

RESOLUTION NO. 16-13

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF TAX-EXEMPT AND TAXABLE REVENUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$180,000,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF THE SCRIPPS RESEARCH INSTITUTE, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, PROVIDING THE TERMS AND CONDITIONS FOR SAID TAX-EXEMPT AND TAXABLE 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 and taxable revenue bonds to provide financing and refinancing for eligible projects located in the State of California; and

WHEREAS, The Scripps Research Institute, a California nonprofit public benefit corporation (the “Borrower”), has submitted an application (the “Application”) to IBank for assistance to (i) finance and refinance a portion of the cost of the acquisition, construction, furnishing and equipping of research facilities owned and operated by the Borrower and located in La Jolla, California, and San Diego, California, (ii) refund, in whole, IBank’s Revenue Bonds (The Scripps Research Institute), Series 2000 (the “2000 Bonds”) and refund, in whole, IBank’s Revenue Bonds (The Scripps Research Institute), Series 2005A and Series 2005B (the “2005 Bonds” and together with the 2000 Bonds, the “Refunded Bonds”), a portion of the proceeds of which were used to finance and/or refinance the construction, equipping and furnishing of certain improvements to research facilities owned and operated by the Borrower and located in La Jolla, California, and San Diego, California and (iii) to pay certain costs of issuance incurred in connection with the issuance of the Bonds (defined below) (collectively, the “Project”); and

WHEREAS, for these purposes, the Borrower has requested IBank (a) to authorize the issuance and delivery of one or more series of its tax-exempt and/or taxable revenue bonds to be sold through a public offering (the “Bonds”), pursuant to the terms set forth in Exhibit A (the “Term Sheet”) attached hereto; (b) to 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) to 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) to 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 or “A+” from Fitch Ratings, Inc.; and

WHEREAS, IBank’s 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, a Bond Purchase Agreement, and a proposed form of Official Statement with respect to the Bonds (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, certifications of authority, and certificates and agreements for redemption and defeasance of the Refunded Bonds, 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 and issuance 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 May 24, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By _____
Teveia R. Barnes, Executive Director

Attest:

By _____
William D. Pahland, Jr.
Secretary of the Board of Directors

EXHIBIT A

IBank Term Sheet
The Scripps Research Institute
Date: May 24, 2016

Bond Par Amount:	Not to exceed \$180,000,000; tax-exempt and/or taxable Bonds
Type of Offering:	Public Offering in one or more series or combinations
Underwriter:	Merrill Lynch, Pierce, Fenner and Smith Incorporated
Expected Credit Rating:	Moody's Investors Service: A1 Fitch Ratings, Inc.: A+
True Interest Cost:	True interest cost not to exceed 4.5%
Maturity:	January 1, 2047
Collateral:	Absolute and unconditional pledge of payment by the Borrower (excepting therefrom property of the Borrower in Florida); restriction on additional debt, encumbrances and disposition of property
Closing Date:	June 29, 2016, subject to the Borrower obtaining all necessary approvals and permits required prior to the issuance of the Bonds, including compliance of the Project with the California Environmental Quality Act
Guarantees:	None
Conduit Transaction:	The Bonds are a special, limited obligation payable solely from the 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 payments to be made pursuant to the Bonds.