

RESOLUTION NO. 11-10

RESOLUTION OF THE CALIFORNIA SCHOOL FINANCE AUTHORITY AUTHORIZING THE ALLOCATION OF QUALIFIED SCHOOL CONSTRUCTION BOND BORROWING AUTHORITY TO THE NEW JERUSALEM ELEMENTARY SCHOOL DISTRICT IN AN AMOUNT NOT TO EXCEED \$5,100,000 UNDER THE CHARTER SCHOOL QSCB PROGRAM

March 23, 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 the Authority which will be designated as QSCBs; and

WHEREAS, pursuant to the Act and Resolution No. 09-13 of the Authority, adopted on July 30, 2009, the Charter School QSCBs Program has been established; and

WHEREAS, at its July 14, 2010 board meeting, the board adopted Resolution 10-23 which authorized an open application process for its QSCB charter school bond allocation, and New Jerusalem Elementary School District applied for and met the Program Parameters for an award of allocation of QSCB borrowing authority; and

WHEREAS, pursuant to Resolution 11-03, allocating QSCB's at the February 9, 2011 Board Meeting, for the amount of \$6,120,000 has been rescinded; and

WHEREAS, pursuant to the Act and the Charter School QSCBs Program, the Authority is authorizing the allocation of QSCB borrowing authority to New Jerusalem Elementary School District in an amount not to exceed \$5,100,000.

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

Section 1. New Jerusalem Elementary School District is hereby awarded borrowing authority under the Charter School QSCB Program in an amount not to exceed \$5,100,000. If (1) a national credit rating agency has not issued an investment grade rating on the proposed issue of Qualified School Construction Bonds of the Authority to be designated pursuant to the QSCB Award of the Awardee on or before May 31, 2011 or (2) the Authority has not issued revenue bonds designated as Qualified School Construction Bonds pursuant to the QSCB Award of the Awardee on or before June 30, 2011 (each date, an Award Expiration Date), then the QSCB Award shall automatically expire and become available for further award by the Authority pursuant to the Charter School QSCB Program; provided that, the Executive Director of the Authority may, in her sole discretion, upon the request of the Awardee demonstrating probable completion of a transaction under the Charter School QSCB Program, extend the Award Expiration Date with respect to the Awardee by written notification to the Awardee; provided further that, no Award Expiration Date shall be extended beyond December 31, 2011.

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 New Jerusalem 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 New Jerusalem Elementary School District.

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

Date of Adoption: March 23, 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. 11-10 of the California School Finance Authority Allocating Qualified School Construction Bond Borrowing Authority to New Jerusalem Elementary School District In An Amount Not To Exceed \$5,100,000 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 March 23, 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
Miriam Ingenito, 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)

March 23, 2011

Katrina Johantgen, Executive Director