

RESOLUTION NO. 21-04

RESOLUTION OF THE CALIFORNIA SCHOOL FINANCE AUTHORITY AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF REVENUE NOTES IN AN AGGREGATE AMOUNT NOT TO EXCEED \$200,000,000 TO FINANCE WORKING CAPITAL FOR SEVERAL CHARTER SCHOOLS THROUGHOUT THE STATE OF CALIFORNIA AS PART OF THE CALIFORNIA SCHOOL FINANCE AUTHORITY ASAP PROGRAM

WHEREAS, the California School Finance Authority (the “Authority”) is a public instrumentality of the State of California, created by the California School Finance Authority Act (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”) and is authorized to issue bonds and loan the proceeds of the sale 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 to any person, company, association, state or municipal government entity, partnership, firm, or other entity or group of entities that undertakes the financing of working capital (as defined in the Act) pursuant to the Act;

WHEREAS, each borrower, listed in Exhibit A hereto, each of which is a California nonprofit public benefit corporation or a California public entity operating a dependent charter school (each, a “Borrower” and collectively, the “Borrowers”), has applied for a loan of proceeds of revenue notes of the Authority to finance working capital for certain of its affiliated charter schools through the Authority’s ASAP Program (the “Program”);

WHEREAS, the working capital financing will benefit each Borrower, each being the operator of one or more charter schools established pursuant to the Charter School Law and each of which is a California nonprofit public benefit corporation and each of which is described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) or a governmental entity operating a dependent charter school;

WHEREAS, the revenue notes issued as part of the Program as hereinafter described in Section 1 will be secured by, among other things, an intercept of certain funds (the “Intercept”) by the Controller of the State of California (the “State Controller”) pursuant to Section 17199.4 of the California Education Code;

WHEREAS, the revenue notes issued as part of the Program will be further secured by letters of credit (the “Letters of Credit”) provided by Royal Bank of Canada and Citibank N.A. (each, a “Bank” and together, the “Banks”), issued pursuant to a reimbursement agreement by and between the Authority and the respective Bank;

WHEREAS, the Intercept and other items relating to the certification of Borrower’s operations shall be implemented in accordance with a memorandum of understanding by and among the California State Controller’s Office, the California Department of Education, and the Authority;

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

Section 1. Pursuant to the Act, revenue notes (the “Notes”) of the Authority, to be designated generally as the “California School Finance Authority Revenue Notes (ASAP Program), Series 2021 (Federally Taxable)” or such other name or names as may be designated in the Indenture hereinafter approved in Section 3, are authorized to be

issued, in one or more series from time to time, on a federally taxable basis, in an aggregate principal amount not to exceed \$200,000,000. The Notes may, with the consent of the Borrowers, be secured by bond insurance, letter(s) of credit or other credit enhancement. The proceeds of the Notes shall be used for any or all of the following purposes: (i) financing working capital for the Borrowers, (ii) funding a credit enhancement fee, and (iii) paying certain expenses incurred in connection with the issuance of the Notes.

Section 2. The Treasurer of the State of California (the “Treasurer”) is hereby authorized to sell the Notes, at any time within twelve months of the adoption of this Resolution, at private sale, in such aggregate principal amount (not to exceed the aggregate principal amount set forth in Section 1), at such prices, at such interest rate or rates, and with such maturity dates and such other terms and conditions as the Treasurer, with the consent of the Borrowers, may determine.

Section 3. The following documents:

- (a) the Indenture relating to the Notes (the “Indenture”), by and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”);
- (b) the Loan Agreements relating to the Notes (the “Loan Agreements”), each between the Authority and a Borrower;
- (c) the Note Purchase Agreement relating to the Notes (the “Note Purchase Agreement”), among the Authority, the Treasurer, as agent for sale on behalf of the Authority, and RBC Capital Markets, LLC, as representative (the “Representative”), on behalf of itself and Citigroup Global Markets Inc. (together, the “Underwriters”);
- (d) the Reimbursement Agreements relating to the Notes (the “Reimbursement Agreements”), each between the Authority and a respective Bank;
- (e) the Memorandum of Understanding relating to the Notes (the “MOU”) by and among the California State Controller’s Office, the California Department of Education, and the Authority; and
- (f) the preliminary official statement relating to the Notes (the “Preliminary Official Statement”);

are hereby approved in substantially the forms on file with the Authority prior to this meeting, with such insertions, deletions or changes therein (including, without limitation, insertions, deletions, or changes therein appropriate to reflect the form of credit or liquidity enhancement for any series of Notes) as the officer(s) executing and/or delivering the same may require or approve, such approval to be conclusively evidenced by execution and delivery thereof in the case of the Indenture, the Loan Agreements, the Note Purchase Agreement, the MOU, and the Reimbursement Agreements.

Section 4. The dated date, maturity dates (not exceeding 15 months from the date of issue), interest rate or rates, interest payment dates, principal payment dates, authorized denominations, transfer restrictions, forms, registration, manner of execution, places of payment and other terms of the Notes shall be as set forth in the Indenture as finally executed. In accordance with the Bond Issuance Guidelines of the Authority, the Notes shall be issued in the authorized denominations and subject to transfer restrictions as set forth below:

(a) If the Notes are unrated or are rated lower than “BBB-” (or its equivalent) by a nationally recognized rating agency (a “Rating Agency”), they shall either (1) be issued in minimum authorized denominations of \$250,000, the initial beneficial owners of the Notes (the “Initial Purchasers”) shall be required to execute an Investor Letter substantially in the form appended to the Indenture (the “Investor Letter”), and both the initial sale and all subsequent transfers of the Notes shall be limited to Qualified Institutional Buyers (“QIBs”), as defined in Rule 144A of the Securities Act of 1933, as amended (the “1933 Act”) or Accredited Investors (“Accredited Investors”), as defined in Regulation D of the 1933 Act; or (2) be issued in minimum authorized denominations of \$100,000, the Initial Purchasers shall be required to execute the Investor Letter, and both the initial sale and all subsequent transfers of the Notes shall be limited to QIBs; and in either case (1) or (2), such sale and transfer restrictions shall be conspicuously noted in the final form of Notes delivered and described in the Preliminary Official Statement;

(b) If the Notes are rated “BBB-” (or its equivalent) or better, but lower than “A-” (or its equivalent) by a Rating Agency, minimum authorized denominations shall be \$25,000, Notes will be sold to Initial Purchasers and all subsequent transfers shall be made only to QIBs and Accredited Investors, as described in the Indenture, and such sale and transfer restrictions shall be conspicuously noted in the final form of Notes delivered and described in the Preliminary Official Statement; and

(c) If the Notes are rated “A-” (or its equivalent) by a Rating Agency, the Notes may be issued and sold in authorized denominations of \$5,000 or any integral multiple thereof, without any restrictions as to the qualifications of Initial Purchasers or any subsequent purchasers of the Notes, without the need for execution of an Investor Letter or Letters.

Section 5. The Underwriters are hereby authorized to distribute a Preliminary Official Statement in substantially the form on file with the Authority in one document or in a separate document for each series of Notes, with such changes as the Underwriters may approve to persons who may be interested in the purchase of the Notes offered in such issuance. The Underwriters are hereby directed to deliver (in accordance with applicable federal securities laws, regulations and rules) a copy of said final Official Statement (as finally executed, the “Official Statement”) to all actual purchasers of any series of the Notes authorized hereby.

Section 6. The Notes, when executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the Notes by executing the Trustee's certificate of authentication appearing thereon and to deliver the Notes, when duly executed and authenticated, to the Underwriters, in accordance with written instructions executed on behalf of the Authority, which instructions are hereby approved. Such instructions shall provide for the delivery of the Notes to or upon the direction of the Underwriters, as determined and confirmed by the Treasurer, upon payment of the purchase price thereof.

Section 7. Each officer of the Authority is hereby authorized and directed to do any and all things which he or she may deem necessary or advisable in order to consummate the issuance, execution, sale and delivery of the Notes and otherwise to effectuate the purposes of this Resolution, the Indenture, the Loan Agreement, the Note Purchase Agreement, the Reimbursement Agreements, and the MOU. The Authority hereby approves any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation: (a) certifications; (b) a tax certificate and agreement; and (c) any agreement or commitment letter with respect to the provisions of bond insurance, letter(s) of credit, surety bond(s) and/or a liquidity facility(ies) for the Notes. The Treasurer (or his designee) is hereby requested and authorized to take any and all actions within his or her authority as agent for sale of the Notes that he or she may deem necessary or advisable in order to consummate the issuance, execution, sale and delivery of the Notes, and to otherwise effectuate the purposes of this Resolution

Section 8. 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 9. The provisions of the Authority's Resolution No. 18-25 apply to the documents and actions approved in this Resolution, and such Resolution No. 18-25 is hereby incorporated by reference.

Section 10. The Authority hereby approves the execution and delivery of the Indenture, the Loan Agreements, the Bond Purchase Agreement, the Reimbursement Agreements, the MOU, and Official Statement and other certificates and documents related thereto, with electronic signatures under the California Uniform Electronic Transactions Act and digital signatures under Section 16.5 of the California Government Code.

Section 11. This Resolution shall take effect from and after its adoption.

Dated: _____, 2021

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. 21-04 of the California School Finance Authority the issuance of one or more series of revenue notes in an aggregate amount not to exceed \$200,000,000 to finance working capital for several charter schools throughout the state of California at a meeting of the California School Finance Authority held at 915 Capitol Mall, Conference Room 527, Sacramento, California 95814, and 300 S Spring Street, Suite 8500, Los Angeles, CA 90013 on February 25, 2021, 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:

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 25, 2021

Katrina Johantgen, Executive Director

EXHIBIT A

LIST OF BORROWERS

List of legal borrowers and charter schools that are being recommended for approval, as known to the Authority as of February 10, 2021.

#	Legal Borrower	Charter School	County	Not To Exceed Amount
1.	Agape	W.E.B. DuBois Public Charter	Fresno	\$2,300,000
2.		Carter G. Woodson Public Charter	Fresno	
3.	Architecture, Construction & Engineering Charter High School	Architecture, Construction & Engineering Charter High School	Ventura	\$450,000
4.	ASA Charter Inc.	ASA Charter	San Bernardino	\$825,000
5.	Audeo Charter School	Audeo Charter School III	San Diego	\$4,000,000
6.		Audeo Charter School II	San Diego	
7.		Grossmont Secondary School	San Diego	
8.		Sweetwater Secondary School	San Diego	
9.	Calaveras County Office of Education	Mountain Oaks	Calaveras	\$850,000
10.	Caliber Public Schools	Caliber: Beta Academy	Contra Costa	\$4,000,000
11.		Caliber: ChangeMakers Academy	Solano	
12.	California Virtual Academy at San Joaquin	California Virtual Academy at San Joaquin	San Joaquin	\$4,100,000
13.	California Virtual Academy at San Diego	California Virtual Academy at San Diego	San Diego	\$6,050,000
14.	California Virtual Academy at Sutter	California Virtual Academy at Sutter	Sutter	\$3,500,000
15.	California Virtual Academy at Fresno	California Virtual Academy at Fresno	Fresno	\$2,000,000
16.	California Virtual Academy at Maricopa	California Virtual Academy at Maricopa	Kern	\$1,750,000
17.	California Virtual Academy at Sonoma	California Virtual Academy at Sonoma	Sonoma	\$1,300,000
18.	California Virtual Academy at San Mateo	California Virtual Academy at San Mateo	San Mateo	\$2,100,000
19.	California Virtual Academy at Los Angeles	California Virtual Academy at Los Angeles	Los Angeles	\$8,750,000
20.	CORE Butte, Inc.	CORE Butte Charter School	Butte	\$2,300,000

#	Legal Borrower	Charter School	County	Not To Exceed Amount
21.	Education for Change	Achieve Academy	Alameda	\$6,100,000
22.		ASCEND	Alameda	
23.		Learning Without Limits	Alameda	
24.		Cox Academy	Alameda	
25.		Lazear Charter Academy	Alameda	
26.		Latitude 37.8 High School	Alameda	
27.	Element Education, Inc.	Dimensions Collaborative School	San Diego	\$3,750,000
28.		Community Montessori	San Diego	
29.	Empower Generations	Empower Generations	Los Angeles	\$400,000
30.	Farmworker Institute of Education and Leadership Development	EPIC de Cesar Chavez	Kern	\$2,100,000
31.	Granada Hills Charter	Granada Hills Charter	Los Angeles	\$9,500,000
32.	Harvest Ridge Cooperative Charter School	Harvest Ridge Cooperative Charter School	Placer	\$400,000
33.	Hemet USD	Western Center Academy	Riverside	\$2,500,000
34.	iLEAD California Charters 1	iLEAD Hybrid	Los Angeles	\$10,750,000
35.	iLEAD Agua Dulce	iLEAD Agua Dulce	Los Angeles	\$650,000
36.	iLEAD Charter Schools	iLEAD Lancaster	Los Angeles	\$1,650,000
37.	Imagine Schools Riverside County	Imagine Schools Riverside County	Riverside	\$3,300,000
38.	Insight at San Diego	Insight at San Diego	San Diego	\$750,000
39.	Insight San Joaquin	Insight at San Joaquin	San Joaquin	\$1,250,000
40.	Insight School of California	Insight School of California	Kern	\$1,250,000
41.	iQ Academy California - Los Angeles	iQ Academy California - Los Angeles	Los Angeles	\$1,600,000
42.	Kepler Education Inc	Kepler Neighborhood School	Fresno	\$1,250,000
43.	LA Promise Fund	LA's Promise Charter Middle School #1	Los Angeles	\$1,100,000
44.		LA's Promise Charter High School #1	Los Angeles	
45.	Laurel Tree Charter School	Laurel Tree Charter School	Humboldt	\$250,000
46.	Learning for Life Charter School	Learning for Life Charter School	Monterey	\$250,000
47.	Manzanita Public Charter Inc.	Manzanita Public Charter School	Santa Barbara	\$800,000
48.	Mirus Education	Mirus Secondary	San Bernardino	\$1,050,000
49.	Northern United Charter Schools	Northern United Siskiyou Charter School	Siskiyou	\$1,850,000
50.		Northern United Humboldt Charter School	Humboldt	
51.	NSSF	The New School of San Francisco	San Francisco	\$850,000
52.	OFL-Baldwin Park, Inc.	Opportunities for Learning - Baldwin Park	Los Angeles	\$14,000,000
53.	Options for Youth - Duarte, Inc	Options for Youth - Duarte, Inc	Los Angeles	\$4,100,000
54.	Options for Youth - San Bernardino, Inc.	Options for Youth - San Bernardino	San Bernardino	\$3,700,000

#	Legal Borrower	Charter School	County	Not To Exceed Amount
55.	Options for Youth - San Gabriel, Inc.	Options for Youth San Gabriel	Los Angeles	\$2,000,000
56.	Pacific View Charter School	Pacific View Charter School	San Diego	\$1,275,000
57.	Partnership Schools of the Central Coast	Family Partnership Charter School	Santa Barbara	\$900,000
58.	Rex and Margaret Fortune School of Education	Fortune School	Sacramento	\$9,400,000
59.		Hardy Brown College Prep	San Bernardino	
60.	Rising Sun Montessori School	Rising Sun Montessori School	El Dorado	\$325,000
61.	River Valley Charter School	River Valley Charter School	San Diego	\$250,000
62.	Santa Clarita Valley International School	Santa Clarita Valley International Charter School (SCVi)	Los Angeles	\$1,550,000
63.	Savant Preparatory Academy, Inc.	Savant Preparatory Academy of Business	San Bernardino	\$500,000
64.	Scholarship Prep	Scholarship Prep - South Bay	Los Angeles	\$3,250,000
65.		Scholarship Prep - Oceanside	San Diego	
66.		Scholarship Prep [Santa Ana]	Orange	
67.	Sparrow Academy	Sparrow Academy	San Diego	\$525,000
68.	Student Success Programs	Audeo Charter	San Diego	\$3,250,000
69.		Charter School of San Diego	San Diego	
70.	Temecula International Academy, Inc.	Temecula International Academy	Riverside	\$400,000
71.	Unity Middle College High School	Unity Middle College High	Orange	\$150,000
72.	Vista Charter Public Schools	Vista Condor Global Academy	Orange	\$2,025,000
73.		Vista Charter Middle School	Los Angeles	
74.		Vista Heritage Global Academy	Orange	
75.	Vista Oaks Charter School	Vista Oaks Charter School	Contra Costa	\$2,000,000
76.	Voices College-Bound Language Academies	Voices College-Bound Language Academy at Morgan Hill	Santa Clara	\$3,000,000
77.		Voices College-Bound Language Academy at Mt. Pleasant	Santa Clara	
78.		Voices College-Bound Language Academy at San Jose	Santa Clara	
79.		Voices College-Bound Language Academy at Stockton	San Joaquin	
80.		Voices College-Bound Language Academy at West Contra Costa	Contra Costa	
81.	Volunteers of America Community Education and Development Corp.	Ballington Academy for the Arts and Sciences, San Bernardino	San Bernardino	\$1,750,000
82.		Ballington Academy for the Arts and Sciences El Centro	Imperial	
Total				\$151,975,000

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