RESOLUTION NO. 26–28

APPROVAL OF REAMORTIZED PAYMENT SCHEDULE THROUGH THE CHARTER SCHOOL FACILITIES PROGRAM FOR ST. HOPE PUBLIC SCHOOLS LOCATED IN SACRAMENTO COUNTY

WHEREAS, the Charter School Facilities Program (Program) was established for the purpose of providing charter schools with funding to construct new facilities and rehabilitate existing district facilities; and

WHEREAS, modeled after the State's School Facilities Program, the Program funds 50 percent of eligible project costs as a grant from the State, and 50 percent as a Local Matching Share, which the charter school or obligor is responsible for repaying to the Program; and

WHEREAS, the California School Finance Authority (Authority) and the State Allocation Board (Board), staffed by the Office of Public School Construction (OPSC), are designated to jointly administer the Program; and

WHEREAS, St. HOPE Public Schools (St. HOPE) is the Applicant and Obligor for the Program-funded project serving St. HOPE Public School 7 and is responsible for repayment of the project's Local Matching Share pursuant to the applicable Funding Agreement; and

WHEREAS, the Authority established a Local Matching Share payment schedule for St. HOPE with an outstanding principal obligation of $14,040,055, at a fixed interest rate of 2.00 percent, with repayment beginning August 1, 2026, and final maturity scheduled for August 1, 2055; and

WHEREAS, on July 21, 2026, St. HOPE submitted a formal request to the Authority for temporary financial relief from its Local Matching Share payment obligation due to near-term liquidity constraints; and

WHEREAS, St. HOPE made the scheduled August and September 2026 Local Matching Share payments and requested that subsequent scheduled payments be deferred through December 2027, with payments resuming January 2028; and

WHEREAS, California Code of Regulations, title 4, section 10158(b) authorizes the Authority, upon approval of the Board and State Allocation Board, to amend the terms of a Funding Agreement, including the amortization schedule, when the Applicant has established financial hardship to the satisfaction of the Authority and has determined that the Charter School will be Financially Sound under the revised Funding Agreement, provided that the amended amortization schedule does not extend beyond 30 years from the date of disbursement of funds; and

WHEREAS, staff reviewed St. HOPE's audited and unaudited financial information, five-year financial projections, projected cash flows and financial position, enrollment and average daily attendance projections, outstanding debt obligations, and other information relevant to St. HOPE's ability to meet its Local Matching Share obligation; and

WHEREAS, staff, in consultation with its financial advisor, determined that without modification of the existing repayment schedule, St. HOPE is projected to exhaust available operating cash during Fiscal Year 2026-27; and

WHEREAS, St. HOPE's financial projections indicate that a temporary suspension of Local Matching Share payments would provide sufficient near-term liquidity to address outstanding operating obligations while allowing St. HOPE to rebuild its available cash position and resume repayment of the Local Matching Share obligation; and

WHEREAS, St. HOPE has therefore demonstrated Financial Hardship to the satisfaction of the Authority for purposes of section 10158(b); and

WHEREAS, under the revised amortization schedule, scheduled Local Matching Share payments will be suspended beginning October 2026 through December 2027, interest will continue to accrue during the suspension period at the existing 2.00 percent rate, accrued forbearance interest will be incorporated into the outstanding obligation, and payments will resume beginning January 2028; and

WHEREAS, the revised amortization schedule provides for repayment of the outstanding Local Matching Share and accrued interest without extending the existing final maturity date of August 1, 2055.

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

Section 1. St. HOPE Public Schools has demonstrated Financial Hardship for purposes of California Code of Regulations, title 4, section 10158(b).

Section 2. Based upon the financial information reviewed by Authority staff and the revised repayment terms, the Authority determines that St. HOPE Public School 7 will remain Financially Sound under the terms of the revised amortization schedule.

Section 3. The Authority approves the proposed amendment to St. HOPE Public Schools' Local Matching Share payment schedule, subject to the requirements of section 10158(b).

Section 4. The Executive Director of the Authority, and the Chair or their designee, is hereby authorized, on behalf of the Authority, to notify the State Allocation Board and the Office of Public School Construction of the Authority's determination and to provide such supporting documentation as may be required to effectuate the revised repayment schedule.

Section 5. Upon satisfaction of all applicable Program requirements, including any action required by the State Allocation Board pursuant to California Code of Regulations, title 4, section 10158(b), the Executive Director of the Authority, and the Chair or their designee, is hereby authorized, for and on behalf of the Authority, to execute a revised payment schedule.

Section 6. St. HOPE Public Schools shall remain subject to all other terms, conditions, reporting requirements, and obligations contained in the Funding Agreement and Program regulations that are not expressly modified by this Resolution.

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

PASSED AND ADOPTED by the California School Finance Authority.

Date of Adoption: September 24, 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. 26-28 of the California School Finance Authority Approving the Reamortized Payment Schedule through the Charter School Facilities Program for St. Hope Public Schools located in Sacramento County, adopted at a meeting of the California School Finance Authority held at 915 Capitol Mall, Room 121, Sacramento, California 95814, on September 24, 2026, for which meeting all of the members of said 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.

By: ______________________________
Katrina Johantgen, Executive Director

(seal)

September 24, 2026