

RESOLUTION NO. 11-02

RESOLUTION OF THE CALIFORNIA SCHOOL FINANCE AUTHORITY AUTHORIZING THE ALLOCATION OF QUALIFIED SCHOOL CONSTRUCTION BOND BORROWING AUTHORITY TO THE OAK GROVE ELEMENTARY/WILLOWSIDE MIDDLE CHARTER SCHOOL IN AN AMOUNT NOT TO EXCEED \$2,300,000 UNDER THE CHARTER SCHOOL QSCB PROGRAM

February 9, 2011

WHEREAS, the California School Finance Authority (Authority), a public instrumentality of the State of California created by the California School Finance Authority Act, as amended (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) (the Act), is authorized to issue conduit bonds to finance the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and equipping of educational facilities (Projects) undertaken by a participating party (as defined in the Act) or through an agent of the participating party (as defined in the Act), 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) (the Charter School Law); and

WHEREAS, 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); and

WHEREAS, since 2009, California received more than \$1.42 billion in "volume cap" allocation (not including direct allocations to large local educational agencies) for the issuance of QSCBs. Of this amount, approximately \$141 million has been reserved for use by charter schools through the issuance of conduit bonds by California School Finance Authority (Authority) which will be designated as QSCBs; and

WHEREAS, Oak Grove Union Elementary School District (District) applied for and was awarded a QSCB allocation at the Authority's October 2009 board meeting, and its November 2010 board meeting, the Authority approved the issuance of lease revenue bonds on behalf of the District for its Oak Grove Elementary / Willowside Middle School Project; and

WHEREAS, when the original allocation was made in October 2009, Oak Grove's QSCB allocation was set to expire on December 31, 2010; and

WHEREAS, the financing was set to price and close in early December 2010 however given unexpected circumstances related to title documentation and a land survey, the pricing and closing of this transaction by December 31, 2010 was not realized; and

WHEREAS, at this time, the financing has an A+ credit rating from Standard and Poor's, and the financing is ready to go to market and close by the end of February 2011.

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

Section 1. Oak Grove Union Elementary School District is hereby awarded borrowing authority under the Charter School QSCB Program in an amount not to exceed \$2,300,000.

Section 2. The Executive Director of the Authority is hereby authorized and directed to do any and all things which she may deem necessary or advisable in order to assist Oak Grove Union Elementary School District with the completion of a transaction under the Charter School QSCBs Program, including but not limited to providing assistance and cooperation in the credit rating process and making a request to the Authority for the issuance, sale, and delivery of revenue bonds designated as QSCBs as may be needed to implement this resolution.

Section 3. Nothing in this resolution constitutes an agreement or commitment on the part of the Authority to issue conduit bonds for the benefit of Oak Grove Union Elementary School District.

Section 4. This resolution shall take effect immediately upon its adoption.

Date of Adoption: February 9, 2011

CERTIFICATE OF THE EXECUTIVE DIRECTOR
(Attesting to Action of the Authority)
Sacramento, California

I, Katrina Johantgen, Executive Director of the California School Finance Authority, hereby certifies that the foregoing is a full, true, and correct copy of Resolution No. 11-02 of the California School Finance Authority Allocating Qualified School Construction Bond Borrowing Authority to Oak Grove Union Elementary School District Under the Charter School QSCBs Program Parameters at a meeting of the California School Finance Authority held at 915 Capitol Mall, Conference Room 587, Sacramento, California on February 9, 2011, for which meeting all of the members of the Authority had due notice; and that at the meeting the staff recommendation was adopted by the following votes:

AYES: Patricia A. Wynne, designee for California State Treasurer Bill Lockyer
Kathleen Moore, designee for Superintendent of Public Instruction Tom
Torlakson
Jennifer Rockwell, designee for Director of Finance Ana J. Matosantos

NOES:

ABSTAINS:

ABSENT:

I further certify that the original minutes of said meeting and a copy of the original Resolution adopted at said meeting are on file in the California School Finance Authority office; and that the Resolution has not been amended, modified, or rescinded in any manner since the date of its adoption, and the same is now in full force and effect.

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the California School Finance Authority hereto.

(seal)

February 9, 2011

Katrina Johantgen, Executive Director