

MEMORANDUM

Staff Summary No. 3

Date: August 6, 2015

To: Members of the California School Finance Authority

From: Katrina M. Johantgen, Executive Director

Subject: Approval of the Revision to Resolution 15-02

Background: The California School Finance Authority (Authority) approved Resolution 15-02 at its January 2015 board meeting. The Resolution authorized the sale of bonds (the "2015 Bonds") on behalf of Launchpad Development Company (Borrower). The proceeds of the 2015 Bonds would be used to acquire, construct, expand, remodel, renovate, improve, furnish, and equip educational facilities for Rocketship Education at its Rocketship Redwood City and Rocketship Mateo Sheedy School campuses. The Resolution also authorized the appointment of certain service providers / vendors on the 2015 Bonds. One such vendor, Wells Fargo Bank, National Association (Wells Fargo), was appointed to serve as trustee on the 2015 Bond transaction.

Issue: As part of its regular business acceptance process, Wells declined the opportunity to act as Trustee with respect to the Authority's 2015 Bonds. For ease of administration, the Borrower subsequently requested that Wells Fargo resign as trustee from each of the Borrower's bond financings, and Wells Fargo has agreed to do so. The Borrower proposes to appoint Wilmington Trust, National Association in place of Wells Fargo, including with respect to the Authority's 2015 Bonds. The change in bond trustee warrants Board approval. The 2015 Bond financing is scheduled to close on August 7, 2015.

Recommendation: Staff recommends that the Board approve the Revision to Resolution No. 15-02, approving the appointment of Wilmington Trust to serve as Trustee on the Rocketship bond financing, and a revised form of a bond indenture, and authorizing related changes to various bond financing documents.