

## MEMORANDUM

## Staff Summary No. 7

**Date:** August 11, 2010

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

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

**Subject:** Resolution No. 10-29 of the California School Finance Authority Awarding Qualified School Construction Bond Borrowing Authority to Livermore Valley Charter School and Livermore Valley Charter Preparatory (Tri-Valley Learning Corporation) in an amount not to exceed \$7,000,000 Under the Charter School QSCB Program Parameters; and Authorizing the Taking of Necessary Actions in Connection Therewith

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The American Recovery and Reinvestment Act of 2009 (ARRA) provides funding for the new construction or renovation of school facilities through the use of Qualified School Construction Bonds (QSCBs). Of California's \$773 million in "volume cap" allocation for the issuance of QSCBs, \$73.525 million has been reserved for use by charter schools through the issuance of conduit revenue bonds in 2009 and 2010 by the California School Finance Authority (CSFA) which will be designated as QSCBs.

At its July 14, 2010 board meeting, the Authority board adopted an open application process for the remaining balance of the 2009 QSCB charter school bond allocation. Livermore Valley Charter School and Livermore Valley Charter Preparatory (Tri-Valley Learning Corporation) submitted an application for \$7 million in borrowing authority.

Staff recommends that the Board adopt Resolution 10-29 approving the allocation of \$7 million of the 2009 QSCB borrowing authority to Livermore Valley Charter School and Livermore Valley Charter Preparatory (Tri-Valley Learning Corporation). Staff will work with representatives from the schools and their financing team to develop a bond financing plan which will include a rating strategy and bond sale timing.