

## RESOLUTION NO. 17-23

### **RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE AND SALE OF TAXABLE REVENUE BONDS AND TAX-EXEMPT REVENUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$45,000,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF THE POWERHOUSE SCIENCE CENTER, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN TWO OR MORE SERIES, PROVIDING THE TERMS AND CONDITIONS FOR SAID TAXABLE REVENUE BONDS AND 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 (the “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”);

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

WHEREAS, the Powerhouse Science Center, a California nonprofit public benefit corporation (the “Corporation”), has submitted an application (the “Application”) to IBank for the financial assistance to (a) construct, renovate, rehabilitate, repair, and/or equip an educational and science center facility at 400 Jibboom Street, Sacramento, California (the “Facilities”), (b) fund a debt service reserve fund, and (c) pay certain costs of issuance in connection with the issuance of the Bonds (defined below) (collectively, the “Project”);

WHEREAS, the Facilities are owned by the City of Sacramento and will be leased to the Corporation pursuant to a long-term lease agreement and will be operated by the Corporation upon completion thereof in connection with the Corporation’s public benefit purposes;

WHEREAS, for those purposes, the Corporation has requested that IBank (a) authorize the issuance and delivery of its taxable revenue bonds to be designated as tax-credit Qualified Zone Academy Bonds (the “Series A Bonds”) and its tax-exempt revenue bonds (the “Series B Bonds”), each to be sold through a private placement pursuant to the terms set forth in Exhibit 1 attached hereto (the “Term Sheet”), and each entitled California Infrastructure and Economic Development Bank Revenue Bonds (Powerhouse Science Center), 2017 Series, or such other name or names and with such series designations as may be necessary or desirable to conform to the terms of such bonds to be issued pursuant to the Indentures (defined below) (collectively, the “Bonds”), (b) loan the proceeds of the Bonds to the Corporation pursuant to one or more Loan Agreements to finance the costs of the Project (the “Corporation Loan”), (c) provide for the payment of the principal of, premium, if any, and interest on the Bonds with revenues derived

solely from the Corporation's payment of the Corporation Loan; and (d) take and authorize certain other actions in connection with the foregoing (collectively, the "Transaction");

WHEREAS, consistent with IBank's policies, the requirement for credit rating by rating agencies may be waived by IBank for IBank bonds (such as the Bonds) 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 S.E.C. Rule 144A, or equivalent sophisticated investors with a demonstrated understanding of the risks associated with the municipal market, and acceptable to IBank, provided that IBank's conditions for such transaction are met;

WHEREAS, because the Transaction provides for the Bonds 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 Corporation and drafts of certain of the documents proposed to be entered into in connection with the Transaction, including an Indenture of Trust relating to the Series A Bonds (the "Series A Indenture"), an Indenture of Trust relating to the Series B Bonds (the "Series B Indenture" and, together with the Series A Indenture, the "Indentures"), one or more Loan Agreements, one or more Placement Agreements, a Filing Agent Agreement relating to the Series A Bonds and a Rate Determination Letter relating to the Series A Bonds (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 Bonds on the terms set forth on the Term Sheet and lending the proceeds of the Bonds to the Corporation in order to finance the costs of the Project pursuant to the terms and provisions as approved by this resolution (this "Resolution").

**Section 3.** In accordance with IBank's policies on limited offering, direct purchase and private placement to investors that are qualified institutional buyers within the meaning of S.E.C. Rule 144A, or equivalent sophisticated investors with a demonstrated understanding of the risks associated with the municipal market, and 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, is hereby authorized to execute and deliver the Transaction Documents and any and all other agreements, documents, certificates and instruments (including without limitation a no arbitrage certificate, 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) which they may deem necessary or desirable to consummate the issuance, sale and delivery of the Bonds, including to qualified institutional buyers other than those identified in the Term Sheet, assign security provided by the Corporation with respect to the Corporation Loan to the trustee under the Indentures as security for the Bonds, consummate the Transaction, and otherwise to effectuate the purposes of this Resolution.

**Section 5.** All actions heretofore taken by the officers, employees and agents 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. The Executive Director or the Executive Director's assignees, each acting alone, is hereby authorized to take actions and execute and deliver any and all certificates and instruments that they may deem necessary or desirable 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 Corporation Loan, (ii) effect the financing of the Project, (iii) facilitate the Transaction (iv) pay certain costs of issuance in connection with the issuance of the Bonds, and (v) 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 Board of Directors of the California Infrastructure and Economic Development Bank on December 19, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By \_\_\_\_\_  
Teveia R. Barnes, Executive Director

Attest:

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

## EXHIBIT 1

### **IBank Term Sheet Powerhouse Science Center Date: December 19, 2017**

<b>Bond Par Amount:</b>	Not to exceed \$45,000,000; in one or more tax-exempt series and one or more taxable series
<b>Bond Types:</b>	Series A Bond: Qualified Zone Academy Bonds (tax credit bond) Series B Bond: Tax-Exempt Bonds
<b>Type of Offering:</b>	Private Placement
<b>Placement Agent:</b>	George K. Baum & Company
<b>Expected Private Purchaser:</b>	A member bank of Heartland Financial USA, Inc. (Series A Bond) UMPQUA Bank (Series B Bond)
<b>Expected Credit Rating:</b>	No Credit rating expected
<b>True Interest Cost*:</b>	Series A Bonds: True interest cost not to exceed 6.00% Series B Bonds: True interest cost not to exceed 6.00%
<b>Maturity:</b>	Series A Bonds: Final maturity no later than 30 years from the date of issuance Series B Bonds: Final maturity no later than 30 years from the date of issuance
<b>Collateral:</b>	Revenue Pledge; Senior Leasehold Deed of Trust on Series A Bonds; Subordinate Leasehold Deed of Trust on Series B Bonds
<b>Closing Date*:</b>	December 22, 2017
<b>Conduit Transaction:</b>	The Bonds are special, limited obligations payable solely from payments made by the Corporation 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 interest rate and Closing Date are subject to change.