

RESOLUTION NO. 15-18

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING (1) THE RESTRUCTURING OF OUTSTANDING TAX EXEMPT OBLIGATIONS ISSUED IN 2013 FOR THE JSERRA CATHOLIC HIGH SCHOOL PROJECT; (2) THE SALE AND ISSUANCE OF ADDITIONAL TAX EXEMPT OBLIGATIONS IN CONNECTION WITH THE JSERRA CATHOLIC HIGH SCHOOL PROJECT IN AN AGGREGATE AMOUNT NOT TO EXCEED \$500,000 FOR THE BENEFIT OF PUEBLO SERRA WORSHIP HOLDINGS; AND (3) PROVIDING THE TERMS AND CONDITIONS OF THE SALE AND ISSUANCE OF SAID OBLIGATIONS AND OTHER MATTERS RELATING THERETO

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, IBank is authorized under provisions of the Act to issue taxable and tax-exempt obligations to provide financing and refinancing for eligible projects located in the State of California (the "State"); and

WHEREAS, IBank, on July 25, 2013, issued its (a) Variable Rate Demand Revenue Bonds (JSerra Catholic High School Project), Series 2013A in an aggregate principal amount equal to \$30,975,000 (the "2013A Obligations"), (b) Variable Rate Demand Revenue Bonds (JSerra Catholic High School Project), Series 2013B in an aggregate principal amount equal to \$15,000,000 (the "2013B Obligations"), and (c) Variable Rate Demand Revenue Bonds (JSerra Catholic High School Project), Series 2013C in an aggregate principal amount equal to \$9,155,000 (the "2013C Obligations" and, collectively with the 2013A Obligations and the 2013B Obligations, the "2013 Obligations") to finance the acquisition, construction, improvement and development of real property and improvements located at 26300, 26311, 26331, 26351 and 26352 Junipero Serra Road, San Juan Capistrano, California (collectively, the "Facilities"); and

WHEREAS, Pueblo Serra Worship Holdings, a California nonprofit religious corporation (the "Borrower"), has submitted an application (the "Application") to IBank for assistance to (1) restructure the 2013 Obligations, and (2) pay certain costs of issuance in connection with the consummation of the Transaction (as defined below) and other related costs (the "2015 Project"); and

WHEREAS, for these purposes, the Borrower has requested IBank to authorize and provide for (a) the restructuring of the 2013 Obligations, (b) the issuance, sale and delivery of its Variable Rate Demand Revenue Bonds (JSerra Catholic High School Project), Series 2015A, pursuant to the terms set forth in Exhibit 1 (the "Term Sheet) attached hereto, (the "2015 Obligations"), (c) the loan of proceeds of the sale of the 2015 Obligations to the Borrower to finance the costs of the 2015 Project; (d) provide for the payment of the principal of, premium, if

any, and interest on the 2015 Obligations with revenues derived solely from the Borrower's repayment of that loan; and (e) take and authorize certain other actions in connection with the foregoing (collectively, the "Transaction"); and

WHEREAS, the 2013 Obligations were issued pursuant to the Indenture of Trust, dated July 1, 2013, by and between IBank and Wells Fargo Bank, National Association, as trustee (the "Original Indenture"), and, in order to effect the restructuring of the 2013 Obligations, it is necessary for the Original Indenture to be amended by the First Supplement to Indenture of Trust, dated as of December 1, 2015 ("First Supplemental Indenture"); and

WHEREAS, the proceeds of the 2013 Obligations were loaned to the Borrower pursuant to the Loan Agreement, dated as of July 1, 2013, by and between IBank and the Borrower (the "Original Loan Agreement") and, in order to effect the restructuring of the 2013 Obligations, it is necessary for the Original Loan Agreement to be amended by the First Amendment to Loan Agreement, dated as of December 1, 2015 ("First Amendment to Loan Agreement"); and

WHEREAS, because the Transaction provides for the 2015 Obligations to be placed directly with sophisticated investors in accordance with IBank policy requirements, the 2015 Obligations 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 IBank for IBank obligations (such as the 2015 Obligations) that are privately placed in a limited offering or sold directly to qualified sophisticated investors, provided that IBank's conditions for such private placement and direct purchase transactions 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 proposed form of First Amendment to Loan Agreement, First Supplement to Indenture of Trust, Second Amendment to Loan Agreement, Second Supplement to Indenture of Trust, all dated as of December 1, 2015, and a Closing Agreement (collectively, the "Transaction Documents");

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

Section 1. The above recitals are true and correct.

Section 2. IBank approves the restructuring of the 2013 Obligations in accordance with the terms of the First Supplemental Indenture and the First Amendment to Loan Agreement.

Section 3. IBank approves the issuance, sale and delivery of the 2015 Obligations on the terms set forth on the Term Sheet and lending the proceeds of the 2015 Obligations to the Borrower to finance and refinance the costs of the 2015 Project pursuant to the terms and provisions of the Transaction Documents as approved by this resolution (this "Resolution").

Section 4. In accordance with the IBank's policies on direct purchase and private placement, IBank hereby waives the requirement for a credit rating in connection with the Transaction.

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, no arbitrage certificate, letters of representations and certifications of authority, which they or counsel to IBank may deem necessary or desirable to consummate the restructuring of the 2013 Obligations and the issuance, sale and delivery of the 2015 Obligations, to consummate the Transaction and otherwise to effectuate the purpose of this Resolution.

Section 6. All actions heretofore taken by the officers and employees of IBank with respect to the restructuring of the 2013 Obligations and the approval, issuance, and sale and delivery of the 2015 Obligations are hereby approved, confirmed and ratified. The officers of 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 and documents which they or counsel to IBank may deem necessary or desirable in order to (i) restructure the 2013 Obligations; (ii) consummate the issuance, sale and delivery of the 2015 Obligations; (iii) effect the financing of the 2015 Project; (iv) facilitate the Transaction; and (v) to otherwise to effectuate the purposes of this Resolution.

Section 7. Unless extended by IBank, the Board's approval of the Transaction is conditioned upon its closing within one hundred eighty (180) days from the date of the adoption of this Resolution.

Section 8. 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 November 17, 2015 by the following vote:

AYES: AVDIS, LUCHETTI, ANNIS, ORTEGA

NOES:

ABSENT: GORDON

ABSTAIN:

By: 
Teveia R. Barnes, Executive Director

Attest:

By: 
Stefan Spich, Secretary
of the Board of Directors

Exhibit 1

IBank Term Sheet
Pueblo Serra Worship Holdings
2015 Obligations
Date: November 17, 2015

Bond Par Amount: Not to exceed \$500,000; Tax-Exempt

Type of Offering: Private Placement

Credit Enhancement and Expected Credit Rating: None

Interest: Variable

Maturity: December 1, 2040

Collateral: Deed of Trust on real property of the Borrower, security interest in personal property assets of the Borrower and JSerra Catholic High School ("JSHS"), and guarantees by JSHS and certain private individual supporters of the Borrower.

Closing Date: December 1, 2015

Conduit Transaction: The 2015 Obligations are special, limited obligations payable solely from payments made by the Borrower under the Transaction Documents and IBank and the State shall not be directly or indirectly or contingently or morally obligated to use any other moneys or assets of the IBank or the State for all or any portion of the payments to be made pursuant to the 2015 Obligations.