

## MEMORANDUM

**Date:** July 14, 2010

**To:** Members of the California School Finance Authority

**From:** Katrina M. Johantgen, Executive Director

**Subject:** Resolution No. 10-23 Adopting an Open Application Process for the Balance of the 2009 State Charter School Qualified School Construction Bonds

---

Staff is proposing that the Authority adopt an open application process for the balance of the 2009 State Charter School Qualified School Construction Bond (QSCB) allocation.

In August 2009, the Authority adopted parameters and an application for the State's 2009 Charter School QSCB allocation of approximately \$73 million. The Authority instituted an application submission deadline and received 28 applications for financing. At its October 2009 meeting, the Authority approved the allocation of approximately \$30 million to six charter school projects. In April of 2010, after the State passed SB 205 which ratified the allocation of the State's 2009 QSCB allocation, the Authority opened a subsequent filing period, and in June of 2010, received three applications for QSCB allocation. After the two application periods, the Authority has unallocated 2009 charter school QSCB allocation and is therefore recommending an open application process.

Staff recommends that the Authority approve and maintain an open application process for the Charter School QSCB allocation. This recommendation is made on the basis that, after two competitive application filing periods, there remains a balance of QSCB allocation.

Staff recommends that the eligibility criteria established in our QSCB program parameters remain in place and that only applicants that can demonstrate shovel-readiness and creditworthiness be eligible for an allocation of charter school QSCB allocation.

**Recommendation:** Staff recommends the approval of Resolution No. 10- 23 Adopting an Open Application Process for the Balance of the 2009 State Charter School Qualified School Construction Bonds