

RESOLUTION NO. 17-18

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF TAX-EXEMPT REVENUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$215,000,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF CAMPUS FACILITIES IMPROVEMENT ASSOCIATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, PROVIDING THE TERMS AND CONDITIONS FOR SAID REVENUE BONDS AND OTHER MATTERS RELATING THERETO AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS HEREIN SPECIFIED

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 revenue bonds to provide financing and refinancing for eligible projects located in the State of California; and

WHEREAS, Campus Facilities Improvement Association, a California nonprofit public benefit corporation (the “Borrower”), has submitted an application (the “Application”) to IBank for assistance to finance (a) all or a portion of the costs of designing, permitting, entitling, acquiring, constructing, equipping and developing the UCSF 2130 Third Street Building, an approximately 170,000 gross square foot clinical, training and research facility to be known as the “Child, Teen and Family Center and Department of Psychiatry Building,” to be located on Third Street between 18th Street and 19th Street, San Francisco, California, (b) a deposit to the capitalized interest fund with respect to the Bonds (defined below), and (c) certain costs of issuance in connection with the issuance of the Bonds (collectively, the “Project”); and

WHEREAS, the Borrower has represented that it will enter into an agreement with SKS/Prado 2130 Third, LLC (“Developer”) requiring the Developer to construct facilities to be leased to The Regents of the University of California (“The Regents”) for research, training and clinical services relating to mental health, which operation is consistent with the definition of an economic development facility in the Act; and

WHEREAS, The Regents will agree, pursuant to terms of one or more tax agreements among the Borrower, the IBank and The Regents, to use the facilities for research, training and clinical services relating to mental health; and

WHEREAS, for these purposes, the Borrower has requested IBank to (a) authorize the issuance and delivery of one or more series of its tax-exempt revenue bonds to be sold through a public offering (the “Bonds”) pursuant to the terms set forth in **Exhibit 1** (the “Term Sheet”) attached hereto, (b) loan the proceeds of the Bonds to the Borrower pursuant to a Loan Agreement to finance or refinance the costs of the Project (the “Borrower Loan”), (c) provide for the payment

of the principal of, premium, if any, and interest on the Bonds with revenues derived from the Borrower's payments made pursuant to the Borrower Loan, and (d) take and authorize certain other actions in connection with the foregoing (collectively, the "Transaction"); and

WHEREAS, the Borrower has represented that it expects to obtain an initial rating on the Bonds of at least "Aa3" from Moody's Investors Service and "AA-" from Standard & Poor's Rating Services due to an unconditional obligation of The Regents to make base rental payments to the Developer, which will irrevocably assign its rights to receive such base rental payments to The Bank of New York Mellon Trust Company, N.A., as trustee for the Bonds (the "Trustee"), for the payment of the Bonds and which base rental payments shall also be credited against the obligation of the Developer to pay base rent to the Borrower pursuant to a ground sublease between the Borrower, as landlord, and the Developer, as tenant; and

WHEREAS, IBank staff has reviewed the Application from the Borrower and drafts of certain documents proposed to be entered into in connection with the Transaction, including an Indenture, a Loan Agreement, one or more Purchase Contracts, and one or more Official Statements (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 and lending the proceeds of the Bonds to the Borrower in order to finance or refinance costs of the Project 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, is hereby authorized to execute and deliver the Transaction Documents and any and all other agreements, certificates and instruments, including, without limitation, a tax regulatory agreement and other tax forms required by the Internal Revenue Service in connection with the issuance of the Bonds, a no arbitrage certificate, letters of representations, escrow agreements, assignments, 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 Bonds, assign security provided by the Borrower with respect to the Borrower Loan to the Trustee under the Indenture 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 and 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 documents or certificates which they may deem necessary or desirable in order to (i) consummate the sale, issuance and delivery of the Bonds and the use of Bond proceeds to fund the Borrower Loan; (ii) effect the financing of the Project; (iii) pay certain costs of issuance in connection with the issuance

of the Bonds; (iv) facilitate the Transaction; and (v) 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 November 28, 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 UCSF 2130 Third Street Building Date: November 28, 2017

Bond Par Amount:	Not to exceed \$215,000,000; in one or more tax-exempt series
Type of Offering:	Public Offering
Senior Managing Underwriter:	Goldman Sachs & Co.
Credit Enhancement:	None
Expected Credit Rating:	Moody's Investors Service: Aa3 Standard & Poor's Rating Services: AA-
True Interest Cost*:	True interest cost not to exceed 6.00%
Maturity:	May 15, 2053
Space Lease:	The Regents of the University of California agree to unconditionally make base rental payments under the Space Lease which will be irrevocably assigned to the Trustee for payment on the Bonds.
Closing Date*:	December 14, 2017
Conduit Transaction:	The Bonds are special, limited obligations 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.

*Please note that Interest Rate and Closing Date are subject to change.