

RESOLUTION NO. 20-13

**RESOLUTION OF THE CALIFORNIA SCHOOL FINANCE AUTHORITY AUTHORIZING THE
ISSUANCE OF CHARTER SCHOOL REVENUE BONDS IN AN AMOUNT NOT TO EXCEED
\$75,000,000 TO FINANCE AND/OR REFINANCE THE ACQUISITION, CONSTRUCTION,
EXPANSION, REMODELING, RENOVATION, IMPROVEMENT, FURNISHING AND/OR
EQUIPPING OF EDUCATIONAL FACILITIES LOCATED IN SAN DIEGO COUNTY,
CALIFORNIA FOR USE BY HIGH TECH HIGH**

WHEREAS, the California School Finance Authority (the “Authority”) is a public instrumentality of the State of California, created by the California School Finance Authority Act (constituting Chapter 18 (commencing with Section 17170) of Part 10 of Division 1 of Title 1 of the Education Code of the State of California, as amended) (the “Act”) and is authorized to issue bonds and to loan the proceeds of the sale thereof to participating parties, including charter schools established pursuant to the Charter Schools Act of 1992, as amended (constituting Part 26.8 of Division 4 of Title 2 of the Education Code of the State of California) (the “Charter School Law”) and to any person, company, association, state or municipal government entity, partnership, firm, or other entity or group of entities that undertakes the financing or refinancing of a project (as defined in the Act) pursuant to the Act in conjunction with a charter school for the purpose of financing or refinancing the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and/or equipping of educational facilities (as defined in the Act);

WHEREAS, California limited liability companies (the “Landlords”), the sole member of which is HTH Learning (the “Borrower”), a California nonprofit public benefit corporation or High Tech High (the “Lessee”), a California nonprofit public benefit corporation, will lease certain charter school educational facilities to the Lessee, which operates public charter schools established pursuant to the Charter School Law;

WHEREAS, the Borrower has applied for financing under the Act; and

WHEREAS, the revenue bonds as hereinafter described in Section 1 are expected to be secured by, among other things, an intercept of certain funds (the “Intercept”) by the Controller of the State of California (the “State Controller”) pursuant to Section 17199.4 of the California Education Code;

NOW, THEREFORE, BE IT RESOLVED by the California School Finance Authority as follows:

Section 1. Pursuant to the Act, revenue bonds (the “Bonds”) of the Authority, to be designated generally as the “California School Finance Authority Charter School Revenue Bonds (HTH Learning - Obligated Group) Series 2020,” or such other name or names or series or subseries designations as may be designated in the related Indenture hereinafter approved in Section 3, are authorized to be issued, in one or more series from time to time, in an aggregate principal amount not to exceed \$75,000,000. With the consent of the Borrower, the Bonds may be secured by bond insurance, letter(s) of credit, or other credit enhancement. The proceeds of the Bonds shall be used to make a loan to the Borrower for any or all of the following purposes: (1) to finance and/or refinance the costs (as defined in the Act) of the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and/or equipping of the charter school educational facilities know as (a) High Tech Elementary Chula Vista, located at 1949 Discovery Falls Drive, Chula Vista, California 91915, (b) High Tech Middle Chula Vista, located

at 1949 Discovery Falls Drive, Chula Vista, California 91915, (c) High Tech Elementary North County, located at 1480 West San Marcos Blvd., San Marcos, California 92078, (d) High Tech Elementary Explorer, located at 2230 Truxtun Road, San Diego, California 92106, (e) High Tech Middle, located at 2359 Truxton Road, San Diego, California 92106, (f) High Tech Middle Media Arts, located at 2230 Truxton Road, 2nd Floor, San Diego, California 92106, (g) High Tech High, located at 2861 Womble Road, San Diego, California 92106, (h) High Tech High International, 2855 Farragut Road, San Diego, California 92106, (i) High Tech Elementary, located at 2150 Cushing Road, San Diego, California 92106, (j) High Tech High North County, located at 1420 West San Marcos Blvd., San Marcos, California 92078, (k) High Tech Middle North County, located at 1460 West San Marcos Blvd., San Marcos, California 92078, (l) High Tech Elementary Mesa, located at 5331 Mt. Alifan Drive #200, San Diego, CA 92111, (m) High Tech Middle Mesa, located at 5331 Mt. Alifan Drive #400, San Diego, CA 92111, and (n) High Tech High Mesa, located at 5331 Mt. Alifan Drive #900, San Diego, CA 92111 (together, the "Project"); (2) to pay certain expenses incurred in connection with the issuance of the Bonds; and (3) to fund all or a portion of a debt service reserve fund, capitalized interest and/or related working capital in connection with the Bonds.

Section 2. The Treasurer of the State of California (the "Treasurer") is hereby authorized to sell one or more series of the Bonds, on one or more sale dates, at any time within a year of the adoption of this Resolution, at public or private sale, in such principal amount (which, in the aggregate, shall not exceed the aggregate principal amount set forth in Section 1), at such prices, at such interest rate or rates, and with such maturity dates and such other terms and conditions as the Treasurer, with the consent of the Borrower, may determine.

Section 3. The following documents:

- (a) the Indenture relating to the Bonds (the "Indenture"), between the Authority and Wilmington Trust, National Association, as trustee (the "Trustee");
- (b) the Loan Agreement relating to the Bonds (the "Loan Agreement"), between the Authority and the Borrower, and approved by the Landlords; and
- (c) one or more Bond Purchase Agreement(s) relating to the Bonds (collectively, the "Bond Purchase Agreement"), among the Authority, the Treasurer, as agent for sale on behalf of the Authority, and CN Financing, Inc. (the "Purchaser"), and approved by the Borrower; and

are hereby approved in substantially the forms on file with the Authority prior to this meeting, with such insertions, deletions or changes therein (including, without limitation, insertions, deletions, or changes therein appropriate to reflect the series of Bonds (whether one or more), and form of credit or liquidity enhancement for any series of Bonds) as the officer(s) executing and/or delivering the same may require or approve, such approval to be conclusively evidenced by execution and delivery thereof in the case of the Indenture, the Loan Agreement and the Bond Purchase Agreement.

Section 4. The dated date, maturity dates (not exceeding 40 years from the date of issue), interest rate or rates, interest payment dates, principal payment dates, authorized denominations, transfer restrictions, forms, registration, manner of execution, places of payment and other terms of the Bonds shall be as set forth in the Indenture, as finally executed. In accordance with the Bond Issuance Guidelines of the Authority, the Bonds shall be issued in the authorized denominations and subject to transfer restrictions as set forth below:

(a) If the Bonds are unrated or are rated lower than “BBB-” (or its equivalent) by a nationally recognized rating agency (a “Rating Agency”), they shall either (1) be issued in minimum authorized denominations of \$250,000, the initial beneficial owners of the Bonds (the “Initial Purchasers”) shall be required to execute an Investor Letter substantially in the form appended to the Indenture (the “Investor Letter”), and both the initial sale and all subsequent transfers of the Bonds shall be limited to Qualified Institutional Buyers (“QIBs”), as defined in Rule 144A of the Securities Act of 1933, as amended (the “1933 Act”) and Accredited Investors (“Accredited Investors”), as defined in Regulation D of the 1933 Act; or (2) be issued in minimum authorized denominations of \$100,000, the Initial Purchasers shall be required to execute the Investor Letter, and both the initial sale and all subsequent transfers of the Bonds shall be limited to QIBs; and in either case (1) or (2), such sale and transfer restrictions shall be conspicuously noted in the final form of Bonds delivered;

(b) If the Bonds are rated “BBB-” (or its equivalent) or better, but lower than “A-” (or its equivalent) by a Rating Agency, minimum authorized denominations shall be \$25,000, Bonds will be sold to Initial Purchasers and all subsequent transfers shall be made only to QIBs and Accredited Investors, as described in the Indenture, and such sale and transfer restrictions shall be conspicuously noted in the final form of Bonds delivered; and

(c) If the Bonds are rated “A-” (or its equivalent) by a Rating Agency, the Bonds may be issued and sold in authorized denominations of \$5,000 or any integral multiple thereof, without any restrictions as to the qualifications of Initial Purchasers or any subsequent purchasers of the Bonds, without the need for execution of an Investor Letter or Letters.

Section 5. The Bonds, when executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee’s certificate of authentication appearing thereon and to deliver the Bonds, when duly executed and authenticated, to the Purchaser, in accordance with written instructions executed on behalf of the Authority. Such instructions shall provide for the delivery of the Bonds to or upon the direction of the Purchaser, as determined and confirmed by the Treasurer, upon payment of the purchase price thereof.

Section 6. Each officer of the Authority is hereby authorized and directed to do any and all things which he or she may deem necessary or advisable in order to consummate the issuance, execution, sale and delivery of the Bonds and otherwise to effectuate the purposes of this Resolution, the Indenture, the Loan Agreement, and the Bond Purchase Agreement. The Authority hereby approves any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation: (a) certifications and instructions (including the instructions to the Trustee described in Section 5, above); (b) a tax certificate and agreement; and (c) any agreement or commitment letter with respect to the provisions of bond insurance, letter(s) of credit, surety bond(s) and/or a liquidity facility(ies) for the Bonds. The Treasurer (or his designee) is hereby requested and authorized to take any and all actions within his authority as agent for sale of the Bonds that he may deem necessary or advisable in order to consummate the issuance, execution, sale and delivery of the Bonds, and to otherwise effectuate the purposes of this Resolution.

Section 7. The provisions of the Authority’s Resolution No. 18-25 apply to the documents and actions approved in this Resolution, and such Resolution No. 18-25 is hereby incorporated by reference.

Section 8. The Authority hereby approves and ratifies each and every action taken by its officers, agents, members and employees prior to the date hereof in furtherance of the purposes of this Resolution.

[Remainder of this page is Intentionally Blank]

adoption. **Section 9.** This resolution shall take effect immediately from and after its

Dated: _____, 2020