

RESOLUTION NO. 16-12

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE SALE AND ISSUANCE OF TAX-EXEMPT REVENUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$55,000,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF THE SEGERSTROM CENTER FOR THE ARTS (FORMERLY KNOWN AS THE ORANGE COUNTY PERFORMING ARTS CENTER), A CALIFORNIA NONPROFIT PUBLIC BENEFIT 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 (the “State”);

WHEREAS, The Segerstrom Center for the Arts (formerly known as the Orange County Performing Arts Center), a California nonprofit public benefit corporation (the “Corporation”), has submitted an application (the “Application”) for financial assistance to (i) refund all or a portion of the Issuer’s (a) Variable Rate Demand Revenue Bonds (Orange County Performing Arts Center), Series 2008A, Series 2008B, and Series 2008D and (b) Revenue Bonds (Orange County Performing Arts Center) Series 2011A (collectively, the “Prior Bonds”) each of which was issued to refinance certain costs of the construction, equipping and furnishing of certain improvements to the Segerstrom Center for the Arts consisting of a concert hall named the René and Henry Segerstrom Concert Hall, with a capacity of approximately 2,000 seats; a multi-purpose theater named the Samueli Theater, with a capacity of approximately 500 seats; an education center; a public restaurant; a private donor room; rehearsal spaces; artist accommodations; a pedestrian plaza; and related and appurtenant facilities all located in the City of Costa Mesa, California, (ii) establish a debt service reserve fund to secure the Bonds (as that term is defined below) and (iii) pay other expenditures relating to the issuance of the Bonds, including the costs of issuance incurred in connection with the issuance and sale of the Bonds (collectively, the “Project”); and

WHEREAS, for these purposes the Corporation has requested IBank to (a) authorize the issuance and delivery 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”), entitled California Infrastructure and Economic Development Bank Revenue Bonds (Segerstrom Center for the Arts), Series 2016 (with such additional series designations as are authorized in the Indenture as that term is defined herein) (the “Bonds”), (b) loan the proceeds of the Bonds to the Corporation pursuant

to a Loan Agreement to finance and refinance the costs of the Project (the “Corporation Loan”), (c) provide for the payment of the principal of, premium, if any, and interest on the Bonds with revenues derived solely from the Corporation’s payment of the Corporation Loan, and (d) take and authorize certain other actions in connection with the foregoing (collectively, the “Transaction”); and

WHEREAS, the Corporation has represented that it expects to obtain an initial rating on the Bonds of at least “A-” from Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business (“S&P”); and

WHEREAS, IBank staff has reviewed the Application from the Corporation and drafts of certain documents proposed to be entered into in connection with the Transaction, including an Indenture relating to the Bonds by and between IBank and MUFG Union Bank, N.A. (the “Indenture”), a Loan Agreement, one or more Bond Purchase Agreements, a Tax Certificate, 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 Corporation in order to finance and refinance the costs of the Project pursuant to the 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 no arbitrage certificate, letters of representation 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 Corporation with respect to the Corporation 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 Corporation 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 Board of Directors 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

EXHIBIT 1

**IBank Term Sheet
The Segerstrom Center for the Arts
Date: May 24, 2016**

Bond Par Amount: Not to exceed \$55,000,000; in one or more tax-exempt series

Type of Offering: Public Offering

Underwriter: Wells Fargo Bank, National Association and U.S. Bancorp Investments, Inc.

Credit Enhancement: (not expected)

Expected Credit Rating: Standard & Poor's Rating Services: A-

Interest: Not to exceed 6.00%

Maturity: Maximum July 1, 2031

Collateral: Corporation's personal property

Guaranty: None

Expected Closing Date: June 28, 2016

Transaction: (i) Refund all or a portion of the outstanding California Infrastructure and Economic Development Bank (a) Variable Rate Demand Revenue Bonds (Orange County Performing Arts Center), Series 2008A, Series 2008B, and Series 2008D, and (b) Revenue Bonds (Orange County Performing Arts Center) Series 2011A; (ii) Establish a debt service reserve fund to secure the Bonds; and (iii) Payment of costs of issuance for the Bonds.