

RESOLUTION NO. 10-29

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK INSTRUCTING STAFF REGARDING THE APPROVING THE FINANCING OF COSTS PAID OR INCURRED BY THE INFRASTRUCTURE STATE REVOLVING FUND PROGRAM PROJECT SPONSORS

WHEREAS, the California Infrastructure and Economic Development Bank (the “I-Bank”) is established pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 et seq.) (the “Act”), for the purpose of promoting, among other things, a system of public improvements essential to the economic well-being of the citizens of the State of California (the “State”) and that are necessary to maintain, as well as create, employment within the State;

WHEREAS, the I-Bank is authorized under the Act to, among other things, finance the “costs” of the categories of “public development facilities” located in the State, as requested by “sponsors” (“Project Sponsors”), all as defined in the Act, pursuant to the authority and requirements of the Act;

WHEREAS, the I-Bank has adopted Criteria, Priorities and Guidelines (the “Criteria”) for a program to finance public development facilities known as the Infrastructure State Revolving Fund Program (the “ISRF Program”);

WHEREAS, the ISRF Program is funded in part by the issuance of bonds by the I-Bank (the “ISRF Program Bonds”), and the ISRF Program transactions that are either funded from the proceeds of, or pledged to the security of various series of ISRF Program Bonds must be structured in conformance with certain federal tax law requirements that apply to the ISRF Program Bonds and in conformance with certain contractual agreements made by the I-Bank in relation to the ISRF Program Bonds;

WHEREAS, on June 9, 2000, the Board adopted Resolution 00-32 to, among other things, establish when a Project Sponsor may use the proceeds of an ISRF Program financing to reimburse costs incurred by the Project Sponsor prior to the execution of the ISRF Program financing agreement;

WHEREAS, on February 24, 2009, the Board adopted Resolution 09-06 to, among other things, revise the timing limitations in Resolution 00-32 of when a Project Sponsor may use the proceeds of an ISRF Program financing to reimburse costs incurred by the Project Sponsor prior to the execution of the ISRF Program financing agreement;

WHEREAS, the reimbursement limitations related to capital costs established in Resolution 09-06 are more stringent than required by the Act, the Criteria, federal tax law or agreements pertaining to the use of proceeds of the ISRF Program Bonds, and on occasion have inhibited the I-Bank’s ability to finance costs of a ISRF Program project that would have otherwise been eligible under the Act and the laws and agreements pertaining to the ISRF Program Bonds;

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

Section 1. The Board hereby finds that the above recitals are true and correct.

Section 2. Costs paid by a Project Sponsor are eligible for reimbursement from ISRF Program financings, to the extent permitted by federal regulations pertaining to the reimbursement of costs from the proceeds of tax-exempt bonds.

Section 3. This Resolution supersedes Resolution 09-06 adopted on February 24, 2009, and shall take effect from and after its adoption.

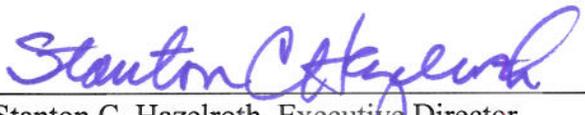
PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on August 24, 2010, by the following vote:

AYES: BRYANT, LUJANO, BERTE, LEONARD

NOES: NONE

ABSENT: RICE

ABSTAIN: NONE

By 
Stanton C. Hazelroth, Executive Director

Attest:

By 
Roma Cristia-Plant
Secretary of the Board of Directors