

## MINUTES

**CALIFORNIA SCHOOL FINANCE AUTHORITY**  
**915 Capitol Mall, Conference Room 587**  
**Sacramento, California 95814**

**300 S. Spring St, Suite 8500**  
**(Large Conference Room)**  
**Los Angeles, CA 90013**

**February 24, 2022 - 11:30 a.m.**

Public Participation

Call-In Number: (877) 810-9415 – Participant Code: 6535126

### OPEN SESSION

Deputy Treasurer Audrey Noda called the meeting to order at 11:30 a.m.

#### ***Item #1: Roll Call***

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Members Present: Fiona Ma, CPA, Treasurer (Sacramento Office)  
Juan Mireles, designee for Tony Thurmond, Superintendent of Public Instruction (Via Microsoft Teams)  
Chris Ferguson, designee for Keely Martin Bosler, Director of Finance (Via Microsoft Teams)  
Audrey Noda, Deputy Treasurer (LA Office)

Staff Present: Katrina Johantgen, Executive Director (LA Office)  
Ravinder Kapoor, Legal Counsel (Via Microsoft Teams)  
Robert Rodriguez, Office Technician (Sacramento Office)  
Ryan Storey, Program Lead (LA Office)  
Robert Biegler, Program Lead (Via Microsoft Teams)  
Elizabeth Mendez, Program Lead (Via Microsoft Teams)

Attendees Via Microsoft Teams:

Michelle Getz, Partner & Chief Credit Officer, Equitable Facilities Fund  
Farnaz Golshani Flechner, Executive Director/CEO, Environmental Charter Schools  
Tracy Bondi, Director of Finance, Environmental Charter Schools  
Sean Yates, Managing Associate, Orrick, Herrington & Sutcliffe  
Eugene Clark-Herrera, Partner, Orrick, Herrington & Sutcliffe  
Josh Bauer, Analyst, Stifel, Nicolaus & Company  
Guillermo Garcia, Managing Director, Stifel, Nicolaus & Company  
Tanya Rogers, Assistant Superintendent Of Business, River Springs Charter School  
Karl Yoder, Managing Partner, Key Charter Advisors  
Sarah J. Kollman, Partner, Young & Minney & Corr  
Kerrigan Bennett, Shareholder, Stradling, Yocca, Carlson & Rauth



MOTION APPROVED.

***Item #4: Executive Director's Report***

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K-14 SAIN and Charter ASAP Program: The Authority was able to clear out the Notes, having wired borrowers the interest earned, which was recently received. The Authority is very close to finalizing the program, with there currently being a very minute amount of interest that will be earned after the January 15, 2022 deadline, with that interest coming back to the Authority pursuant to the indentures for those programs.

Charter School Facility Grant Program: The Authority is actively working through a proposed augmentation to the 2022-23 funding round of the Charter School Facility Grant Program, with staff participating in hearings with the Department of Finance and legislators.

Conduit Financing Program: The Authority is bringing three financings to the board today. Executive Director Katrina Johantgen noted that the historical driving force for the Conduit Bonds program was interest rates, and with additional capacity in the Credit Enhancement program, the Authority is seeing an increase in interest for the program.

Credit Enhancement Program: Executive Director Johantgen confirmed there was some capacity within the Credit Enhancement program, with the initial award of roughly \$380,000 that the Authority is looking to include this amount with other grants under the PANACEA and Charter ABLE programs.

Revolving Loan Fund: The Authority is currently looking into opening a new funding round, and received one loan application from the previous funding round. Staff and stakeholders also are working to implement legislative changes to the statute that guide this program so that we can expand its use and reach to charter schools throughout the state.

Charter School Facilities Program: There will be another funding round that will open in May with applications due in June 2022, with about \$94,000,000 available under the Charter School Facility Program. The Authority anticipates bringing recommendations of financial soundness to the board in the Fall 2022. The Authority is working with the STO's IT Division to launch an on-line application for this program.

Deputy Treasurer Noda asked if there were any questions from Board Members and the public. There were none.

***Item #5: Resolution No. 22-08 - Resolution authorizing a loan to the Authority in an amount not to exceed \$31,000,000, the issuance by the Authority of a promissory note evidencing the obligations of the Authority in connection with such loan, and a loan from the Authority to Menlo Charter Properties, a California nonprofit public benefit corporation, to finance and refinance a project for Environmental Charter Schools – Obligated Group, relating to Environmental Charter Middle School Gardena, Environmental Charter Middle School Inglewood and Environmental Charter High School Gardena in Los Angeles County, providing the terms and conditions for such loans and promissory note and other matters relating thereto, and authorizing the execution of certain documents in connection therewith (Action Item)***

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Robert Biegler presented an overview of the item and introduced Michelle Getz, Partner & Chief Credit Officer at Equitable Facilities Fund, Farnaz Golshani Flechner, Executive Director/CEO at Environmental Charter Schools, Tracy Bondi, Director of Finance at Environmental Charter Schools, Sean Yates, Managing Associate at Orrick, Herrington & Sutcliffe and Eugene Clark-Herrera, Partner at Orrick, Herrington & Sutcliffe. Michelle Getz presented next, sharing information regarding the school properties and loan details, referring to the presentation provided to board members.

Farnaz Golshani-Flechner presented next and provided insight regarding the school's history and student enrollment statistics. Mr. Golshani-Flechner also shared details regarding the atmosphere of the school campuses and the administration's philosophy regarding student success. Eugene Clark-Herrera presented next and provided an overview of the proposed transaction structure. Ms. Getz then provided an overview of the bond's financial details. Tracy Bondi presented next, providing information regarding the school's future projections and the impact the funds would have on the school's future growth.

Treasurer Fiona Ma and Board member Juan Mireles are able to join the meeting at this time.

Board Member Ferguson had a question regarding the statewide decline in overall student attendance and if the school anticipated making any adjustments to their projections as a result.

Ms. Bondi confirmed that while they did see a slight drop in average daily attendance from students at the beginning of the pandemic, they've experienced a lower drop in attendance than the state average, and already have indicators that enrollment is returning to pre-pandemic levels.

Treasurer Ma asked if there were any questions from the public. There were none.

**Authority Action**

Motion to Approve the Authorizing a loan to the Authority in an amount not to exceed \$31,000,000, the issuance by the Authority of a promissory note evidencing the obligations of the Authority in connection with such loan, and a loan from the Authority to Menlo Charter Properties, a California nonprofit public benefit corporation, to finance and refinance a project for Environmental Charter Schools – Obligated Group, relating to Environmental Charter Middle School Gardena, Environmental Charter Middle School Inglewood and Environmental Charter High School Gardena in Los Angeles County, providing the terms and conditions for such loans and promissory note and other matters relating thereto, and authorizing the execution of certain documents in connection therewith. Robert Rodriguez called the roll.

MOTION: Ferguson

SECOND: Mireles

AYES: Mireles, Ferguson, Ma  
NOES: NONE  
ABSTAIN: NONE

MOTION APPROVED.

***Item #6: Resolution No. 22-09 - Approving the Charter School Facilities Credit Enhancement Grant Program (CDFA #84.354A) Award in an Amount Not to Exceed \$2,000,000 to Citizens of the World Charter School located in Los Angeles County (Action Item)***

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Executive Director Katrina Johantgen presented, providing details regarding the school's previous awards and confirming that all eligibility requirements were met. Executive Director Johantgen confirmed the program had the capacity to provide the award and shared additional details regarding how the grant would function, noting that staff was recommending approval of this award. Ms. Johantgen noted that the award is a not to exceed amount and that the actual award may be lower based on the plan of finance at the time of pricing the bonds. Ms. Johantgen also noted that the award is based on the availability of funds. Lastly, she noted that this award may be coupled with an award of grant funds from the California School School Association. CSFA and CCSA are working on an agreement regarding the coupling of the funds and the mechanics of the two grants would be found in the financing's indenture.

Treasurer Ma asked if there were any questions from Board Members and the public. There were none.

**Authority Action**

Motion to Approve the Charter School Facilities Credit Enhancement Grant Program (CDFA #84.354A) Award in an Amount Not to Exceed \$2,000,000 to Citizens of the World Charter School located in Los Angeles County. Robert Rodriguez called the roll.

MOTION: Mireles SECOND: Ferguson

AYES: Mireles, Ferguson, Ma  
NOES: NONE  
ABSTAIN: NONE

MOTION APPROVED.

***Items #7 and #8 were removed from the board meeting agenda.***

***Item #9: Resolution No. 22-12 - Authorizing the issuance of revenue bonds in an amount not to exceed \$48,000,000 to finance and/or refinance the acquisition, construction, expansion, rehabilitation, renovation, furnishing and equipping of educational facilities located in Riverside County for use by River Springs Charter School (Action Item)***

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Program Lead Robert Biegler presented and introduced Josh Bauer, Analyst at Stifel, Nicolaus & Company, Guillermo Garcia, Managing Director at Stifel, Nicolaus & Company, Tanya Rogers, Assistant Superintendent Of Business at River Springs Charter School, Karl Yoder, Managing Partner at Key Charter Advisors, Sarah J. Kollman, Partner at Young & Minney & Corr and Kerrigan Bennett, Shareholder at Stradling, Yocca, Carlson & Rauth.

Guillermo Garcia presented an overview of the the school, including details regarding the student body and how the funds would be used to enhance the school facilities, referring to the presentation provided to board members. Tanya Rogers spoke next and shared information regarding the school's operations and their efforts to increase both student and community engagement. Ms. Rogers also shared insight into the school's efforts to provide real world experience to students, and noted these efforts have resulted in an overall growth in enrollment. Mr. Garcia provided an overview of the facility acquisitions and details regarding the bond's structure.

Board member Mireles had a question about the non-classroom nature of the charter school, and inquired about the layout of the student centers and how they would potentially accommodate growth.

Ms. Rogers confirmed that each of the learning centers had both classrooms and a common space assigned to every student that matches the traditional environment.

Mr. Garcia added that River Springs Charter School offered a variety of options for students, including options for traditional classroom attendance, and home school programs, with their facilities designed to accomodate as necessary.

Treasurer Ma asked if there were any questions from the public. There were none.

**Authority Action**

Motion to Approve the Authorizing the issuance of revenue bonds in an amount not to exceed \$48,000,000 to finance and/or refinance the acquisition, construction, expansion, rehabilitation, renovation, furnishing and equipping of educational facilities located in Riverside County for use by River Springs Charter School. Robert Rodriguez called the roll.

MOTION: Mireles SECOND: Ferguson

AYES: Mireles, Ferguson, Ma

NOES: NONE

ABSTAIN: NONE

MOTION APPROVED.

**Item #10: Resolution No. 22-13 - Approving the Charter School Facilities Credit Enhancement Grant Program (CDFA #84.354A) Award in an Amount Not to Exceed \$2,000,000 to River Springs Charter School located in Riverside County (Action Item)**

Executive Director Katrina Johantgen presented, providing an overview of the item and confirmed that the school met all eligibility requirements. Executive Director Johantgen shared information regarding the school's enrollment statistics and confirmed that staff was recommending approval of this item. Ms. Johantgen noted that the award is a not to exceed amount and that the actual award may be lower based on the plan of finance at the time of pricing the bonds. Ms. Johantgen also noted that the award is based on the availability of funds.

Tanya Rogers spoke next, outlining the benefit the additional would have for the school, and expressed appreciation to the Board Members for their consideration.

Treasurer Ma asked if there were any questions from Board Members and the public. There were none.

**Authority Action**

Motion to Approve the Charter School Facilities Credit Enhancement Grant Program (CDFA #84.354A) Award in an Amount Not to Exceed \$2,000,000 to River Springs Charter School located in Riverside County. Robert Rodriguez called the roll.

MOTION: Ferguson SECOND: Mireles

AYES: Mireles, Ferguson, Ma

NOES: NONE

ABSTAIN: NONE

MOTION APPROVED.

***Item #11: Resolution No. 22-14 - Authorizing the issuance of revenue bonds in an amount not to exceed \$20,000,000 to finance and/or refinance the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and equipping of educational facilities located in Los Angeles County for use by Valley International Preparatory High (Action Item)***

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Executive Director Katrina Johantgen introduced Ryan Storey, Program Analyst for the Authority, John Phan, Principal at Campanile Group, Sarah J. Kollman, Partner at Young & Minney & Corr, Robert Moore, Finance/Business Manager at Valley International Preparatory High School, Jessica I. Shaham, Partner at Kutak Rock, John Kim, Managing Director at Stifel, Nicolaus & Company, Nathaniel Keninitz, Analyst at Stifel, Nicolaus & Company, and Josh Bauer, Analyst at Stifel, Nicolaus & Company.

Ryan Storey presented a brief overview of the item and passed the presentation to Nathaniel Keninitz, who provided an overview of the transaction, referring to the presentation materials provided to board members. Robert Moore presented next and shared insight into the school's background, philosophy, and student enrollment. Mr. Moore also shared information regarding the benefits the funds would have on their campus facilities, as well as community outreach efforts to help increase enrollment.

Mr. Keninitz then presented information about the proposed updated facilities, as well financial details of the lease.

Treasurer Ma asked if there were any questions from Board Members and the public. There were none.

**Authority Action**

Motion Approving the Authorizing the issuance of revenue bonds in an amount not to exceed \$20,000,000 to finance and/or refinance the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and equipping of educational facilities located in Los Angeles County for use by Valley International Preparatory High. Robert Rodriguez called the roll.

MOTION: Mireles SECOND: Ferguson

AYES: Mireles, Ferguson, Ma  
NOES: NONE  
ABSTAIN: NONE

MOTION APPROVED.

***Item #12: Resolution No. 22-05 - Approving the Charter School Facilities Credit Enhancement Grant Program (CDFA #84.354A) Award in an Amount Not to Exceed \$1,000,000 to Valley International Preparatory High located in Los Angeles County (Action Item)***

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Executive Director Katrina Johantgen presented, providing an overview of the item, confirmed that the school was in good standing and met all eligibility requirements. Executive Director Johantgen shared information regarding the school's enrollment statistics and confirmed that staff was recommending approval of this item. Ms. Johantgen noted that the award is a not to exceed amount and that the actual award may be lower based on the plan of finance at the time of pricing the bonds. Ms. Johantgen also noted that the award is based on the availability of funds.

Treasurer Ma asked if there were any questions from Board Members and the public. There were none.

***Authority Action***

Motion to approve the Charter School Facilities Credit Enhancement Grant Program (CDFA #84.354A) Award in an Amount Not to Exceed \$1,000,000 to Valley International Preparatory High located in Los Angeles County. Robert Rodriguez called the roll.

MOTION: Ferguson SECOND: Mireles

AYES: Mireles, Ferguson, Ma  
NOES: NONE  
ABSTAIN: NONE

MOTION APPROVED.

Executive Director Johantgen noted that Shannon McEuen was moving on from the Authority and presented Mrs. McEuen with a resolution of gratitude for her work.

Executive Director Johantgen noted that Tom Dear was moving on from the Authority and presented Mr. Dear with a resolution of gratitude for his work.

Treasurer Ma also expressed gratitude for both Shannon McEuen's and Tom Dear's work.

Deputy Treasurer Audrey Noda expressed appreciation for their work for the Authority.

***Item #13: Public Comments***

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Treasurer Ma asked if there were any additional questions from the public on items not on the agenda. There were none.

***Item #14: Adjournment***

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There being no public comments, the Board adjourned the meeting at 1:02 p.m.

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