

RESOLUTION NO. 09-34

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS HEREIN SPECIFIED IN CONNECTION WITH THE DELIVERY OF A LETTER OF CREDIT WHICH SHALL ACT AS ADDITIONAL CREDIT ENHANCEMENT AND AS AN ALTERNATE LIQUIDITY FACILITY FOR THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK'S VARIABLE RATE REVENUE BONDS, SERIES 2005 (ASIAN ART MUSEUM FOUNDATION OF SAN FRANCISCO)

WHEREAS, the California Infrastructure and Economic Development Bank (the "Bank") was established pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 and following) (the "Act"), for the purpose of promoting economic development; and

WHEREAS, the Bank is authorized to issue tax-exempt revenue bonds to provide financing for economic development facilities (as such term is defined in the Act) located in the State of California; and

WHEREAS, on January 25, 2005, the Bank adopted Resolution No. 05-04, authorizing the issuance of its Variable Rate Revenue Bonds, Series 2005 (Asian Art Museum Foundation of San Francisco) (the "2005 Bonds") to assist the Asian Art Museum Foundation of San Francisco (the "Borrower") with the refinancing of the cost of the construction and development of a museum for the display of Asian art through the renovation of the former main library in San Francisco (the "Project"); and

WHEREAS, the Bank issued the 2005 Bonds on February 3, 2005 pursuant to an indenture, dated as of February 1, 2005 (the "Indenture"), between the Bank and The Bank of New York Trust Company, N.A., as predecessor to successor trustee The Bank of New York Mellon Trust Company, N.A.; and

WHEREAS, upon issuance of the 2005 Bonds, the Bank loaned the proceeds of the 2005 Bonds to the Borrower pursuant to the terms of a loan agreement, dated as of February 1, 2005 (the “Loan Agreement”), between the Bank and the Borrower; and

WHEREAS, at the time of issuance, MBIA Insurance Corporation (the “2005 Bond Insurer”) issued a bond insurance policy insuring payment of the principal of and interest on the 2005 Bonds; and

WHEREAS, at the time of issuance, JPMorgan Chase Bank, N.A., and the Borrower entered into a Standby Bond Purchase Agreement (the “Initial Liquidity Facility”) to provide liquidity for the purchase of 2005 Bonds tendered but not remarketed; and

WHEREAS, the Borrower has obtained a commitment from JPMorgan Chase Bank, N.A., to issue a direct-pay letter of credit (the “Letter of Credit”) to provide liquidity support and additional credit enhancement for the 2005 Bonds; and

WHEREAS, the Borrower desires to replace the Initial Liquidity Facility with the Letter of Credit; and

WHEREAS, the Borrower has requested the Bank to enter into an amended and restated Indenture (the “Amended and Restated Indenture”) and an amended and restated Loan Agreement (the “Amended and Restated Loan Agreement”) in connection with the delivery of the Letter of Credit and to take and authorize certain other actions in connection with the foregoing; and

WHEREAS, the Borrower has represented that, upon substitution of the Letter of Credit for the Initial Liquidity Facility, and as a result of the additional credit enhancement provided by the Letter of Credit, it expects a rating on the Bonds of at least “Aa1/VMIG 1” from Moody’s Investors Service and “AA-/A-1+” from Standard & Poor’s Ratings Services, which ratings will

remain in effect until the scheduled expiration of the Letter of Credit, which is initially scheduled to occur twelve months following the delivery of the Letter of Credit (unless otherwise extended); and

WHEREAS, there is now on file with the Secretary of the Board (“Secretary”) a proposed form of (a) the Amended and Restated Indenture, originally dated as of February 1, 2005 and as amended and restated as of September 1, 2009, between the Bank and The Bank of New York Mellon Trust Company, as trustee, and (b) the Amended and Restated Loan Agreement, originally dated as of February 1, 2005 and as amended and restated as of September 1, 2009, between the Bank and the Borrower; and

WHEREAS, the primary purpose of the amendments proposed in the Amended and Restated Indenture and Amended and Restated Loan Agreement is to provide for the security of the 2005 Bonds and liquidity for the remarketing of the 2005 Bonds, but also to make certain changes to the terms of the 2005 Bonds as required by the provider of the Letter of Credit and the 2005 Bond Insurer;

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 proposed form of Amended and Restated Indenture on file with the Secretary is hereby approved, and the Executive Director of the Bank (the “Executive Director”), the Chair of the Board, or the Chair’s designee, each acting alone, is hereby authorized and directed, for and on behalf and in the name of the Bank, to execute, acknowledge and deliver the Amended and Restated Indenture to the Trustee in substantially said form, with such insertions and changes therein as may be necessary or appropriate to cause the same to carry out the intent

of this resolution and as the officer or official executing the same, with the advice of the Bank's counsel, may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof (as so approved, the "Amended and Restated Indenture"). The Secretary is authorized to attest to the execution of the Amended and Restated Indenture.

Section 3. The proposed form of Amended and Restated Loan Agreement on file with the Secretary is hereby approved, and the Executive Director, the Chair of the Board, or the Chair's designee, each acting alone, is hereby authorized and directed, for and on behalf and in the name of the Bank, to execute, acknowledge and deliver the Amended and Restated Loan Agreement to the Borrower in substantially said form, with such insertions and changes therein as may be necessary or appropriate to cause the same to carry out the intent of this resolution and as the officer or official executing the same, with the advice of the Bank's counsel, may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof (as so approved, the "Amended and Restated Loan Agreement"). The Secretary is authorized to attest to the execution of the Amended and Restated Loan Agreement.

Section 4. The terms of the 2005 Bonds remarketed pursuant to the Amended and Restated Indenture shall be subject to amended tender provisions as provided in the Amended and Restated Indenture and shall bear interest at variable rate or rates to be determined in accordance with the Indenture, which rates shall not exceed the lesser of (a) the maximum rate of interest permitted by law, or (b) 15% per annum, except that 2005 Bonds held by the Letter of Credit provider shall bear interest at rates not to exceed the lesser of (y) the maximum non-usurious rate of interest permitted by applicable law and (z) 25% per annum. All other terms of the 2005 Bonds as set forth in the Indenture are hereby approved, confirmed and ratified.

Section 5. The Executive Director, the Chair of the Board or the Chair's designee, each acting alone, is hereby authorized to execute and deliver any and all certificates and instruments, including without limitation a certificate supplementing the Tax Certificate and Agreement, dated February 3, 2005, by the Bank and the Borrower, relating to the 2005 Bonds, letters of representations and certifications of authority, which they or counsel to the Bank may deem necessary or advisable to effectuate the purpose of this resolution.

Section 6. All actions heretofore taken by the officers and employees of the Bank with respect to the approval and execution of the Amended and Restated Indenture and the Amended and Restated Loan Agreement are hereby approved, confirmed and ratified. The officers of the Bank and their authorized designees, deputies, agents and counsel are hereby authorized and directed, jointly and severally, to perform their duties and to execute and deliver any and all certificates which they, or counsel to the Bank, may deem necessary or advisable in order to consummate and otherwise to effectuate the purposes of this resolution.

Section 7. This resolution shall take effect immediately upon its passage.

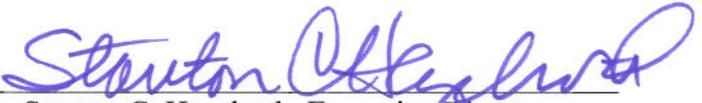
PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on August 25, 2009 by the following vote:

AYES: Berte, Lujano, Sheehy, Aguiar, Rice

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE



Stanton C. Hazelroth, Executive Director

Attest:



Roma Cristia-Plant, Secretary