

## RESOLUTION NO. 13-09

### RESOLUTION OF THE CALIFORNIA SCHOOL FINANCE AUTHORITY ALLOCATING QUALIFIED SCHOOL CONSTRUCTION BOND (“QSCB”) BORROWING AUTHORITY TO ALLIANCE COLLEGE-READY PUBLIC SCHOOLS IN AN AMOUNT NOT TO EXCEED \$10,750,000 UNDER THE CHARTER SCHOOL QSCB PROGRAM

April 16, 2013

**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);

**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”);

**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;

**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;

**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 Alliance College-Ready Public Schools applied for and met the Program parameters for an award of allocation of QSCB borrowing authority;

**WHEREAS**, at its May 30, 2012 board meeting, the board adopted resolution 12-24 which awarded borrowing authority under the Charter School QSCB Program in an amount not to exceed \$10,500,000 to Alliance College-Ready Public Schools for the construction of Alliance College-Ready Middle Academy #8 located at 113 S. Rowan, Los Angeles, CA;

**WHEREAS**, at its December 12, 2012 board meeting, the board adopted resolution 12-46 which, due to legal obstacles related to the title of the project located at

113 S. Rowan, Los Angeles, CA, granted Alliance College-Ready Public Schools authority for the transfer of its QSCB borrowing authority to Alliance College-Ready High School #18 located at 7907 Santa Fe, Los Angeles, CA;

**WHEREAS**, pursuant to Resolution 12-46, Alliance College-Ready Public Schools was allocated \$10,500,000 in QSCB borrowing authority at the December 12, 2012 Board Meeting. This allocation expired March 31, 2013; and

**WHEREAS**, pursuant to the Act and the Charter School QSCBs Program, and based on an unconditional release of QSCB allocation in the amount of \$250,000 by a current awardee, the Authority is authorizing the allocation of QSCB borrowing authority to Alliance College-Ready Public Schools in an amount not to exceed \$10,750,000.

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

**Section 1.** If the Authority has not issued revenue bonds designated as Qualified School Construction Bonds pursuant to the QSCB Award of the Awardee on or before July 31, 2013 (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 October 31, 2013.

**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 Alliance College-Ready Public Schools 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 Alliance College-Ready Public Schools.

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

Date of Adoption: April 16, 2013