costs, the “Project”); (ii) funding capitalized interest on the Bonds (defined below); and (iii) paying the costs of issuance of the Bonds; and

WHEREAS, The Broad has made the following representations with respect to the Project (1) upon completion, the Project will be owned and operated by The Broad, (2) any personal property purchased with bond proceeds, including any objects of art, will be displayed

or stored primarily in the State; and

WHEREAS, The Broad has further represented that it intends to use the Project in a way that is consistent with the designation by the Internal Revenue Service of The Broad as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, The Broad has further represented that it intends to use the Project as part of its Museum, a cultural facility, and facilities or infrastructure necessary or desirable in connection therewith, in a manner consistent with the definition of an economic development facility in the Act; and

WHEREAS, The Broad has further represented that the Project will be consistent with any existing local or regional comprehensive plan, and that the contractors involved with the construction of the applicable facilities will be properly licensed by the Contractors’ State License Board; and

WHEREAS, for these purposes, The Broad has requested that IBank (a) authorize the issuance and delivery of its California Infrastructure and Economic Development Bank Revenue Bonds (The Broad) Series 2025 (the “Bonds”), which may be issued on a tax-exempt or a taxable basis, or such other name or names and with such series designations as may be necessary or desirable to conform to the terms of the Bonds to be issued pursuant to the terms set forth in **Exhibit 1** (the “Term Sheet”) attached hereto, in one or more series, in an aggregate principal amount not to exceed \$160,000,000, (b) provide for the sale of the Bonds, (c) provide for the loan of the proceeds of the sale of the Bonds to The Broad pursuant to a Loan Agreement to (i) finance or refinance a portion of the costs associated with the development, design, construction, commissioning, installation, and equipping of the Project, (ii) fund capitalized interest on the Bonds; and (iii) pay the costs of issuance of the Bonds (“The Broad Loan”), (d) provide for the payment of the principal of, premium, if any, and interest on the Bonds with revenues derived solely from The Broad’s repayment of The Broad Loan, and (e) take and authorize certain other actions in connection with the foregoing (collectively, the “Transaction”); and

WHEREAS, The Broad has represented that it expects to obtain a rating on the Bonds of at least “Aa1” from Moody’s Investors Service Inc. (“Moody’s”); and

WHEREAS, The Broad has further represented that its main sources of revenue that will be available to pay debt service on the Bonds will consist of admission fees, concessions and amounts to be received by pledgors and other donors, including a pledge from The Eli and Edythe Broad Foundation, a California charitable trust (“TBF”) and potentially from The Broad Art Foundation, a California charitable trust (“TBAF”), under a General Support Pledge Agreement, to be dated as of the date of delivery of the Bonds (the “Pledge Agreement”), to be entered into by and among TBF, The Broad and potentially TBAF; and

WHEREAS, The Broad has further represented that it will assign and grant to the IBank and its assigns a security interest in, all its right, title and interest in and to the Pledge Agreement and all pledged amounts to The Broad by TBF and potentially TBAF thereunder; and

WHEREAS, IBank’s staff has reviewed the application from The Broad and drafts of certain of the documents proposed to be entered into in connection with the Bonds, including a

Bond Indenture, a Loan Agreement, a Bond Purchase Agreement, and a proposed form of Official Statement (collectively, the “Transaction Documents”); and

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. Pursuant to Sections 63046 and 63047 of the Act, and based upon the representations of The Broad, the Board hereby finds and determines as follows:

- (a) The Project is located in the State.
- (b) The Broad is capable of meeting the obligations incurred under the Transaction Documents based upon an expected rating of the Bonds in one of the three highest rating categories by one or more nationally recognized agencies.
- (c) The payments to be made by The Broad to the IBank under the Loan Agreement approved herein are adequate to pay the current expenses of the IBank in connection with the financing and to make all the payments on the Bonds approved herein.
- (d) The proposed financing is appropriate for the (i) financing or refinancing of a portion of the costs associated with the development, design, construction, commissioning, installation, and equipping of the Project, (ii) funding capitalized interest on the Bonds; and (iii) paying the costs of issuance of the Bonds.
- (e) The Project is consistent with any existing local or regional comprehensive plan.

Section 3. Based on the information provided and representations made by The Broad, the Board hereby finds and determines that the Project demonstrates clear evidence of a defined public benefit in that the Project will be used to expand The Broad’s art museum housing a significant collection of postwar and contemporary art that will be made available to the public, and which will create direct and indirect economic development benefits as a result of visitor attraction to the community in which the museum will be located. In addition, there will be economic benefits as a result of the jobs created as a result of the construction and post-construction operation of the Project

Section 4. Based on the information provided and representations made by The Broad, the Board hereby finds and determines that the loan of proceeds of the Bonds to finance or refinance a portion of the costs of the Project constitute a loan in connection with a financing for an economic development facility in accordance with Section 63010(j) of the Act.

Section 5. The Board authorizes and approves the issuance, execution, sale, and delivery of the Bonds on the terms set forth on the Term Sheet and lending the proceeds of the Bonds to The Broad in order to (i) finance or refinance a portion of the costs associated with the development, design, construction, commissioning, installation, and equipping of the Project, (ii) fund capitalized interest on the Bonds; and (iii) pay the costs of issuance of the Bonds pursuant to the terms and provisions as approved by this resolution (this “Resolution”).

Section 6. 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, in substantially the forms 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, documents, certificates and instruments (including without limitation letters of representations and certifications of authority, a tax certificate and tax forms required by the Internal Revenue Service in connection with the issuance of the Bonds, and other documents necessary or advisable in connection with the issuance of the Bonds) which they may deem necessary or appropriate to consummate the issuance, sale and delivery of the Bonds, consummate the Transaction, and otherwise to effectuate the purposes of this Resolution.

Section 5. All actions heretofore taken by the officers and employees of IBank with respect to the approval, issuance and sale of the Bonds and the consummation of the Transaction are hereby approved, confirmed and ratified. Any Authorized Representative is hereby authorized and directed, jointly and severally, to perform their duties, take actions and to execute and deliver any and all certificates and instruments that they may deem necessary or advisable in order to (i) consummate the issuance, sale and delivery of the Bonds and the use of the proceeds of the Bonds to fund The Broad Loan, (ii) effect the financing or refinancing of the Project, (iii) facilitate the Transaction, and (iv) otherwise effectuate the purposes of this Resolution.

Section 6. Unless extended by the Board, 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 adoption.

PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on March 26, 2025, by the following vote:

AYES: Greenwood, Pahland, Perrault, Quant, Steinorth

NOES:

ABSENT:

ABSTAIN:

By **scott wu** Digitally signed by scott wu
Date: 2025.03.26 15:42:56
-07'00'

Scott Wu, Executive Director

Attest:

By **Angel Lau** Digitally signed by Angel Lau
Date: 2025.03.26 18:24:03
-07'00'

Angel Lau, Secretary of the Board of Directors

EXHIBIT 1

IBank Term Sheet The Broad Date: March 26, 2025

Bond Par Amount:	Not to exceed \$160,000,000; in one or more tax-exempt series
Type of Offering:	Public Offering
Underwriter:	Morgan Stanley & Co. LLC
Expected Credit Rating:	Moody's: Aa1
Interest Rate*:	A series of the Bonds is expected to be in a fixed rate mode, initially bearing interest at not to exceed 5.50%.
Final Maturity*:	December 1, 2033 final maturity
Collateral:	Secured- Security Interest in Pledge Agreement
Expected Closing Date*:	April 29, 2025
Conduit Transaction:	The Bonds are special, limited obligations payable solely from payments made by The Broad 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 Bonds.

* Please note that the interest rate provisions, including Interest Rate, Final Maturity and Expected Closing Date are subject to change.