

RESOLUTION NO. 19-15

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF TAX-EXEMPT LEASE REVENUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$350,000,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF THE CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM, A COMPONENT UNIT OF THE STATE OF CALIFORNIA, PROVIDING THE TERMS AND CONDITIONS FOR SAID TAX-EXEMPT LEASE 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 be amended or supplemented (the "Act"); and

WHEREAS, IBank is authorized under provisions of the Act to issue tax-exempt lease revenue bonds to provide financing for eligible projects located in the State of California (the "State"); and

WHEREAS, the California State Teachers' Retirement System, a component unit of the State ("CalSTRS"), has requested IBank's assistance to (i) finance the acquisition, design, construction and equipping of an expansion to the existing CalSTRS headquarters facility (the "Project") located in West Sacramento, California, (ii) pay capitalized interest on the Bonds (defined below), and (iii) pay certain costs of issuance incurred in connection with the issuance of the Bonds; and

WHEREAS, for these purposes, CalSTRS has requested IBank to (a) authorize the issuance and delivery of one or more series of its California Infrastructure and Economic Development Bank Lease Revenue Bonds (California State Teachers' Retirement System Headquarters Expansion), Series 2019 (Green Bonds) (the "Bonds"), to be sold through a public offering pursuant to the terms set forth in Exhibit A (the "Term Sheet") attached hereto; (b) lease certain real property from CalSTRS pursuant to a Site Lease (the "Site Lease"); (c) lease back to CalSTRS certain real property and the Project pursuant to a Facility Lease (the "Facility Lease") under which CalSTRS will make base rental payments sufficient to make payments on the Bonds; (d) provide for the payment of the principal of, premium, if any, and interest on the Bonds with revenues derived solely from CalSTRS' base rental payments under the Facility Lease; and (e) take and authorize certain other actions in connection with the foregoing (collectively, the "Transaction"); and

WHEREAS, CalSTRS has represented that it expects to obtain an initial rating on the Bonds of "A1" from Moody's Investors Service, "A+" from S&P Global Ratings and "A+" from Fitch Ratings; and

WHEREAS, IBank's staff has reviewed information provided by CalSTRS and drafts of certain of the documents proposed to be entered into in connection with the Transaction, including a Trust Agreement, a Site Lease, a Facility Lease, a Bond Purchase Agreement, and a proposed form of Preliminary Official Statement with respect to the 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 terms set forth on the Term Sheet in order to finance the costs of the Project and other Transaction costs pursuant to terms and provisions as approved by this resolution (the "Resolution").

Section 3. 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, with such changes therein as an Authorized Representative may require or approve, such approval to be conclusively evidenced by the execution thereof. Any Authorized Representative is also authorized to execute and deliver any and all other agreements, certificates and instruments, including, without limitation, a tax certificate, letters of representations, and certifications of authority, which they may deem necessary or desirable to consummate the issuance and delivery of the Bonds, assign the rights of IBank with respect to the Site Lease and the Facility Lease to the Trustee under the Trust Agreement as security for the Bonds, consummate the Transaction, and otherwise to effectuate the purpose of this Resolution.

Section 4. All actions heretofore taken by the officers and employees of IBank with respect to the approval and issuance of the Bonds are hereby approved, confirmed and ratified. The Authorized Representatives are hereby authorized to take actions and execute and deliver any and all certificates which they may deem necessary or desirable in order to (i) consummate the sale, issuance and delivery of the Bonds; (ii) effect the financing of the Project; (iii) facilitate the Transaction; and (iv) otherwise effectuate the purposes of this Resolution.

Section 5. 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 6. 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 August 28, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By _____
Nancee Robles,
Acting Executive Director

Attest:

By _____
Stefan R. Spich
Secretary of the Board of Directors

EXHIBIT A

IBank Term Sheet
The California State Teachers' Retirement System
Headquarters Expansion
Date: August 28, 2019

Bond Par Amount:	Not to exceed \$350,000,000; tax-exempt lease revenue bonds
Type of Offering:	Public Offering in one or more series or combinations
Underwriter:	RBC Capital Markets LLC, as Senior Manager; Great Pacific Securities as Co-Senior Manager; and such other underwriters as Co-Managers as may be selected by the State Treasurer
Credit Enhancement:	None
Expected Credit Rating:	Expected ratings of "A1" by Moody's Investors Service, "A+" by S&P Global Ratings and "A+" by Fitch Ratings
True Interest Cost:	True interest cost not to exceed 4.50%
Maturity*:	Not to exceed December 1, 2049
Collateral:	Absolute and unconditional pledge of all Base Rental Payments by CalSTRS pursuant to the Facility Lease
Expected Closing Date:	12/19/2019
Guarantees:	None
Transaction:	The Bonds are 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 Bonds.

*Interest Rate and Maturity are subject to change.