

AMENDED RESOLUTION NO. 15-16

AMENDED RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE EXTENSION OF AND CERTAIN CHANGES TO A PRIOR AUTHORIZATION OF THE ISSUANCE OF TAX-EXEMPT LOANS IN AN AMOUNT NOT TO EXCEED \$12,000,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF THEATRE FOR CHILDREN, INC., D/B/A THE B STREET THEATRE, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, PROVIDING THE AMENDED TERMS AND CONDITIONS FOR SAID TAX-EXEMPT LOAN 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 obligations to provide financing and refinancing for eligible projects located in the State of California; and

WHEREAS, Theatre for Children, Inc., d/b/a The B Street Theatre, a California nonprofit public benefit corporation (the “Borrower”), has submitted an application (the “Application”) to IBank for assistance to (1) finance or reimburse the Borrower for the acquisition, design, development, construction, equipping and furnishing of a 45,000 square foot theater complex located at 2710 Capitol Avenue in Sacramento’s midtown area, including, but not limited to, two Theatre spaces, a public lobby area, an outdoor courtyard, a café, backstage areas three classrooms/rehearsal spaces and administrative offices to enhance the programs and mission of the Borrower, and (2) pay certain costs of issuance in connection with the issuance of the Transaction (defined below) and other related costs (collectively, the “Project”); and

WHEREAS, on November 17, 2015, the IBank Board adopted a Resolution 15-16 (the “Original Resolution”), approving the issuance of tax-exempt loans (the “Tax-Exempt Loans”) to finance the costs of the Project in an aggregate principal amount not to exceed \$12,000,000 (the “Transaction”); and

WHEREAS, pursuant to its terms, the IBank’s approval of the Transaction pursuant to the Original Resolution will expire 180 days from the adoption thereof unless extended by IBank; and

WHEREAS, since the adoption of the Original Resolution, the Borrower has negotiated terms with Five Star Bank (the “New Lender”) for the Tax-Exempt Loans, as set forth in **Exhibit 1** hereto (the “Revised Term Sheet”); and

WHEREAS, due to the passage of time since the adoption of the Original Resolution and the changes in certain of the terms of the Tax-Exempt Loan, the Borrower has requested IBank

amend the Original Resolution to (a) authorize the issuance and delivery of the Tax-Exempt Loans to the New Lender pursuant to the terms set forth in Revised Term Sheet attached hereto, and (b) extend the expiration date of the approval of the Transaction pursuant to the Original Resolution; and

WHEREAS, IBank staff has reviewed the Application from the Borrower and drafts of certain of the documents proposed to be entered into in connection with the Transaction, including a Loan Agreement and an Assignment Agreement (collectively, the “Transaction Documents”);

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Infrastructure and Economic Development Bank, as follows:

Section 1. The above recitals are true and correct.

Section 2. 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, a no arbitrage certificate, letters of representations and certifications of authority, which they or counsel to IBank may deem necessary or desirable to consummate the issuance and delivery of the Tax-Exempt Loans, assign security provided by the Borrower with respect to the Borrower Loan to the Lender as security for the Tax-Exempt Loans, consummate the Transaction, and otherwise to effectuate the purpose of this Amended Resolution.

Section 3. All actions heretofore taken by the officers and employees of IBank with respect to the approval and issuance of the Tax-Exempt Loans, including pursuant to the Original Resolution, are hereby approved, confirmed and ratified. The officers of IBank and their authorized assignees, designees, deputies, agents and counsel are hereby authorized and directed, jointly and severally, to perform their duties, take actions and execute and deliver any and all certificates which they or counsel to IBank may deem necessary or desirable in order to (i) consummate the issuance and delivery of the Tax-Exempt Loans to the New Lender and the use of the proceeds of the Tax-Exempt Loans to fund the Borrower Loan; (ii) effect the financing of the Project; (iii) facilitate the Transaction; and (iv) to otherwise effectuate the purposes of this Amended Resolution and the Original Resolution.

Section 4. The Board’s approval of the Transaction pursuant to the Original Resolution is hereby extended but only on the terms set forth on the Revised Term Sheet.

Section 5. Unless extended by IBank, the Board’s approval of the Transaction, as modified by the Revised Term Sheet, is conditioned upon its closing within one hundred eighty (180) days from the date of the adoption of this Amended Resolution.

Section 6. This Amended Resolution shall take effect immediately upon its passage.

PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on April 26, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By _____
Teveia R. Barnes, Executive Director

Attest:

By _____
Stefan R. Spich, Secretary
of the Board of Director

Exhibit 1

IBank Revised Term Sheet **Theatre for Children, Inc., d/b/a The B Street Theatre** **Date: April 26, 2016**

Loan Amount: Not to exceed \$12,000,000, Tax-Exempt

Type of Offering: Private Placement

Private Placement Agent: Five Star Bank

Credit Enhancement: IBank Small Business Loan Guarantee not to exceed \$2,500,000

Interest: Not to exceed 3.5%, fixed for 6 years, variable rate for the subsequent 9 years (with a minimum rate of 3.500% per annum) and thereafter such rate as the Lender shall set with the Borrower's approval (provided that the Transaction Documents may provide for default rates and other contingent increases in interest rate). Eighteen months of interest-only payments.

Maturity: Not to exceed 30 Years from Closing Date, estimated April 30, 2046

Collateral: First Deed of Trust & UCC-1 filing on Project property in Sacramento, CA including all development assets of the Project.

Closing Date: Estimated April 30, 2016

Conduit Transaction: Except with respect to the \$2,500,000 guarantee under IBank's Small Business Loan Guarantee Program, ~~T~~the Loan is a special, limited obligation payable solely from the 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 payments to be made pursuant to the Loan.