RESOLUTION NO. 14-07

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF TAX-EXEMPT OBLIGATIONS IN AN AMOUNT NOT TO EXCEED $2,700,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF THE SWITZER CENTER, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, PROVIDING THE TERMS AND CONDITIONS FOR SAID TAX-EXEMPT OBLIGATIONS AND OTHER MATTERS RELATING THERETO AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS ASSOCIATED THEREWITH

WHEREAS, the California Infrastructure and Economic Development Bank (the "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, the 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, The Switzer Center, a California nonprofit public benefit corporation (the "Borrower"), has submitted an application (the "Application") to the IBank for assistance to (1) refinance the cost of acquisition, construction, renovation and equipping of the real property and improvements located at 2201 Amapola Court, Torrance, California, including approximately 28,000 square feet of building space which contains a library, auditorium, classrooms, cafeteria and other ancillary educational facilities, all of which had originally been financed with a loan from California United Bank and with Borrower cash, 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, for these purposes, the Borrower has requested the IBank (a) to authorize the issuance and delivery of tax-exempt obligations to California United Bank (the "Lender") in the principal amount not to exceed $2,700,000 (the "Tax-Exempt Obligations"), (b) to loan the proceeds of the Tax-Exempt Obligations to the Borrower to finance the costs of the Project (the "Borrower Loan" and together with the Tax-Exempt Obligations, the "Transaction"), (c) to provide for the payment of the principal of, premium, if any, and interest on the Tax-Exempt Obligations with revenues derived from the Borrower's payment of the Borrower Loan, and (d) to take and authorize certain other actions in connection with the foregoing; and

WHEREAS, because the Transaction provides for the Tax-Exempt Obligations to be placed directly with qualified purchasers (the "Purchasers"), the Transaction will not be rated by any rating agency; and

WHEREAS, consistent with the IBank's policies, the requirement for credit rating by rating agencies may be waived by the IBank for IBank obligations (such as the Tax-Exempt Obligations) that are privately placed, provided that the IBank's conditions for private placement are met; and

WHEREAS, IBank staff have 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, a Security 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 IBank authorizes and approves the issuance and delivery of the Tax-Exempt Obligations in the principal amount of not to exceed $2,700,000 and lending the proceeds of the Tax-Exempt Obligations to the Borrower in order to finance and refinance the costs of the Project pursuant to terms and provisions as approved by this resolution (the "Resolution").

Section 3. In accordance with the IBank's policies on private placement, the IBank hereby waives the requirement for a credit rating in connection with the Transaction.

Section 4. The Tax-Exempt Obligations shall mature on a date not later than 30 years from its date of issuance. The Tax-Exempt Obligations shall bear interest at an initial fixed rate of the greater of (a) the 10-year United States Treasury Rate plus 1.00%, or (b) 3.75% (provided that the Transaction Documents may provide for default rates and other contingent increases in interest rate) and be secured by collateral consisting of the Borrower's real and personal property assets.

Section 5. 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 the IBank may deem necessary or desirable to consummate the issuance and delivery of the Tax-Exempt Obligations, assign security provided by the Borrower, with respect to the Borrower Loan, to the Lender as security for the Tax-Exempt Obligations, consummate the Transaction, and otherwise to effectuate the purpose of this Resolution.

Section 6. All actions heretofore taken by the officers and employees of the IBank with respect to the approval and issuance of the Tax-Exempt Obligations are hereby approved, confirmed and ratified. The officers of the 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 the IBank may deem necessary or desirable in order to (i) consummate the issuance and delivery of the Tax-Exempt Obligations and the use of the proceeds of the Tax-Exempt Obligations to fund the Borrower Loan; (ii) effect the financing of the Project; (iii) facilitate the Transaction; and (iv) to otherwise to effectuate the purposes of this Resolution within 180 days of the date hereof.

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 June 24, 2014, by the following vote:

AYES: ROSSI, LUCHETTI, ORTEGA, CARROLL, JIMENEZ

NOES:

ABSENT:

ABSTAIN:

By _____
Teveia R. Barnes, Executive Director

Attest:

By _____
Ruben Rojas, Secretary
of the Board of Directors