

## RESOLUTION NO. 17-25

### **RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF TAX-EXEMPT OBLIGATIONS IN AN AMOUNT NOT TO EXCEED \$20,360,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF THE YOUNG MEN'S CHRISTIAN ASSOCIATION OF SAN FRANCISCO, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, PROVIDING THE TERMS AND CONDITIONS FOR SAID TAX-EXEMPT OBLIGATIONS 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 obligations to provide financing and refinancing for eligible projects located in the State of California; and

WHEREAS, the Young Men's Christian Association of San Francisco, a California nonprofit public benefit corporation (the "Borrower"), has submitted an application (the "Application") to IBank for assistance to (i) refund all or a portion of the outstanding principal amount of the \$8,500,000 California Municipal Finance Authority Variable Rate Demand Revenue Bonds (YMCA of San Francisco), Series 2010A (the "Series 2010A Bonds"), currently outstanding in the aggregate principal amount of \$6,202,000, (ii) refund all or a portion of the outstanding principal amount of the \$9,450,000 California Municipal Finance Authority Variable Rate Demand Revenue Bonds (YMCA of San Francisco), Series 2012B (the "Series 2012B Bonds"), currently outstanding in the aggregate principal amount of \$7,445,000, (iii) prepay two term loans currently outstanding in the amounts of \$1,812,500 and \$2,300,000, which term loans were used to finance certain capital improvements to the Borrower's facilities located at 333 Eucalyptus Drive, San Francisco, California and 11000 Pescadero Road, La Honda, California, and (iv) pay various costs of issuing the Obligations (defined below) and prepaying the above-described obligations, including but not limited to a swap termination payment (collectively, the "Project"); and

WHEREAS, for these purposes, the Borrower has requested IBank to (a) authorize the issuance and delivery of tax-exempt obligations to First Republic Bank (the "Lender"), pursuant to the terms set forth in **Exhibit 1** (the "Term Sheet") attached hereto, (the "Obligations"), (b) loan the proceeds of the Obligations 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 Obligations 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, consistent with IBank's policies, the requirement for credit rating by rating agencies may be waived by IBank for IBank obligations (such as the Obligations) that are privately placed in a limited offering or sold in a limited offering directly to investors that are qualified institutional buyers within the meaning of S.E.C. Rule 144A, or equivalent sophisticated investors with a demonstrated understanding of the risks associated with the municipal market, and acceptable to IBank, provided that IBank's conditions for such transaction are met; and

WHEREAS, because the Transaction provides for the Obligations to be placed directly with sophisticated investors in accordance with IBank policy requirements, the Transaction will not be rated by any rating agency; 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 a Master Loan Agreement and an Assignment Agreement (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 Obligations on terms set forth on the Term Sheet and lending the proceeds of the Obligations to the Borrower in order to finance and refinance the costs of the Project pursuant to terms and provisions as approved by this resolution (this "Resolution").

Section 3. In accordance with IBank's policies on limited offering, direct purchase and private placement to investors that are qualified institutional buyers within the meaning of S.E.C. Rule 144A, or equivalent sophisticated investors with a demonstrated understanding of the risks associated with the municipal market, and acceptable to IBank, IBank hereby waives the requirement for a credit rating in connection with the Transaction.

Section 4. 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 and other tax forms required by the Internal Revenue Service in connection with the issuance of the Obligations, a no arbitrage certificate, letters of representations, escrow agreements, assignments, certifications of authority and other documents necessary or advisable in connection with the Transaction, which they may deem necessary or desirable to consummate the issuance and delivery of the Obligations, assign security provided by the Borrower with respect to the Borrower Loan to the Lender as security for the Obligations, consummate the Transaction, and otherwise to effectuate the purpose of this Resolution.

Section 5. All actions heretofore taken by the officers and employees of IBank with respect to the approval and issuance of the Obligations and the loan of the proceeds thereof to the Borrower 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 documents or certificates which they may deem necessary or desirable in order to (i)

consummate the sale, issuance and delivery of the Obligations and the use of the proceeds of the Obligations to fund the Borrower Loan; (ii) effect the financing and refinancing of the Project; (iii) facilitate the Transaction; (iv) pay certain costs of issuance in connection with the issuance of the Obligations; and (v) otherwise effectuate the purposes of this Resolution.

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 California Infrastructure and Economic Development Bank on December 19, 2017, by the following vote:

AYES:

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 YMCA of San Francisco

**Date: December 19, 2017**

**Par Amount:** Not to exceed \$20,360,000; Tax-Exempt Obligations

**Type of Offering:** Private Placement

**Lender:** First Republic Bank

**Credit Enhancement:** None

**Expected Credit Rating:** Unrated

**Interest\*:** Fixed rate, to be determined based on the following scale:

Term (in Years)	Interest Rate
7	2.25%
10	2.40
15	2.60
20	2.85
25	3.10
30	3.20

**Maturity:** Up to 30 Years

**Collateral:** Lender will have a security interest in Borrower's operating revenues and assets and Deed of Trust on property of the Borrower located at 169 Steuart Street, San Francisco, California 94105 and 1500 Los Gamos Drive, San Rafael, California 94903

**Expected Closing Date\*:** December 29, 2017

**Guarantees:** None

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

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\* Please note that Interest Rate and Expected Closing Date are subject to change.