

RESOLUTION NO 19-36

RESOLUTION OF THE CALIFORNIA SCHOOL FINANCE AUTHORITY DELEGATING CERTAIN POWERS AND AUTHORIZING CERTAIN ACTIONS RELATED TO THE REMARKETING OF ITS CHARTER SCHOOL REVENUE BONDS (ALLIANCE MARGARET M. BLOOMFIELD TECHNOLOGY ACADEMY HIGH SCHOOL PROJECT) SERIES 2013 (TAXABLE QUALIFIED SCHOOL CONSTRUCTION BONDS - DIRECT SUBSIDY)

WHEREAS, the California School Finance Authority (the "Authority"), a public instrumentality of the State of California, is authorized and empowered by the provisions of the California School Finance Authority Act (Chapter 18 (commencing with Section 17170) of Part 10 of Division 1 of Title 1 of the Education Code of the State, as now in effect and as it may from time to time thereafter be amended or supplemented (the "Act"), and is authorized to issue bonds and loan the proceeds thereof to participating parties 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 any person, company, association, state or municipal government entity, partnership, firm or other entity or group of entities that undertakes the financing or refinancing of a project (as defined in the Act) pursuant to the Act in conjunction with a charter school for the purpose of financing the acquisition, construction, expansion, remodeling, renovation, furnishing and equipping of educational facilities (as defined in the Act); and

WHEREAS, the Authority has previously issued its \$10,750,000 Charter School Revenue Bonds (Alliance Margaret M. Bloomfield Technology Academy High School Project) Series 2013 (Taxable Qualified School Construction Bonds - Direct Subsidy) (the "Series 2013 Bonds") pursuant to and secured by the Trust Indenture dated August 1, 2013 between the Authority and the Trustee (the "Original Trust Indenture"); and

WHEREAS, the Series 2013 Bonds were issued by the Authority and loaned to 7907 Santa Fe Avenue Charter Facilities LLC (the "Borrower"), a limited liability company organized for nonprofit purposes under the laws of the State, pursuant to a Loan Agreement dated as of August 1, 2013 between the Authority and Borrower (the "Loan Agreement") for the purpose of (i) facilitating the financing of the costs of acquiring and constructing certain charter school facilities (as further described in Exhibit G to the Loan Agreement) (the "Series 2013 Facilities"), (ii) paying capitalized interest during construction, and (iii) paying certain issuance expenses; and

WHEREAS, under the Lease Agreement, dated as of August 1, 2013, as amended by a First Amendment to Lease Agreement, dated as of December 1, 2019, or some other date to be determined, and a Second Amendment to Lease Agreement, dated as of December 1, 2019, or some other date to be determined (collectively, the "Lease"), the Borrower, as owner of the Series 2013 Facilities, leased the Series 2013 Facilities to Alliance College-Ready Public Schools, formerly Alliance Margaret M. Bloomfield Technology Academy High School, a California nonprofit public benefit corporation, formerly known as Alliance College-Ready Academy High School No. 18, established as a charter school in the State pursuant to the Charter School Law; and

WHEREAS, the Original Trust Indenture provides that the Series 2013 Bonds shall either be optionally redeemed or subject to mandatory tender on the Conversion Date and that notice shall be given for mandatory tender for purchase of the Series 2013 Bonds; and

WHEREAS, 100% of the Registered Owners of the Series 2013 Bonds have consented to a First Supplemental Indenture, dated as of December 1, 2019, or some other date to be determined (the "First Supplemental Indenture"), to, among other things, revise the Debt Service Reserve Fund Requirement, if applicable, change the Conversion Date, waive notice provisions and certain requirements in connection with the remarketing of the Series 2013 Bonds, and appoint Robert W. Baird & Co. Incorporated and GVC Capital, LLC, as co-remarketing agents; and

WHEREAS, there have been presented to this meeting proposed forms of the First Supplemental Indenture; the Second Amendment to Loan Agreement, dated as of December 1, 2019, or some other date to be determined (the "Second Amendment to Loan Agreement"), amending the Loan Agreement; and the Second Amendment to Lease; and

WHEREAS, the Authority desires to authorize the Executive Director and Chairperson to execute the First Supplemental Indenture, the Second Amendment to Loan Agreement, and such other documents as necessary and appropriate in connection therewith; and

WHEREAS, approval of the Authority is now sought.

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

Section 1. The following documents:

- i. The First Supplemental Indenture; and
- ii. The Second Amendment to Loan Agreement.

are hereby approved in substantially the forms on file with the Authority prior to this meeting, with such insertions, deletions or changes therein as the officer(s) executing and/or delivering the same may require or approve, such approval to be conclusively evidence by execution and delivery thereof.

Section 2. The Authority hereby delegates to the Executive Director and/or Chairperson of the Authority, the power to execute and the power to deliver the First Supplemental Indenture, the Second Amendment to Loan Agreement, and such other documents as may be deemed necessary or appropriate to cause the remarketing of the Series 2013 Bonds in connection therewith and to preserve the tax status of the Series 2013 Bonds, including but not limited to any purchase agreements, tax certificates, closing certificates, consents and/or governmental filings.

Section 3. The Authority hereby approves and ratifies each and every action taken by its officers, agents, members and employees prior to the date hereof in furtherance of the purposes of this Resolution.

Section 4. All Resolutions of the Authority or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This resolution shall take effect from and after its adoption.

Date of Adoption: December 6, 2019

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 certify that the foregoing is a full, true and correct copy of Resolution No. 19-36 of the California School Finance Authority, adopted at a meeting of the California School Finance Authority held at 915 Capitol Mall, Conference Room 587, Sacramento, California, 95814 on December 6, 2019, for which meeting all of the members of said Authority had due notice; and that at the meeting such Resolution was adopted by the following votes:

AYES:

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)

By _____
Katrina Johantgen, Executive Director

December 6, 2019