

RESOLUTION NO. 09-16

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK APPROVING THE ACQUISITION AND RELEASE OF REAL PROPERTY, GRANTING CERTAIN EASEMENTS ON REAL PROPERTY, AND APPROVING THE EXECUTION OF DEEDS, AMENDMENTS AND DOCUMENTS IN RELATION THERETO

RECITALS

WHEREAS, the California Infrastructure and Economic Development Bank (“I-Bank”) is formed within state government for the purpose of administering the provisions of the Bergeson-Peace Infrastructure and Economic Development Bank Act (“Act”);

WHEREAS, on June 30, 2000, the I-Bank adopted Resolution No. 00-37 approving a \$20,000,000 Infrastructure State Revolving Fund (“ISRF”) Program financing for the Orange County High School of the Arts (“OCHSA”) to construct an educational facility located in the City of Santa Ana at 921 North Sycamore Street, 1000 North Main Street, 1010 North Main Street, 1018 North Main Street, 919 North Broadway, 900 North Sycamore, and certain parking spaces to be transferred at a future date (the “Property”);

WHEREAS, OCHSA and the I-Bank have previously entered into an Acquisition Agreement (“Acquisition Agreement”) and a Facility Lease (“Facility Lease”) dated as of September 1, 2000 for the OCHSA ISRF financing;

WHEREAS, Section 2 of the Acquisition Agreement requires OCHSA to transfer property reasonable acceptable to the I-Bank for purposes of providing sufficient property to create a total (when combined with current parking within the Property) 462 parking spaces for the Property;

WHEREAS, OCHSA is prepared to transfer the required property for parking to the I-Bank;

WHEREAS, the Facility Lease precludes the I-Bank and OCHSA from encumbering the Property without the consent of each party;

WHEREAS, at the request of an owner developing property adjacent to the Property, OCHSA has consented to, and is requesting the I-Bank as owner of the Property to consent to and grant, certain easements benefitting the proposed development and affecting and benefitting the Property as specifically listed in Exhibit C, attached hereto (“Easement Agreements”);

WHEREAS, Section 2.06 of the Facility Lease authorizes OCHSA to substitute or remove part of the Property as security for the financing if certain conditions are met;

WHEREAS, in connection with the request to grant easements and consistent with Section 2.06 of the Facility Lease, on April 13, 2009 OCHSA submitted a request for removal of certain property (“Request for Removal”);

WHEREAS, for these purposes, OCHSA has requested the I-Bank to (a) accept title to certain property in satisfaction of OCHSA's requirement to transfer property to the I-Bank for parking purposes, (b) approve the Request for Removal of property, and (c) approve and grant certain easements affecting the Property.

NOW THEREFORE, the Board of Directors of the California Infrastructure and Economic Bank resolves as follows:

Section 1. Recitals. The recitals above are true and correct.

Section 2. Parking.

- (a) Subject to the conditions listed in Exhibit A, hereto, the Board hereby approves taking title to the property listed in Exhibit B hereto (the "Property").
- (b) The Board acknowledges that the transfer of title of the Property to the I-Bank satisfies OCHSA's requirements to transfer property for parking as set forth in Section 2 of the Acquisition Agreement.
- (c) The Board hereby authorizes the Chair of the I-Bank, the Chair's designee and the Executive Director of the I-Bank, each acting alone, to execute all necessary documents and certificates related to the acquisition of the Property including but not limited to, certificates of acceptance, escrow instructions, and amendments to the Acquisition Agreement and Facility Lease.

Section 3. Request for Removal.

- (a) The Board hereby approves the Request for Removal as on file with the Secretary and authorizes the transfer of property as requested therein, subject to the conditions listed in Exhibit A.
- (b) The Board hereby authorizes the Chair of the I-Bank, the Chair's designee and the Executive Director of the I-Bank, each acting alone, to execute all necessary documents and certificates related to the Request for Removal including but not limited to, deeds, escrow instructions, and amendments to the Acquisition Agreement and Facility Lease.

Section 4. Easements.

- (a) Subject to the conditions listed in Exhibit A, the Board hereby approves and consents to the Easement Agreements in substantially final form on file with the Secretary.
- (b) The Board hereby authorizes the Chair of the I-Bank, the Chair's designee and the Executive Director of the I-Bank, each acting alone, to execute the Easement Agreements as on file with the Secretary with such minor additions or edits as deemed necessary by I-Bank counsel and all necessary documents and certificates related to the Easement Agreements, including but not limited to, escrow instructions and amendments to the Acquisition Agreement and Facility Lease.

Section 5. Authorization. The Chair of the I-Bank, the Chair's designee and the Executive Director of the I-Bank, each acting alone, is hereby authorized to execute all amendments to the Acquisition Agreement and Facility Lease, deeds, documents, certificates

and instruments necessary or appropriate that are consistent with this Resolution, subject to the conditions listed in Exhibit A, hereto.

Section 6. Effective Date. This Resolution shall take effect from and after its adoption.

PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on April 29, 2009, by the following vote:

AYES: BONNER, SHEEHY, LUJANO, AGUIAR, RICE

NOES: None

ABSENT: None

ABSTAIN: None

By 
Stanton C. Hazelroth, Executive Director

Attest:

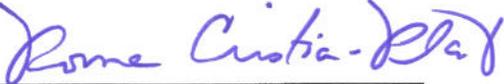
By 
Roma Cristia-Plant, Secretary

Exhibit A

CONDITIONS OF APPROVAL

The execution and delivery of the Amendments, deeds, and Easements by the I-Bank are conditioned upon the delivery to the I-Bank of the following:

1. Escrow Instructions acceptable to the I-Bank;
2. Title to the Parking Lot Property and related title insurance policies acceptable to the I-Bank;
3. Agreement by OCHSA to pay for all title and escrow fees.
4. Deeds transferring title of the Parking Lot Property acceptable to the I-Bank;
5. Resolution of the Orange County High School of the Arts Foundation acceptable to the I-Bank confirming the continuation of the Guaranty Agreement dated October 30, 2000 subsequent to the execution of the amendments to the Financing Agreements.
6. Written confirmations from the City of Santa Ana and the Redevelopment Agency that the Parking Lot Property is a) sufficient to support 462 spaces when added to the current property owned by the I-Bank and, b) that the striping required to create the 462 spaces complies with all applicable City Code requirements.

Exhibit B

DESCRIPTION OF PROPERTY (PARKING PARCELS)

- Lot 1 known as the parking portion of 1104 and 1110 N. Sycamore Street;
- Lot 3 known as 912 N. Main Street and 915 N. Sycamore Street;
- Lot 4 known as 839 N. Broadway and 912 N. Sycamore Street; and
- Lot 7 known as 201 and 207 W. Washington Avenue.

Exhibit C

EASEMENT AGREEMENTS

1. Agreement for Grants of Utilities an Access Easements by and between the California Infrastructure and Economic Development Bank, One Broadway Plaza, LLC, and the Orange County High School of the Arts (“OCHSA”) related to the grant of a 20’ easement for the installation, repair and/or maintenance of utilities (water, sewer, electrical, gas, cable, etc).
2. Agreement for Grant of Drainage Easements by and between the California Infrastructure and Economic Development Bank, One Broadway Plaza, LLC, 1200 N. Main Partners, LLC, the Legacy Fund, and the Orange County High School of the Arts (“OCHSA”) related to a grant of an easement for the construction and use of a gutter-like storm drainage system across OCHSA’s main school parking lot within a 20’ wide easement.
3. Agreement for Non-Buildable Yard by and between the California Infrastructure and Economic Development Bank, One Broadway Plaza, LLC, 1200 N. Main Partners, LLC, and the Orange County High School of the Arts (“OCHSA”) related to prohibiting building anything, with the exception of surface parking an property walls, on the 20’ easement.
4. Cross Lot Ingress and Egress and Fire and Police Emergency Access Agreement by and between the California Infrastructure and Economic Development Bank, One Broadway Plaza, LLC, 1200 N. Main Partners, LLC, the Legacy Fund, and the Orange County High School of the Arts related to the grant of access emergency services over and across certain property access for adjacent property owners.