

RESOLUTION NO. 12-04

RESOLUTION OF THE CALIFORNIA SCHOOL FINANCE AUTHORITY AUTHORIZING THE ALLOCATION OF QUALIFIED SCHOOL CONSTRUCTION BOND (QSCB) BORROWING AUTHORITY TO LIVERMORE VALLEY CHARTER SCHOOL AND LIVERMORE VALLEY CHARTER PREPARATORY (TRI-VALLEY LEARNING CORPORATION)(LIVERMORE, CALIFORNIA) IN AN AMOUNT NOT TO EXCEED \$15,000,000 UNDER THE CHARTER SCHOOL QSCB PROGRAM

February 8, 2012

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, commercial paper and certificates of participation, or enter into loans, installment sales or other agreements 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 or other instruments 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 Livermore Valley Charter School and Livermore Valley Charter Preparatory (Tri-Valley Learning Corporation) applied for and met the Program Parameters for an award of allocation of QSCB borrowing authority; and

WHEREAS, pursuant to Resolution 10-29, Livermore Valley Charter School and Livermore Valley Charter Preparatory (Tri-Valley Learning Corporation) was allocated \$7,000,000 in QSCB borrowing authority at the August 11, 2010 Board Meeting. This allocation expired December 31, 2010; and

WHEREAS, pursuant to Resolution 11-19, Livermore Valley Charter School and Livermore Valley Charter Preparatory (Tri-Valley Learning Corporation) was allocated

\$13,000,000 in QSCB borrowing authority at the April 13, 2011 Board Meeting. This allocation expired December 31, 2011; and

WHEREAS, pursuant to the Act and the Charter School QSCBs Program, the Authority is authorizing the allocation of QSCB borrowing authority to Livermore Valley Charter School and Livermore Valley Charter Preparatory (Tri-Valley Learning Corporation) in an amount not to exceed \$15,000,000.

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

Section 1. Livermore Valley Charter School and Livermore Valley Charter Preparatory (Tri-Valley Learning Corporation) (“Awardee”) is hereby awarded borrowing authority under the Charter School QSCB Program in an amount not to exceed \$15,000,000. This allocation is conditioned upon that the Awardee is in good standing with its charter authorizer and in compliance with the terms of its charter and that the QSCB bond financing sale’s methodology meeting the following: the QSCB’s are privately placed or directly purchased, that the bonds be purchased by a single financial institution that intends to hold all the QSCB’s until maturity. Livermore Valley Charter School and Livermore Valley Charter Preparatory (Tri-Valley Learning Corporation) will be required to submit a letter from the purchaser of its intent to hold the bonds at the time of closing. In addition, Livermore Valley Charter School and Livermore Valley Charter Preparatory (Tri-Valley Learning Corporation) shall submit to the Authority evidence that demonstrates that the purchaser has agreed to such a condition in the bond purchase documents. If the Awardee does not return to the Authority for bond issuance approval on or before August 31, 2012, 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, 2012. The form of QSCBs issued by the Authority hereunder may be in any form permitted by the Act, including certificates of participation, commercial paper, loans, installment sales or other agreements.

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 Livermore Valley Charter School and Livermore Valley Charter Preparatory (Tri-Valley Learning Corporation) 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 or other instruments 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 Livermore Valley Charter School and Livermore Valley Charter Preparatory (Tri-Valley Learning Corporation).

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

Date of Adoption: February 8, 2012

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. 12-04 of the California School Finance Authority Allocating 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 \$15,000,000 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 February 8, 2012, 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
 Jeanne Oropeza, designee for Superintendent of Public Instruction Tom
 Torlakson
 Pedro R. Reyes, 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 8, 2012

Katrina Johantgen, Executive Director