

RESOLUTION NO. 26-05

**APPROVAL OF A CHARTER SCHOOL FACILITIES CREDIT ENHANCEMENT
GRANT PROGRAM AWARD IN AN AMOUNT NOT TO EXCEED \$2,000,000 TO
MAGNOLIA PROPERTIES MANAGEMENT, INC.**

WHEREAS, The California School Finance Authority (Authority) was established and is existing pursuant to the California School Finance Authority Act (Education Code Section 17170, et. seq.); and

WHEREAS, pursuant to Title 4 of Division 15 of the California Code of Regulations sections 10192 through 10199, the Authority administers the Charter School Facilities Credit Enhancement Grant Program (CE Program) pursuant to which it manages and awards grant funds to California charter schools, and educational management organizations on behalf of California Charter schools, to fund the primary debt service reserve requirement for debt issued by or through the Authority to finance or refinance the acquisition, construction, and/or renovation of charter schools facilities; and on behalf of the State of California, the Authority applied for and has been awarded five Charter School Facility Grants, including; Credit Enhancement for Charter School Facilities Program; Project Acceleration Notes and Credit Enhancement Alternatives Program; Charter Access to Bank Loans Program; Charter Finance Enhancement Program; and Charter School Facilities Credit Enhancement Grant Program (collectively Federal Grant Awards); and

WHEREAS, Magnolia Properties Management, Inc. has submitted an application for a grant from the Authority of \$2,000,000 under the CE Program for purposes of funding a primary debt service reserve account in connection with debt issued by the Authority, the proceeds of which would be loaned to Magnolia Properties Management, Inc. and will be used to finance and/or refinance the cost of acquisition, construction, expansion, remodeling, renovation, improvement, furnishing, and/or equipping of educational facilities ; and

WHEREAS, Magnolia Properties Management, Inc., is eligible to apply for, and if approved by the Authority, receive, a grant of funds under the CE Program; and

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

Section 1. The above recitals are true and correct.

Section 2. Pursuant to this resolution, the Authority authorizes and approves providing to Magnolia Properties Management, Inc. (Awardee) a grant under the CE Program in an amount not to exceed \$2,000,000 (the Grant) on the conditions set forth herein for purposes of funding a primary debt service reserve in connection with debt issued by the Authority for the acquisition, renovation, and/or construction of a charter school facility to be used by Magnolia Public Schools (Project). Among other things set forth in this Resolution, the Grant shall be effective only to the extent the Executive Director of the Authority determines monies are available in the Authority's funds and accounts holding Federal Grant Awards.

Section 3. All actions heretofore taken by the officers and employees of the Authority in connection with the consideration and approval of the Awardee's application under the CE Program are hereby approved, confirmed, and ratified. The Executive Director of the Authority or her or his designees (collectively, the Executive Director of the Authority) are hereby

authorized and directed to do all things that they may deem necessary or advisable to assist the Awardee with the completion of a transaction, including providing technical assistance and cooperation in the credit rating process and making a request to the Authority for the issuance, sale, and delivery of bonds as may be needed to implement this resolution.

Section 4. The Executive Director of the Authority is further authorized to take the following actions: 1) all steps necessary with respect to the Awardee including notifying the Awardee whether its Application has been approved for funding, preparing and executing the final form of agreement governing the Grant (Program Agreement), and disbursing funds pursuant to the Program Agreement and the Authority's regulations; 2) approve changes to the Program Agreement when necessary and authorized under the Authority's regulations (provided that the amount of the Grant may not be increased above the amount approved by the Authority); 3) draw money from the funds and accounts holding the Federal Grant Awards in an amount, not to exceed the amount approved herein; 4) execute and deliver to the Awardee any and all documents necessary to complete the transfer of funds; and 5) undertake any and all actions and to execute and deliver any and all documents that the Executive Director deems necessary or advisable to effectuate the purposes of this Resolution.

Section 5. This Resolution shall not be construed as an unconditional commitment to issue the Grant. The Authority's approval pursuant to this Resolution is conditioned on the Authority and Awardee entering into a Program Agreement in form and substance satisfactory to the Authority on or before August 26, 2026. Such satisfaction is conclusively evidenced by the Authority's execution and delivery of a Program Agreement.

Section 6. Entry into a Program Agreement and disbursement of funds pursuant to a Program Agreement is conditioned upon the Authority issuing debt for the Project. However, this Resolution does not constitute an agreement or commitment on the part of the Authority to issue debt for the Project. Any Authority authorization and approval to issue debt for the Project will be by separate resolution of the Authority.

Section 7. This Resolution shall take effect immediately upon its adoption.

Date of Adoption: February 26, 2026

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. 26-05 of the California School Finance Authority authorizing the credit enhancement award under the Federal Grant Awards, in an amount not to exceed \$2,000,000 for the benefit of Magnolia Properties Management, Inc., as adopted at a meeting of the California School Finance Authority held consistent with Government Code section 11120 et seq., on February 26, 2026, at 915 Capitol Mall Room 121, Sacramento, California, 95814, 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:

This resolution expires six months after the adoption date. Any extensions must be approved by the Authority.

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

February 26, 2026