

**CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (IBank)  
CONDUIT 501(c)(3) REVENUE BOND FINANCING PROGRAM**

**STAFF REPORT<sup>1</sup>**

**EXECUTIVE SUMMARY**

<b>Applicant:</b>	Museum Associates (d.b.a. Los Angeles County Museum of Art) ("LACMA" or "Borrower")	<b>Amount Requested:</b>	Not to exceed \$75,000,000
<b>Applicant Description:</b>	A California nonprofit public benefit corporation doing business as the Los Angeles County Museum of Art which manages, operates and maintains an art museum in Los Angeles, California (the "Museum"). LACMA's mission is to serve the public through the collection, conservation, exhibition, and interpretation of significant works of art from a broad range of cultures and historical periods, and through the translation of these collections into meaningful educational, aesthetic, intellectual, and cultural experiences for a wide array of audiences.		
<b>Type of Financing:</b>	Conduit Tax-exempt Fixed Rate Refunding Revenue Bonds, in one or more series (the "Bonds").		
<b>Project Description:</b>	The proceeds of the Bonds will be used, together with other legally available funds of the Borrower to (1) refund the outstanding California Infrastructure and Economic Development Bank Refunding Revenue Bonds (Los Angeles County Museum of Art Project) Series 2021B (the "2021B Bonds"), and (2) pay various costs of issuing the Bonds (collectively, the "Project").		
<b>Project Site:</b>	5905 Wilshire Boulevard, Los Angeles, California 90036 (County of Los Angeles)		
<b>Plan of Finance:</b>	IBank will lend the proceeds of the Bonds to LACMA to finance the Project.		
<b>Type of Issue:</b>	Public Offering		
<b>Tax Status:</b>	Tax-exempt		
<b>Term:</b>	Up to 30 years		
<b>Expected Credit Rating:</b>	Moody's at least Baa3		
<b>IBank Fees<sup>2</sup>:</b>	Application Fee \$5,000; Issuance Fee \$52,500 ;Initial Annual Fee \$11,250 per year		
<b>STO Fee</b>	Agent for Sale Fee \$8,500 To be paid directly to STO		
<b>Estimated Sources of Funds:</b>		<b>Estimated Uses of Funds:</b>	
Tax-exempt Bond Proceeds	\$75,000,000	Series 2021B Refunding	\$71,500,000
LACMA Contribution	\$1,000,000	Contingency	\$4,500,000
<b>TOTAL SOURCES</b>	<b>\$76,000,000</b>	<b>TOTAL USES</b>	<b>\$76,000,000</b>
<b>Financing Team:</b>			
<b>Bond Counsel:</b>	Hawkins Delafield & Wood LLP		
<b>Borrower's Counsel:</b>	Nixon Peabody LLP		
<b>Underwriter:</b>	Wells Fargo Bank Securities		
<b>Underwriter's Counsel:</b>	O'Melveny & Myers LLP		
<b>Trustee:</b>	US Bank, N.A.		
<b>IBank Outside Counsel:</b>	Stradling Yocca Carlson & Rauth LLP		

<sup>1</sup>The information concerning LACMA and the Bonds has been provided by the Borrower. This Report has been prepared in connection with the approval of the Bonds by IBank and does not constitute a recommendation by IBank to purchase the Bonds and should not be used by potential investors in connection with any investment decision with respect to the Bonds.

<sup>2</sup> The Issuance Fee and Initial Annual Fee are based on the \$75 million not-to-exceed amount and are subject to change based on the final par amount.

<b>Public Benefits:</b>	<p>The 2021B Bonds have scheduled mandatory tender date on June 1, 2026. The Borrower's purpose of this refunding is extending the maturity, which may not produce any financial savings but will benefit LACMA's operations and public purposes.</p> <p>LACMA had approximately 399 regular full-time-equivalent employees on June 30, 2025.</p>	
<b>Date of Board Meeting:</b> March 25, 2026	<b>Resolution Number:</b> 26-03	<b>Prepared by:</b> Dalibor Zivkovic
<b>Staff Recommendation:</b> Staff recommends approval of the Resolution No. 26-03 authorizing the issuance of Conduit Tax-exempt Refunding Revenue Bonds in one or more series in an aggregate amount not to exceed \$75,000,000, for the benefit of Museum Associates.		

## BACKGROUND AND HISTORY

Museum Associates, a nonprofit public benefit corporation organized under the laws of the state of California, manages, operates, and maintains the Los Angeles County Museum of Art (“LACMA”). LACMA is governed by a board of trustees, which sets policy and determines the museum’s strategic direction. Museum Associates is an exempt organization under section 501(c)(3) of the Internal Revenue Code and is classified as a public charity under section 509(a)(2) of the Internal Revenue Code. LACMA’s Mission is to serve the public through the collection, conservation, exhibition, and interpretation of significant works of art from a broad range of cultures and historical periods, and through the translation of these collections into meaningful educational, aesthetic, intellectual, and cultural experiences for a wide array of audiences.

LACMA has its roots in the Los Angeles Museum of History, Science and Art, established in 1913 in Exposition Park. LACMA was formed in 1961 as a separate art-focused institution. LACMA manages, operates and maintains the Museum and owns the majority of the Museum’s collections.

The Museum includes seven exhibition buildings, which display art objects spanning the ancient era to the present, encompassing the geographic world and nearly the entire history of art. The Museum attracts visitors annually via its exhibitions, public programs, and research facilities. The Museum is located on over twenty acres between downtown Los Angeles and the Pacific Ocean.

LACMA has expanded, upgraded, and unified the Museum’s campus by adding new buildings, including the Broad Contemporary Art Museum (“BCAM”) (2008) and the Lynda and Stewart Resnick Exhibition Pavilion (2010), and public artworks and open-air gathering places for the community.

The Museum’s campus comprises the East campus and the West Campus. The County of Los Angeles (“County”) owns the land and facilities located on the LACMA’s East Campus. From 1994 to 2008, LACMA acquired the West Campus property. Currently, LACMA owns the West Campus and both parking lots on the south side of Wilshire Boulevard. The County has no ownership or leasehold interest in these properties.

LACMA entered into a 99-year term Funding Agreement with the County in February 1994. Under the Funding Agreement, LACMA receives an annual budget appropriation from the County as “in-kind” support. This support pays certain expenditures of LACMA such as the salaries and benefits paid by the County to its employees who work at the Museum and payment for the East Campus utility expenses. Under the Funding Agreement, the County contributes an annual sum that increases by a certain percentage each year, provided that the increase may not exceed 5%. Further, the County’s contribution may not decrease from prior year. The County’s support provides for about 40% of the LACMA’s operating budget.

The California Secretary of State reports an active status for the Borrower. The Borrower’s current leadership is listed in Appendix A.

## PROJECT DESCRIPTION

The Borrower is requesting the issuance of conduit tax-exempt refunding revenue bonds to finance the Project, which includes refunding all or a portion of the 2021B Bonds. Other legally available funds of LACMA will be used to pay accrued interest on the Bonds and costs of issuance with respect to the Bonds.

IBank issued \$300,000,000 Refunding Revenue Bonds (Los Angeles County Museum of Art Project), Series 2021 (“2021 Bonds”), including \$228,500,000 Series 2021A (Fixed Rate Period Mode) and \$71,500,000 Series 2021B (Index Mode) on January 21, 2021. The 2021B Bonds were callable on June 1, 2025 and have Scheduled Mandatory Tender Date on June 1, 2026. The Bonds will refund only all or a portion of the 2021B Bonds and the 2021A Bonds will not be refunded by the Bonds.

The Proceeds of the 2021 Bonds were used to refund all of the \$171,500,000 outstanding aggregate principal amount of Series 2017A&B Bonds (“2017 Bonds”). The 2017A Bonds refunded all of the outstanding Series 2013 Bonds. The 2013 Bonds refunded LACMA’s prior indebtedness, Series 2008 Bonds, which in turn financed or refinanced various capital projects and refunded Series 2007 and Series 2004 Bonds. Series 2008 Bonds, Series 2007 Bonds and Series 2004 Bonds were issued by California Statewide Communities Development Authority (“CSCDA”) as described below.

### The Borrower’s Current Outstanding Debt

The following Table shows the LACMA’s current outstanding debt, including prior IBank issued Bonds (“Prior Bonds”) and a loan from the County:

Bond Issue	Par Amount	Outstanding as of June 30, 2025	Final Maturity	Mandatory Tender Date	Callable
<b>Series 2013B</b>	\$115,000,000	\$18,665,000	12/1/2034	5/14/2027	N/A
<b>Series 2013C</b>	\$100,000,000	\$16,235,000	12/1/2037	5/14/2027	N/A
<b>Series 2013D</b>	\$50,000,000	\$8,100,000	12/1/2037	5/14/2027	N/A
<b>Series 2021A</b>	\$228,500,000	\$228,500,000	12/1/2050	6/1/2028	6/1/2027
<b>Series 2021B</b>	\$71,500,000	\$71,500,000	12/1/2050	6/1/2026	6/1/2025
<b>2020A*</b>	\$300,000,000	\$279,810,449	2050	N/A	12/1/2030
<b>TOTAL</b>	<b>\$865,000,000</b>	<b>\$622,810,449</b>			

\*To support the Building for the Permanent Collection project, the County agreed to provide for the issuance of its lease revenue bonds to give LACMA a \$300 million loan for interim financing of issuance. The County provided for the issuance of \$363,230,000 Lease Revenue Bonds, Series 2020A (LACMA Building for the Permanent Collection Project) (Green Bonds) on November 3, 2020, through the Los Angeles County Public Works Financing Authority. The obligations are subordinate to both LACMA’s existing debt and new proposed debt.

## FINANCING STRUCTURE

**Term Sheet**  
**Museum Associates Doing Business as**  
**Los Angeles County Museum of Art**  
**Date: March 25, 2026**

<b>Bond Par Amount:</b>	Up to \$75,000,000; in one or more tax-exempt series.
<b>Type of Offering:</b>	Public Offering
<b>Underwriter:</b>	Wells Fargo Bank, National Association
<b>Credit Enhancement and Expected Credit Rating:</b>	No Credit Enhancement; expected to obtain a long-term rating on the Bonds that meets the IBank Standard Rating Policy.
<b>Interest:</b>	Fixed interest rate not to exceed 8%
<b>Maturity:</b>	Up to 30 years
<b>Collateral:</b>	Unsecured General Obligation (under certain circumstances moneys may be transferred to a Collateral Account)
<b>Expected Closing Date*:</b>	April 30, 2026
<b>Transaction:</b>	The Bonds are special, limited obligations payable solely from accounts and assets available and payments made by the Borrower under the Transaction Documents. IBank and the State 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.

\* Subject to change.

## **Financing Structure**

The Bonds will be secured by a Fourth Supplemental Indenture, dated as of April 1, 2026, which supplements an Indenture dated as of August 1, 2013, and sold through a public offering pursuant to a Bond Purchase Agreement. The proceeds of the Bonds will be loaned to the Borrower pursuant to a Third Supplemental Loan Agreement, dated as of April 1, 2026, which supplements a Loan Agreement dated as of April 1, 2013.

The Bonds are subject to optional redemption prior to maturity. Under the Indenture, the Bonds, and Prior Bonds and any other additional bonds issued under the Indenture, are secured by a pledge of the Revenues and any available amounts held in the funds or accounts established under the Indenture (excluding the Rebate Fund and remarketing proceeds). The Revenues consist primarily of the Loan Payments to be made by LACMA under the Loan Agreement. LACMA's obligation under the Loan Agreement constitutes an unsecured general obligation of LACMA with recourse only against LACMA's general pool of assets without any particular priority to those assets (on an unsecured basis)(except to the extent that amounts are transferred in the future to the Collateral Account.); however, under no circumstances will there be any recourse to the Corporation's art collection.

## **Limited Obligations of IBank**

The Bonds are payable solely from and secured solely by the pledge of the Borrower's payments under the Loan Agreement and any available amounts held in the funds or accounts established pursuant to the Indenture (other than the Rebate Fund and remarketing proceeds). Neither IBank; nor any of the members of its Board of Directors; nor any of its officers or employees; nor any person executing the transaction documents on behalf of IBank shall be personally liable for the Bonds or subject to any personal liability or accountability by reason of the execution thereof. The Bonds are limited obligations of IBank and are not a pledge of the faith and credit of IBank or the State of California or any of its political subdivisions.

## **PUBLIC BENEFITS**

The 2021B Bonds have scheduled mandatory tender date on June 1, 2026. The Borrower's purpose of this refunding is extending the maturity, which may not produce any financial savings but will benefit LACMA's operations and public purposes.

LACMA had approximately 399 regular full-time-equivalent employees on June 30, 2025. In addition, on June 30, 2025, the County employed 7 full-time employees at the Museum.

## OTHER PROJECT DATA

<b>PERMITS AND APPROVAL</b>	
Required?	<input type="checkbox"/> <b>NO</b> <input checked="" type="checkbox"/> <b>YES, Describe:</b> All approvals have been obtained.
<b>TEFRA</b>	
Date of TEFRA Publication:	No TEFRA is Required.
Publications:	
Date of TEFRA Hearing:	N/A
Oral/Written Comments:	<input checked="" type="checkbox"/> <b>NO</b> <input type="checkbox"/> <b>YES, Explain:</b>
<b>ELIGIBILITY REVIEW</b>	
Applicant meets all of IBank eligibility criteria? <input checked="" type="checkbox"/> <b>YES</b> <input type="checkbox"/> <b>NO</b>	<ol style="list-style-type: none"> <li>1. Project is in the State of California.</li> <li>2. The Borrower is capable of meeting the obligations incurred under relevant agreements.</li> <li>3. Payments to be made by the Borrower to IBank under the proposed financing agreements are adequate to pay the current expenses of IBank in connection with the financing and to make all the scheduled payments. The proposed financing is appropriate for the Project.</li> </ol>
<b>INDUCEMENT CERTIFICATE</b>	
Completed?	<input type="checkbox"/> <b>NO</b> <input type="checkbox"/> <b>YES</b> Certificate No.: <input checked="" type="checkbox"/> <b>N/A</b> Date:

## RECOMMENDATION

Staff recommends approval of Resolution No. 26-03 authorizing the issuance of Conduit Tax-exempt Refunding Revenue Bonds in an aggregate amount not to exceed \$75,000,000, for the benefit of Museum Associates.

**APPENDIX A: GOVERNANCE AND MANAGEMENT**

**BOARD OF TRUSTEES**

Tony P. Ressler	Co-Chairs of the Board Co-Founder and CEO Ares Management Los Angeles, CA
Willow Bay	Co-Chair of the Board School of Journalism Director University of Southern California Los Angeles, CA
Robert Kotick	Vice Chair CEO Activision Blizzard Santa Monica, CA

**TRUSTEES**

William H. Ahmanson	President The Ahmanson Foundation Beverly Hills, CA
H.E. Sheikha Al Mayassa bint Hamed bin Khalifa Al-Thani	Chairperson of Qatar Museums
Isha Ambani	At the Executive leadership team, Reliance Retail, Reliance Jio, Reliance Foundation, Dhirubhai Ambani International School Mumbai, India
Mark Attanasio	Co-Chair, Finance Committee Founder and Managing Partner Crescent Capital Group Los Angeles, CA
The Honorable Nicole Avant	Co-Chair, Committee on Trustees Former US Ambassador to the Bahamas N/A Beverly Hills, CA
Willow Bay	Co-Chair, Audit Committee, and Education and Public Programming Committee School of Journalism Director University of Southern California Los Angeles, CA
The Honorable Colleen Bell	Executive Director California Film Commission Hollywood, CA, and former U.S. Ambassador to Hungary

Dr. Rebecka Belldegrun	CEO and President BellCo Capital Los Angeles, CA
Allison Berg	Co-Chair, Development Committee Freelance Journalist C Magazine and Hamptons Magazine Beverly Hills, CA
Nicolas Berggruen	Co-Founder Berggruen Institute Los Angeles, CA
Suzanne Deal Booth	Founder and Director Friends of Heritage Preservation Austin, TX
Andrew Brandon-Gordon	Co-Chair of the Board Emeritus Partner and Managing Director Goldman, Sachs & Company Los Angeles, CA
Troy Carter	Co-Chair, Acquisitions Committee Global Head of Creative Services Spotify Los Angeles, CA
Eva Chun Chow	Fashion Designer Eva Chun Los Angeles, CA
Ann Barry Colgin	Co-Shair, Acquisitions Committee Colgin Cellars St. Helena, CA
Janet Crown	Founder and Owner Burn 60 Fitness Studios Brentwood, CA
Kelvin Davis	Senior Partner Texas Pacific Group Fort Worth, TX
Joshua S. Friedman	Co-Chair, Finance Committee Founder, Co-Chairman and Co-CEO Canyon Partners LLC Los Angeles, CA
Thelma Golden	Director and Chief Curator Studio Museum in Harlem New York, NY
Susan Hess	Philanthropist Los Angeles, CA
Mellody Hobson	President & Co-CEO Ariel Investments
Victoria Jackson	Founder and CEO Victoria Jackson Cosmetics, Inc. Beverly Hills, CA

David Kaplan	Co-Founder of Ares Director and Partner Ares Management GP LLC Los Angeles, CA
Suzanne Kayne	President Kayne Foundation Los Angeles, CA
Robert Kotick	Vice-Chair of the Board, Co-Chair, Committee on Trustees Former CEO Activision Blizzard Santa Monica, CA
Lyn Davis Lear	President Lyn Lear Productions Los Angeles, CA
Boojin Lee	President and Chief Executive Hotel Shilla Seoul, S. Korea
Cheech Marin	Founder Cheech Marin Center for Chicano Art & Culture Riverside, CA
Ashley Merrill	Founder & Executive Chairwoman Lunya (Restwear brand) Santa Monica, CA
Richard Merkin M.D.	President, and CEO Heritage Provider Network Northridge, CA
Wendy Stark Morrissey	Former Editor Vanity Fair Los Angeles, CA
Wendi Murdoch	Co-Founder Artsy New York, NY
Jane Nathanson	Founder, Trustee of the board of Museum of Contemporary Art (MOCA) Los Angeles, CA
Dominic Ng	Chairman, President, CEO East West Bank Los Angeles, CA
Peter Norton	Founder Norton Family Office Santa Monica, CA
Geoff Palmer	CEO G.H. Palmer Associates Los Angeles, CA
Viveca Paulin-Ferrell	Independent Auctioneer Los Angeles, CA

Janet Dreisen Rappaport	Civic Leader & a Founder of MOCA Los Angeles, CA
Tony P. Ressler	Co-Chair of the Board Co-Founder and CEO Ares Management Los Angeles, CA
Carter Reum	Co-founder M13 Los Angeles, CA
Robbie Robinson	Co-Chair, Education and Public Programming Committee Founder & CEO Pendulum Holdings, LLC
Steven F. Roth	Co-CEO World Oil Corp. South Gate, CA
Carole Bayer Sager	Co-Chair, Development Committee Singer, songwriter and Philanthropist Los Angeles, CA
Florence Sloan	Co-Creator & Partner Golden Karavan Productions Los Angeles, CA
Eric Smidt	CEO Harbor Freight Tools Calabasas, CA
Michael G. Smooke	Of Counsel and Vice-Chair of Real Estate Eisner Jaffe Beverly Hills, CA
Jonathan D. Sokoloff	Managing Partner Leonard Green & Partners Los Angeles, CA
Steve Tisch	Chairman New York Giants New York, NY
Andy Song	Stock-trader Sydney, Australia
Maggie Tsai	Founder & Director Fubon Art Museum and CEO of Fubon Art Foundation Taipei City, Taiwan
Casey Wasserman	Chairman and CEO Wasserman Media Group Los Angeles, CA

Gregory Annenberg Weingarten	Vice President and Director of the Annenberg Foundation Founder of GRoW @ Annenberg Los Angeles, CA
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<b>LIFE TRUSTEES</b>	
Daniel N. Belin	President Belin Consulting New York, NY
Donald L. Bren	Chairman The Irvine Company Newport Beach, CA
Julian Ganz, Jr.	President and CEO McMahon Furniture Stores Los Angeles, CA
William A. Mingst	General Partner Cyprus Partners Los Angeles, CA
Lynda Resnick	Founder The Wonderful Company Los Angeles, CA
Terry Semel	Corporation Board Co-Chair Emeritus Windsor Media Los Angeles, CA
Walter L. Weisman	Independent Director Occidental Petroleum Corporation Los Angeles, CA

<b>EXECUTIVE STAFF</b>	
Michael Govan	Chief Executive Officer and Wallis Annenberg Director
Claudia Gutierrez	General Counsel & Assistant Secretary
Naima Keith	Senior VP of Education, Public Programs, and Regional Partnerships
Diana Magaloni	Senior Deputy Director for Conservation, Curatorial, and Exhibitions
Arun Mathai	Interim Chief Financial Officer
Nancy Thomas	Senior Deputy Director for Art Administration and Collections