RESOLUTION NO. 16-18

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE AND SALE OF TAX-EXEMPT REVENUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED $ 56,000,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF THE SALVATION ARMY, A CALIFORNIA NONPROFIT RELIGIOUS CORPORATION, PROVIDING THE TERMS AND CONDITIONS FOR SAID TAX-EXEMPT REVENUE BONDS AND OTHER MATTERS RELATING THERETO AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS ASSOCIATED THEREWITH

WHEREAS, the California Infrastructure and Economic Development Bank ("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 tax-exempt revenue bonds to provide financing and refinancing for eligible projects located in the State of California; and

WHEREAS, The Salvation Army, a California nonprofit religious corporation (the "Borrower"), has submitted an application (the "Application") to IBank for assistance to (1) currently refund the outstanding California Infrastructure and Economic Development Bank Refunding Revenue Bonds, Series 2006 (The Salvation Army Western Territory), the proceeds of which were used to finance and refinance the cost of the acquisition, construction, renovation, equipping and furnishing the following facilities (a) a community and day care center at 7651 South Central Avenue in Los Angeles; (b) a gymnasium at 10200 Pioneer Road in Tustin; (c) administrative offices at 2320 Fifth Avenue in San Diego; (d) a fine arts center at 1532 11th Street in Los Angeles; (e) a community and fine arts center at 6611 University Avenue in San Diego; (d) an administrative headquarters at 180 East Ocean Boulevard in Long Beach; and (f) temporary shelters, including a women's shelter located at 1300 South Lewis Street in Anaheim and a men's and women's shelter at 423 Chapala Street in Santa Barbara, and (2) pay certain costs of issuance in connection with the issuance of the Bonds (defined below) (collectively, the "Project"); and

WHEREAS, for these purposes, the Borrower has requested IBank to (a) authorize the issuance and delivery of one or more series of its tax-exempt revenue bonds to be sold through a public offering pursuant to the terms set forth in **Exhibit 1** attached hereto (the "Term Sheet") and entitled California Infrastructure and Economic Development Bank Refunding Revenue Bonds, Series 2016 (The Salvation Army Western Territory) (the "Bonds"); (b) loan the proceeds of the Bonds to the Borrower pursuant to a Loan Agreement to finance and refinance the costs of the Project (the "Borrower Loan"), (c) provide for the payment of the principal of, premium, if any, and interest on the Bonds with revenues derived solely from the Borrower's payment of the Borrower Loan; and (d) take and authorize certain other actions in connection with the foregoing (collectively, the "Transaction"); and

WHEREAS, the Borrower has represented that it expects to obtain an initial rating on the Bonds of at least "A1" from Moody's Investors Service and/or "A" from Standard & Poor's Ratings Services; and

WHEREAS, IBank staff has reviewed the Application from the Borrower and drafts of certain of the documents proposed to be entered into in connection with the Transaction, including an Indenture, a Loan Agreement, one or more Purchase Contracts, one or more Closing Agreements, and one or more Official Statements (collectively, the "Transaction Documents");

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

Section 1. The above recitals are true and correct.

Section 2. IBank authorizes and approves the issuance, execution, sale and delivery of the Bonds on terms set forth on the Term Sheet and lending the proceeds of the Bonds 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. 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 IBank may deem necessary or desirable to consummate the issuance and delivery of the Bonds, assign security provided by the Borrower with respect to the Borrower Loan to the Trustee under the Indenture as security for the Bonds, consummate the Transaction, and otherwise to effectuate the purpose of this Resolution.

Section 4. All actions heretofore taken by the officers and employees of IBank with respect to the approval, issuance and sale of the Bonds are hereby approved, confirmed and ratified. The Executive Director or the Executive Director's assignees, each acting alone, is hereby authorized to take actions and execute and deliver any and all certificates which they or counsel to IBank may deem necessary or desirable in order to (i) consummate the sale, issuance and delivery of the Bonds and the use of the proceeds of the Bonds to fund the Borrower Loan; (ii) effect the financing and refinancing of the Project; (iii) facilitate the Transaction; and (iv) otherwise effectuate the purposes of this Resolution.

Section 5. 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 6. 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 28, 2016, by the following vote:

AYES: GORDON, JERUE, JIMENEZ, LUCHETTI, AVDIS

NOES:

ABSENT:

ABSTAIN:

By _____
Teveia R. Barnes, Executive Director

Attest:

By _____
Stefan R. Spich,
Secretary of the Board of Directors

Exhibit 1

IBank Term Sheet
The Salvation Army
Date: June 28, 2016

Bond Par Amount:	Not to exceed $56,000,000; tax-exempt Bonds
Type of Offering:	Public Offering in one or more series or combinations.
Underwriter:	Merrill Lynch, Pierce, Fenner & Smith Incorporated.
Financial Advisor:	Hilltop Securities Inc.
Expected Credit Rating:	"A1" from Moody's Investors Service and/or "A" from Standard & Poor's Ratings Services. A rating of at least "A-" required as a condition to closing.
Interest:	Interest Rate will be fixed upon the sale of the Bonds.
Maturity:	September 1, 2036.
Collateral:	Unsecured general obligation of The Salvation Army.
Expected Closing Date:	September 1, 2016.
Conduit Transaction:	The Bonds are special, limited obligations payable solely from payments made by the Borrower under the transaction documents and IBank shall not be directly or indirectly or contingently or morally obligated to use any other moneys or assets of IBank for all or any portion of payment to be made pursuant to the Bonds.