

RESOLUTION NO. 19-18

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF ITS TAXABLE REVENUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$170,000,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT TO THE TRUSTEES OF J. DAVID GLADSTONE INSTITUTES, A CHARITABLE TRUST, SOLELY IN THEIR CAPACITY AS TRUSTEES OF SAID CHARITABLE TRUST, PROVIDING THE TERMS AND CONDITIONS FOR SAID 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, Andrew S. Garb, William S. Price III, and Nicholas J. Simon, collectively acting solely in their representative capacity as trustees of the J. David Gladstone Institutes, a charitable trust established pursuant to the will of J. David Gladstone and an order of the Superior Court of the State of California for the County of Los Angeles relating to such will, for the benefit of the beneficiaries thereunder (hereinafter collectively referred to in such capacity as the “Institutes”), has submitted an application (the “Application”) to IBank for financial assistance to (i) refund, in whole or in part, the California Infrastructure and Economic Development Bank Revenue Bonds, 2011 Series A (The J. David Gladstone Institutes Project) (the “2011A Bonds”), a portion of the proceeds of which were used to refund the California Infrastructure and Economic Development Bank Revenue Bonds, Series 2001 (J. David Gladstone Institutes Project) (the “2001 Bonds”), the proceeds of which financed the acquisition and installation of equipment and related improvements to a 60,000 square foot parcel of land located adjacent to the University of California, San Francisco’s Mission Bay Campus, and an approximately 185,000 square foot building and associated facilities, improvements, equipment and furnishings for research and administrative purposes, all located in San Francisco, California (the “Facility”), and a portion of which were used to finance additional improvements to the Facility (the “2011 Project”), (ii) finance the acquisition and installation of additional equipment and related improvements to the Facility and certain working capital costs (the “2019 Project”), and (iii) pay the costs of issuance incurred in connection with the issuance and sale of the Bonds (defined below) (collectively, the “Project”); and

WHEREAS, for these purposes, the Institutes has requested that IBank (a) authorize the issuance and delivery of one or more series of its California Infrastructure and Economic Development Bank Taxable Revenue Bonds, Series 2019 (The J. David Gladstone Institutes

Project) (the “Bonds”), to be sold through a public offering and/or a limited offering directly to investors that are qualified institutional buyers within the meaning of Securities Exchange Commission Rule 144A (each a “QIB” and collectively “QIBs”), pursuant to the terms set forth in Exhibit A (the “Term Sheet”) attached hereto; (b) loan the proceeds of the Bonds to the Institutes pursuant to a Loan Agreement to finance and/or 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 Institutes’ payments made pursuant to the Borrower Loan and other funds to be held under an Indenture, and (d) take and authorize certain other actions in connection with the foregoing (collectively, the “Transaction”); and

WHEREAS, the Institutes has represented that it has obtained an initial rating on the Bonds of “BBB+” from S&P Global Ratings (the “Issued Rating”) and expects a rating no lower than “A-” from Fitch Ratings (the “Expected Rating”); and

WHEREAS, IBank’s staff has reviewed the Institutes’ Application 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, an Escrow Agreement and a proposed form of Preliminary Official Statement (collectively, the “Transaction Documents”); and

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 as hereafter provided, and lending the proceeds of the Bonds to the Institutes in order to finance and/or refinance the costs of the Project pursuant to terms and provisions as approved by this resolution (the “Resolution”).

Section 3. The Executive Director, the Chief Deputy Executive Director, or the Executive Director’s assignees, each acting alone (each, an “Authorized Representative”), is hereby authorized to execute and deliver the Transaction Documents, substantially in the form on file with the Secretary of the Board, with such changes therein as an Authorized Representative may require or approve, to carry out the intent of this Resolution. Any Authorized Representative is also authorized to execute and deliver any and all other agreements, certificates and instruments, including, without limitation, a tax certificate, letters of representations, and certifications of authority, which they may deem necessary or desirable to consummate the issuance and delivery of the Bonds, assign the rights of IBank 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. Any Authorized Representative is hereby authorized to take actions and execute and deliver any and all instruments, documents or certificates which they may deem necessary or desirable in order to (i) consummate the sale, issuance and delivery of the Bonds and the use of Bond proceeds to fund the Borrower Loan; (ii) effect the financing or refinancing of the Project; (iii) pay certain

costs of issuance in connection with the issuance of the Bonds; (iv) facilitate the Transaction; and (v) otherwise effectuate the purposes of this Resolution.

Section 5. If the Institutes receives the Expected Rating, the Institutes will have complied with the rating requirements set forth in the IBank's Policies and Procedures for Conduit Revenue Bond Financing for Economic Development Facilities, dated August 24, 2010 and the Board authorizes the sale of the bonds by a public offering pursuant to the terms set forth on the Term Sheet. If the Institutes fail to achieve the Expected Rating, then, in accordance with IBank's policies on limited offering, direct purchase, and private placement, the Board authorizes the sale of the Bonds by a limited offering to one or more QIBs and in such case IBank hereby waives the requirement for a credit rating in connection with the Transaction.

Section 6. 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 7. This Resolution shall take effect immediately upon its passage.

PASSED, APPROVED, AND ADOPTED at a meeting of the Board of Directors of the California Infrastructure and Economic Development Bank on October 23, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Nancee Robles, Acting Executive Director

Attest:

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

EXHIBIT 1

IBank Term Sheet The J. David Gladstone Institutes Project Date: October 23, 2019

Bond Par Amount:	Not to exceed \$170,000,000; in one or more taxable series
Type of Offering:	Public Offering or a limited offering to QIBs
Underwriter:	BofA Securities, Inc., and such other approved underwriters as the Borrower determines necessary
Credit Enhancement:	None
True Interest Cost*:	True interest cost not to exceed 5%
Maturity:	Not to exceed October 1, 2059
Collateral:	Absolute and unconditional pledge of all Revenues consisting of repayment installments made by the Institutes pursuant to the Loan Agreement
Expected Closing Date*:	11/20/2019
Conduit Transaction:	The Bonds are special, limited obligations of IBank, payable solely from payments made by the Institutes 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.

*Please note that True Interest Cost and Expected Closing Date are subject to change.