

**RESOLUTION NO. 20-07**

**RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF TAX-EXEMPT AND/OR TAXABLE REFUNDING REVENUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$30,370,000 TO REFUND OR PREPAY CERTAIN OUTSTANDING BONDS AND OBLIGATIONS USED TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF THE PERFORMING ARTS CENTER OF LOS ANGELES COUNTY, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, PROVIDING THE TERMS AND CONDITIONS FOR SAID REFUNDING REVENUE BONDS AND OTHER MATTERS RELATING THERETO AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS HEREIN SPECIFIED**

WHEREAS, the California Infrastructure and Economic Development Bank (“Infrastructure Bank”) 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, Infrastructure Bank is authorized under the Act to issue tax-exempt and taxable revenue bonds to provide financing and refinancing for eligible projects located in the State of California (the “State”); and

WHEREAS, on May 23, 2007 (a) Infrastructure Bank and MUFG Union Bank, N.A. (formerly Union Bank of California, N.A.), as trustee, duly executed and delivered an Indenture, dated as of May 1, 2007, providing for the issuance of Infrastructure Bank’s Revenue Bonds (Performing Arts Center of Los Angeles County) Series 2007 in the aggregate principal amount of \$27,530,000 (the “2007 Bonds”); and (b) Infrastructure Bank and the Performing Arts Center of Los Angeles County, a California nonprofit public benefit corporation (the “Borrower”), duly executed and delivered a Loan Agreement, dated as of May 1, 2007 (the “2007 Loan Agreement”), specifying the terms and conditions of a loan made by Infrastructure Bank to the Borrower of the proceeds of the 2007 Bonds to provide financing and refinancing related to the Project (as defined in the 2007 Loan Agreement); and

WHEREAS, in May 2019, the County of Los Angeles (the “County”) made a loan to the Borrower (the “County Loan”) in the aggregate principal amount of \$5,000,000 to provide financing and refinancing related to capital improvements to certain facilities of the Borrower; and

WHEREAS, Borrower has submitted a new application to Infrastructure Bank (the “Application”) for assistance to (1) current refund all or a portion of the outstanding principal amount of the 2007 Bonds, (2) prepay all or a portion of the outstanding principal amount of the County Loan, (3) fund a debt service reserve fund, if needed, and (4) pay various costs of issuance incurred in connection with the transactions described herein, including obtaining bond insurance or a surety policy, if needed (collectively, the “2020 Project”); and

WHEREAS, in the Application, the Borrower requests that Infrastructure Bank (a) enter into an Indenture (the “Indenture”), (b) authorize the issuance and delivery of bonds in one or more tax-

exempt and/or taxable series (the “2020 Bonds”) to be sold through a public offering, pursuant to the terms set forth in **Exhibit 1** (the “Term Sheet”) attached hereto; (c) loan the proceeds of the 2020 Bonds to the Borrower pursuant to a Loan Agreement (the “Loan Agreement”), to finance and refinance the costs of the 2020 Project; (d) provide for the payment of the principal of, premium, if any, and interest on the 2020 Bonds with revenues derived solely from the Borrower payments made pursuant to the Loan Agreement and from other funds and accounts available therefor under the Indenture; and (e) to take and authorize certain other actions in connection with the foregoing (collectively, the “Transaction”); and

WHEREAS, the Borrower has represented that it currently expects to obtain an initial rating on the 2020 Bonds of at least “A3” from Moody's Investors Service, or “A-” from S&P Global Ratings or Fitch Ratings, Inc.; and

WHEREAS, Infrastructure Bank staff have reviewed the Application from the Borrower and drafts of certain of the documents proposed to be entered into in connection with the Transaction, including the Indenture, the Loan Agreement, a Preliminary Official Statement and a Bond Purchase Contract (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. Infrastructure Bank authorizes and approves the issuance, execution, sale and delivery of the 2020 Bonds on terms set forth on the Term Sheet and lending the proceeds of the 2020 Bonds to the Borrower in order to finance and refinance the 2020 Project pursuant to terms and provisions as approved by this resolution (the “Resolution”).

Section 3. The Executive Director, the Chief Deputy Executive Director, or the Executive Director’s assignees (each an “Authorized Representative”), each acting alone, is hereby authorized to execute and deliver the Transaction Documents, substantially in the form 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, 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 2020 Bonds, a no arbitrage certificate, letters of representations, assignments, escrow agreements, 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 2020 Bonds, assign security provided by the Borrower to the Trustee under the Indenture as security for the 2020 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 Infrastructure Bank with respect to the approval and issuance of the 2020 Bonds and the loan of the proceeds thereof to the Borrower are hereby approved, confirmed and ratified. Any Authorized Representative is hereby authorized and directed, jointly and severally, to perform their duties, 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 2020 Bonds and the use of 2020 Bond proceeds to fund the loan to the Borrower; (ii) effect the financing and refinancing of the

2020 Project; (iii) facilitate the Transaction; and (iv) to otherwise to effectuate the purposes of this Resolution.

Section 5. Unless extended by Infrastructure Bank, the Board's approval of the Transaction is conditioned upon the sale of the 2020 Bonds occurring 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 May 27, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By \_\_\_\_\_  
Scott Wu, Executive Director

Attest:

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

## Exhibit 1

### Performing Arts Center of Los Angeles County 2020 Project

#### Infrastructure Bank Term Sheet

<b>Bond Par Amount:</b>	Up to an aggregate principal amount not to exceed \$30,370,000, in one or more tax-exempt and/or taxable series
<b>Type of Offering:</b>	Public offering in one or more series
<b>Underwriter:</b>	BofA Securities, Inc.
<b>Credit Enhancement and Expected Credit Rating*:</b>	Credit Enhancement to be obtained, if needed; Expected Rating on the 2020 Bonds of at least "A3" from Moody's Investor Services or "A" from S&P Global Ratings. A rating of at least "A3" from Moody's Investor Services or "A-" from S&P Global Ratings or Fitch Ratings, Inc. is required as a condition to closing.
<b>Interest Rate*:</b>	The average effective yield across all the 2020 Bonds will not exceed 5.50%
<b>Maturity*:</b>	Up to 22 years (2042)
<b>Collateral:</b>	General obligation of the Borrower
<b>Expected Closing Date*:</b>	June 17, 2020
<b>Conduit Transaction:</b>	The 2020 Bonds are special, limited obligations payable solely by the Borrower's payments under the Loan Agreement, the Indenture and the other Transaction Documents, and Infrastructure Bank shall not be directly or indirectly, contingently or morally, obligated to use any other moneys or assets of Infrastructure Bank for all or any portion of the payment to be made pursuant to the 2020 Bonds.

\*Please note that Expected Rating, Interest Rate, Maturity, and Expected Closing Date are subject to change.