

RESOLUTION NO. 08-03

RESOLUTION OF THE
CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK
RELATING TO THE FINANCING OF FACILITIES FOR
THE WALT DISNEY FAMILY MUSEUM, PROVIDING THE TERMS AND CONDITIONS
FOR THE ISSUANCE OF BONDS AND OTHER MATTERS RELATING THERETO AND
AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS

February 26, 2008

WHEREAS, the California Infrastructure and Economic Development Bank (the “Issuer”) was established 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”), for the purpose of, among other things, providing financial assistance for design, construction, financing and development of economic development facilities (as such term is defined in the Act) located in the State of California (the “State”); and

WHEREAS, The Walt Disney Family Museum, LLC, a California limited liability company (the “Borrower”), has applied for the financial assistance of the Issuer to (i) finance a portion of the costs of the installation, furnishing, equipping, renovation and adaptive reuse of certain portions of 104 Montgomery Street, 122 Riley Avenue, and 108 Taylor Road in the Presidio of San Francisco to house The Walt Disney Family Museum, including exhibition halls, office space and related facilities (the “Project”), (ii) fund a debt service reserve fund for the Bonds (as such term is defined below), if required, and (iii) fund capitalized interest with respect to the Bonds; and

WHEREAS, the Borrower requests the Issuer to issue revenue bonds in an amount not to exceed \$75,000,000 to assist in financing the Project and for the other purposes specified in the second recital hereto; and

WHEREAS, as a result of uncertainties in the public capital markets as to whether purchasing a policy of municipal bond insurance would have a beneficial effect on the prices at which such bonds may be sold, the Indenture (as defined below) and the Loan Agreement (as defined below) have been prepared with language that contemplates the issuance of such bonds either as insured or as uninsured bonds, to be determined not later than the pricing on the Bonds; and

WHEREAS, final approval of the terms of such bonds and certain documents relating to the bonds is now sought;

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

Section 1. The Issuer hereby determines as follows:

- a. The financing and loan contemplated by this resolution is for a project and use in the State.
- b. Based upon the requirement that the transaction will be rated in one of the three highest rating categories of Moody's Investors Service, Fitch, Inc. or Standard & Poor's Ratings Services, without regard to numerical or other qualifiers, the Borrower is capable of meeting the obligations incurred under the agreements approved by this resolution.
- c. The payments to be made by the Borrower to the Issuer under the loan agreement approved herein are adequate to pay the current expenses of the Issuer in connection with the financing and to make all the payments on the Bonds (as such term is defined below).
- d. The proposed financing is appropriate for financing the Project.
- e. The Project is consistent with any existing local or regional comprehensive plan.
- f. The Project demonstrates clear evidence of a defined public benefit.

Section 2. Revenue obligations of the Issuer, designated as the “California Infrastructure and Economic Development Bank Revenue Bonds (The Walt Disney Family Museum) Series 2008” (the “Bonds”) in one or more series and in an aggregate principal amount not to exceed \$75,000,000 are authorized to be issued pursuant to the Act. The Issuer understands that the Bonds will be rated in one of the three highest rating categories of Moody’s Investors Service, Fitch, Inc. or Standard & Poor’s Ratings Services, without regard to numerical or other qualifiers.

Section 3. The Treasurer of the State of California (the “Treasurer”) is hereby authorized and requested to sell the Bonds, at any time and from time to time within one hundred eighty (180) days of receipt of a certified copy of this resolution, at private sale, in such series and such principal amounts (not in excess of a total of \$75,000,000), at such prices and at such interest rate or rates as he may determine.

Section 4. The proposed form of Loan Agreement relating to the Bonds (the “Loan Agreement”) between the Issuer and the Borrower on file with the Secretary of the Issuer (the “Secretary”), is hereby approved, and the Executive Director and the Chair of the Issuer, or the Chair’s designee, and each of them, acting alone, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute, acknowledge and deliver the Loan Agreement to the Borrower, in substantially said form, with such insertions and changes therein as the officer or official executing the same, with the advice of the Issuer’s counsel, may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed form of Indenture relating to the Bonds (the “Indenture”) between the Issuer and the trustee named therein (the “Trustee”), on file with the Secretary, is hereby approved, and the Executive Director and the Chair of the Issuer, or the Chair’s designee,

and each of them, acting alone, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute, acknowledge and deliver the Indenture to the Trustee, in substantially the form presented to this meeting, with such insertions and changes therein as the officer or official executing the same, with the advice of the Issuer's counsel, may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof. The series (and respective principal amounts thereof), dates, maturity date or dates, interest rate or rates and payment dates, denominations, forms, place or places of payment, terms of redemption, and other terms of the Bonds shall be as provided in said Indenture, as finally executed.

Section 6. The proposed form of Bond Purchase Contract (the "Bond Purchase Contract") among the Treasurer, the Issuer and J.P. Morgan Securities Inc. ("J.P. Morgan" or the "Underwriter"), on file with the Secretary, is hereby approved, and the Executive Director and the Chair of the Issuer, or the Chair's designee, and each of them, acting alone, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute and deliver to J.P. Morgan and the Treasurer the Bond Purchase Contract in substantially the form presented to this meeting, with such insertions and changes therein as the officer or official executing the same, with the advice of the Issuer's counsel, may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The proposed form of official statement relating to the Bonds (the "Official Statement"), on file with the Secretary, is hereby approved, and the Executive Director and the Chair of the Issuer, or the Chair's designee, and each of them, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute and deliver the Official Statement in substantially the form presented at this meeting, with such insertions

and changes therein as the officer or official executing the same, with the advice of the Issuer's counsel, may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof. The Underwriter is hereby severally authorized to distribute copies of the Official Statement to prospective purchasers and the purchasers of the Bonds.

Section 8. The Executive Director and the Chair of the Issuer, or the Chair's designee, and each of them, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute (by manual or facsimile signature) the Bonds in an aggregate principal amount not to exceed the amount authorized hereunder in accordance with the Indenture and in the form set forth in the Indenture.

Section 9. The Bonds, when executed as provided in Section 8 of this Resolution, shall be delivered to the Trustee for authentication by the Trustee pursuant to the Indenture. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's certificate of authentication appearing thereon. The Trustee is hereby requested and directed to deliver the Bonds, when duly executed and authenticated, to The Depository Trust Company, New York, New York (the "Depository"), on behalf of the purchasers thereof in accordance with written instructions executed on behalf of the Issuer by the Executive Director, the Chair, or the Chair's designee, which instructions each signatory, acting singly, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute and to deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the Depository, on behalf of the purchasers thereof, upon payment of the purchase price thereof.

Section 10. The officers and officials of the Issuer and the Treasurer and their authorized representatives are hereby authorized and directed, acting severally, to do any and all things, and to execute and deliver any and all documents and certificates, including without

limitation a tax certificate, a letter of representations or similar documents, and documents relating to the bond insurance, if any, and a guaranty agreement relating to the Bonds, which they may deem necessary or advisable to consummate the issuance, sale and delivery of the Bonds, and otherwise to effectuate the purpose of this resolution.

Section 11. 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 February 26, 2008 by the following vote:

AYES: Matteucci, Sheehan, Rosenstiel, Lopez, Rice

NOES: None

ABSENT: None

ABSTAIN: None



Stanton C. Hazelroth, Executive Director

Attest:



Roma Cristia-Plant, Secretary