

MEMBER CITIES

Alhambra
 Apple Valley
 Azusa
 Baldwin Park
 Barstow
 Bell
 Bellflower
 Brea
 Capitola
 Carson
 Chino
 Claremont
 Colton
 Commerce
 Compton
 Covina
 Downey
 Duarte
 El Monte
 Fairfield
 Fontana
 Fresno
 Gardena
 Garden Grove
 Glendale
 Glendora
 Hawaiian Gardens
 Hawthorne
 Hermosa Beach
 Huntington Park
 Indio
 Inglewood
 La Habra
 La Puente
 Lakewood
 Lancaster
 Lawndale
 Long Beach
 Los Angeles
 Lynwood
 Monrovia
 Montclair
 Montebello
 Monterey Park
 Morgan Hill
 Norwalk
 Oceanside
 Palmdale
 Palm Springs
 Paramount
 Pico Rivera
 Plena Community Services District
 Pomona
 Rancho Cucamonga
 Rialto
 Riverside
 Robnet Park
 Salinas
 San Bernardino
 San Bernardino County
 San Diego County
 San Fernando
 San Juan Capistrano
 San Mateo County
 Santa Clarita
 Santa Rosa
 Signal Hill
 South Gate
 Vernon
 Vista
 West Covina
 Whittier
 Yucaipa

BOARD MEMBERS

OFFICERS
 Mike McCormick, President
 Vernon
 Mario Gomez, Vice President
 Huntington Park
 Stephen Ajobiewe, Treasurer
 Compton

DIRECTORS

Ricardo Pachco, Baldwin Park
 (Vacant), Compton
 (Vacant), Hawthorne
 Peter Tucker, Hermosa Beach
 Jim Morton, Lynwood
 (Vacant), San Fernando
 Gil Hurtado, South Gate

Secretary/Program Administrator
 Debbie Smith
 General Legal Counsel
 Scott Campbell
 Best Best & Krieger, LLP

INDEPENDENT CITIES FINANCE AUTHORITY

Special Meeting Of The Board Of Directors
 Special Meeting Of The Executive Committee

Monday, February 11, 2013
 12:00 noon

Vernon City Hall
 City Council Conference Room
 4305 Santa Fe Avenue
 Vernon, CA 90058

Following is information to participate via teleconference:

Call In Number: 1-712-432-0175

Participant Number: 723905#

MEETING AGENDA

STAFF REPORTS AND OTHER WRITTEN DOCUMENTS RELATED TO ITEMS ON THIS AGENDA CAN BE OBTAINED FROM THE INDEPENDENT CITIES FINANCE AUTHORITY BY CALLING (877) 906-0941.

FOR YOUR INFORMATION: The Authority Board/Executive Committee will hear from the public on any item on the agenda or an item of interest to the Board/Executive Committee that is not on the Agenda. These items may be referred for administrative action or scheduled on a future Agenda. Comments are to be limited to three minutes for each speaker, unless extended by the Authority Board. Each speaker will have an opportunity to speak on any Agenda item. You have the opportunity to address the Authority Board at the following times.

- A. **AGENDA ITEM:** at the time the Authority Board considers the Agenda item or during Public Comment, and
 - B. **NON-AGENDA ITEMS:** during Public Comment - comments will be received for a maximum 30-minute period; any additional requests will be heard following the completion of the Agenda.
 - C. **PUBLIC HEARINGS:** at the time of the Public Hearing
- I. **CALL TO ORDER. (Page 4)**

II. ROLL CALL. *(Page 4)*

City of Baldwin Park
City of Compton
City of Hawthorne
City of Hermosa Beach
City of Huntington Park

City of Lynwood
City of San Fernando
City of South Gate
City of Vernon

III. AMENDMENTS OR ADJUSTMENTS TO THE AGENDA. *(Page 4)*

IV. PUBLIC COMMENT. At this time the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the Authority. Reasonable time limits are imposed on each topic and each speaker. In accordance with the provisions of the Ralph M. Brown Act (GC § 54950 et seq.), no action or discussion may take place by the Board on any item not on the posted agenda. The Board may respond to statements made or questions asked, and may direct staff to report back on the topic at a future meeting. *(Page 5)*

V. NEW BUSINESS.

A. Adoption/Approval Of Resolution No. 2013-1 (A Resolution Of The Board Of Directors/Executive Committee Of The Independent Cities Finance Authority (The "Authority") Expressing An Intent To Issue Not More Than \$10,500,000 Aggregate Principal Amount Of Qualified School Construction Bonds To Be Designated As The Independent Cities Finance Authority Charter School Revenue Bonds (Alliance College-Ready Academy High School #18 Project) Series 2013 (Taxable Qualified School Construction Bonds – Direct Subsidy) (The "Bonds"); Expressing An Intent To Reimburse Certain Qualified Costs With Proceeds Of The Bonds; Authorizing The Taking Of All Other Actions Necessary To The Consummation Of The Transactions Contemplated by This Resolution; And Related Matters *(Pages 5-8 & 11-16)*

RECOMMEND ADOPTION/APPROVAL

VI. COMMENTS FROM BOARD MEMBERS. *(Pages 8-9)*

VII. MATTERS FROM STAFF. *(Page 9)*

VIII. ADJOURNMENT. *(Page 9)*

SPECIAL MEETING OF THE BOARD OF DIRECTORS
SPECIAL MEETING OF THE EXECUTIVE COMMITTEE
February 11, 2013
Page Three

The public shall have an opportunity to comment on any item as each item is considered by the Board/Executive Committee and prior to action being taken. Agenda Reports are available at the Independent Cities Finance Authority office upon request by calling (877) 906-0941.

NOTICE: New items will not be considered after 2:00 p.m. unless the Board of Directors/Executive Committee votes to extend the time limit. Any items on the agenda that are not completed will be forward to the next regular Board of Directors/Executive Committee meeting.

IN COMPLIANCE WITH THE AMERICAN DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE INDEPENDENT CITIES FINANCE AUTHORITY AT (877) 906-0941. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE INDEPENDENT CITIES FINANCE AUTHORITY TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING.

NOTE TO CITY CLERKS:

Please post this Meeting Notice in three separate locations, just as you would a City Council agenda.

INDEPENDENT CITIES FINANCE AUTHORITY

SPECIAL MEETING OF THE BOARD OF DIRECTORS
SPECIAL MEETING OF THE EXECUTIVE COMMITTEE

February 11, 2013 - 12:00 noon

AGENDA SUMMARY

I. CALL TO ORDER.

II. ROLL CALL.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

A roll call of the following member cities will be conducted:

City of Baldwin Park	City of Lynwood
City of Compton	City of San Fernando
City of Hawthorne	City of South Gate
City of Hermosa Beach	City of Vernon
City of Huntington Park	

C. RECOMMENDATION:

None.

III. AMENDMENTS OR ADJUSTMENTS TO THE AGENDA.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

None.

C. RECOMMENDATION:

None.

IV. PUBLIC COMMENT.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

At this time the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the Agency. Reasonable time limits are imposed on each topic and each speaker. In accordance with the provisions of the Ralph M. Brown Act (GC §54950 et seq.), no action or discussion may take place by the Board on any item not on the posted agenda. The Board may respond to statements made or questions asked, and may direct staff to report back on the topic at a future meeting.

C. RECOMMENDATION:

None.

V. NEW BUSINESS.

A. ADOPTION/APPROVAL OF RESOLUTION 2013-1 (A RESOLUTION OF THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY (THE "AUTHORITY") EXPRESSING AN INTENT TO ISSUE NOT MORE THAN \$10,500,000 AGGREGATE PRINCIPAL AMOUNT OF QUALIFIED SCHOOL CONSTRUCTION BONDS TO BE DESIGNATED AS THE INDEPENDENT CITIES FINANCE AUTHORITY CHARTER SCHOOL REVENUE BONDS (ALLIANCE COLLEGE-READY ACADEMY HIGH SCHOOL #18 PROJECT) SERIES 2013 (TAXABLE QUALIFIED SCHOOL CONSTRUCTION BONDS - DIRECT SUBSIDY) (THE "BONDS"); EXPRESSING AN INTENT TO REIMBURSE CERTAIN QUALIFIED COSTS WITH PROCEEDS OF THE BONDS; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS

A. MATERIAL ENCLOSED: (PAGES 11-16)

1. Resolution No. 2013-1 (Pages 11-15)
2. Project Summary (Page 16)

AGENDA SUMMARY

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B. COMMENTS:

In 2011, ICFA was instrumental in financing the construction of a charter school on behalf of Alliance For College-Ready Public Schools in the City of Los Angeles. Alliance is now seeking approval from ICFA to adopt a Reimbursement Resolution which expresses ICFA's intent to issue qualified school construction bonds to reimburse costs to be incurred by the owner for the acquisition and construction of charter school facilities at 7907 Santa Fe Avenue, Huntington Park, CA.

The resolution states ICFA's intent to reimburse certain qualified costs incurred by the Project owner from proceeds of the qualified school construction bonds. The Internal Revenue Code requires an issuer to have passed a Reimbursement Resolution to enable the owner's qualified costs to be eligible for financing with qualified school construction bonds. Adoption of the resolution will accomplish the following:

1. Enable the Project owner to incur costs that may be reimbursed from proceeds of qualified school construction bonds if ever issued by ICFA.
2. Enable the Project owner to start working on the financing of the project with professionals in the field of qualified school construction bond financing.

It should be noted that a Reimbursement Resolution is neither binding on ICFA to issue bonds nor the Project owner to use ICFA as its source of financing for the Project. Commitments of that nature will only arise after more information is known about the proposed transaction, and assurances have been given that the bonds will be repaid on time through proper structuring and/or credit enhancements. A significant amount of work lies ahead to determine if the financing will be put together in a manner that places ICFA in a no-risk position. A Reimbursement Resolution must be

AGENDA SUMMARY

February 11, 2013

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adopted in order to include the owner's expenses on land or building acquisition, design work, legal expenses and so forth in any loan financed by ICFA's qualified school construction bonds. The Reimbursement Resolution "starts the clock" for purposes of recovering costs as permitted by the tax code.

Additional steps must occur before ICFA will be committed to issue bonds for the Project. The financing team must assemble a financing package that will satisfy ICFA and the other parties to the transaction and must prepare substantially final drafts of the financing documents. Generally these steps must have been completed or be near completion before ICFA will pass the Bond Resolution authorizing the issuance of the bonds.

PROJECT SUMMARY:

Alliance College-Ready Academy High School #18 will be a 600 student high school located at 7907 Santa Fe Avenue, Huntington Park, CA, opening July 2013. Like all new Alliance schools, HS #18 will be a Blended Learning for Alliance School Transformation (BLAST) school. BLAST schools use technology to increase efficiencies in staffing and facilities while allowing for more direct contact with the teacher by utilizing smaller learning groups.

HS #18 will be housed in a 2 story, 30,000 square foot type-V structure on a nearly 1 acre site in Huntington Park. Each of the 18 classrooms will measure approximately 960 square feet. Within 5 miles of the 7907 Santa Fe site there are 8 non-Alliance public high schools which enroll 15,000 students. The average 2012 API at those schools was 623. The 6 middle schools in the same radius enroll over 9,000 students and managed an average API of 647. Recruitment is expected to be aided by the Alliance's history of academically out-performing neighboring schools. Alliance schools averaged a 757 API score last year and those scores are steadily improving. Additionally, the nearby Alliance Huntington Park College-Ready Academy High School achieved a 782 API last year.

AGENDA SUMMARY

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Alliance College-Ready Middle Academy #4 (2012 API of 779) is also expected to be a direct feeder school for HS #18. MS #4 lies approximately 4 miles from the future HS #18 site and currently has approximately 500 students enrolled in grades 6 through 8. Though there is currently no waiting list for HS #18 (a list will not be established until the principal and office manager are hired), it is fully expected to enroll at the 150 student level. The most recent BLAST school (Alliance Susan & Eric Smidt Technology High School) opened for the current 2011/12 school year and has 146 students enrolled.

A committee of instructional leaders is in the process of whittling down the applicants to the principal position. The finalists will be interviewed by Judy Burton, President and CEO of Alliance College-Ready Public Schools, who will make the final selection, likely in February. At full enrollment expectations are that HS #18 will have 19 teachers (including two special education teachers) and 13 staff (teaching assistants, principal, office manager, etc.)

C. RECOMMENDATION:

1. Approve/adopt Resolution No. 2013-1 which expresses ICFA's intent to issue qualified school construction bonds to reimburse costs to be incurred by the owner for the acquisition and construction of a charter school at 7907 Santa Fe Avenue, Huntington Park, California; and
2. Authorize President McCormick and staff to execute all necessary documents.

VI. COMMENTS FROM BOARD MEMBERS.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

None.

AGENDA SUMMARY

February 11, 2013

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C. RECOMMENDATION:

None.

VII. MATTERS FROM STAFF.

A. MATERIAL ENCLOSED:

None.

B. COMMENTS:

None.

C. RECOMMENDATION:

None.

VIII. ADJOURNMENT.

ATTACHMENTS

For The February 11, 2013
Independent Cities Finance Authority
Board Of Directors Special Meeting/
Executive Committee Special Meeting

RESOLUTION NO. 2013-1

A RESOLUTION OF THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY (THE "AUTHORITY") EXPRESSING AN INTENT TO ISSUE NOT MORE THAN \$10,500,000 AGGREGATE PRINCIPAL AMOUNT OF QUALIFIED SCHOOL CONSTRUCTION BONDS TO BE DESIGNATED AS THE INDEPENDENT CITIES FINANCE AUTHORITY CHARTER SCHOOL REVENUE BONDS (ALLIANCE COLLEGE-READY ACADEMY HIGH SCHOOL #18 PROJECT) SERIES 2013 (TAXABLE QUALIFIED SCHOOL CONSTRUCTION BONDS – DIRECT SUBSIDY) (THE "BONDS"); EXPRESSING AN INTENT TO REIMBURSE CERTAIN QUALIFIED COSTS WITH PROCEEDS OF THE BONDS; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the Independent Cities Finance Authority, a joint powers authority duly organized and existing under the laws of the State of California (the "Authority"), is authorized to issue bonds pursuant to Chapter 5 of Division 7 of the Government Code of the State of California (the "Act") for any purpose for which it was created and to enter into a loan agreement with, or deliver or cause to be executed and delivered certificates of participation in a lease or installment sale agreement with, any public or private entity including, to finance or refinance the construction, expansion, remodeling, renovation, furnishing, equipping and acquisition of charter school facilities (including by reimbursing expenditures made or refinancing indebtedness incurred for such purposes) within the jurisdiction of the Authority; and

WHEREAS, on February 17, 2009, the President of the United States of America signed into law the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5 Stat. 115 (2009) ("ARRA"), which amended the Internal Revenue Code of 1986, as amended (the "Code") by adding Section 54F thereof, authorizing the issuance of qualified school construction bonds ("Qualified School Construction Bonds"), as tax credit bonds, by a state or local government within the jurisdiction of which a school is located; and

WHEREAS, Qualified School Construction Bonds may be used to finance the construction, rehabilitation, or repair of a public school facilities or for the acquisition of land on which such facilities are to be constructed ("Qualified Costs"); and

WHEREAS, Alliance for College-Ready Public Schools, a nonprofit public benefit corporation organized and existing under the laws of the State of California, or an affiliate thereof, (the "Borrower") has asked the Authority to adopt a resolution evidencing the Authority's intent to reimburse certain Qualified Costs of the Borrower, or an affiliate thereof, to facilitate the financing of the costs of acquiring, constructing, improving and furnishing charter school facilities more specifically described as Alliance College-Ready Academy High School #18, consisting of an approximately 30,000 square foot development on a site of approximately 0.94 acres located at 7907 Santa Fe Avenue, Huntington Park, California, to be owned or leased by the Borrower or an affiliate thereof, and pay certain issuance expenses (collectively, the "Project"); and

WHEREAS, in order to provide funds for such reimbursement, it has been deemed appropriate and necessary that the Authority express its intention to reimburse certain Qualified Costs incurred with respect to the acquisition, construction and equipping of the Project with proceeds of an issue of Qualified School Construction Bonds and prescribe and establish conditions and other appropriate matters with respect to the issuance of the Bonds; and

WHEREAS, the financing of the Project is in the public interest, serves a public purpose and will benefit the City of Huntington Park, California (the “City”) by allowing the Borrower to provide its educational services within the City and the City is a member of the Authority; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS/EXECUTIVE COMMITTEE OF THE INDEPENDENT CITIES FINANCE AUTHORITY AS FOLLOWS:

SECTION 1. The above recitals, and each of them, are true and correct.

SECTION 2. The Authority declares its intent under Section 54A of the Code to use Qualified School Construction Bonds designated as the Independent Cities Finance Authority Charter School Revenue Bonds (Alliance College-Ready High School #18 Project) Series 2013 (Taxable Qualified School Construction Bonds – Direct Subsidy) or such other name as designated by the Authority to reimburse Qualified Costs of the Project, provided that the estimated aggregate costs to be reimbursed do not exceed \$10,500,000. The exact amounts, maturities, interest rates, redemption terms and other terms and provisions of the Bonds will be determined by a future resolution of the Authority.

SECTION 3. The Authority will loan the proceeds of the Bonds to the Borrower or an affiliate thereof or otherwise finance the Project to or for the Borrower, pursuant to an agreement between the Authority and the Borrower whereby the Borrower will be obligated, among other things, (i) to make payments to the Authority in amounts and at times sufficient to pay the principal of and premium, if any, and interest on all of the Bonds and (ii) to provide, or cause to be provided, collateral or other security to secure payment of the Bonds and completion of the Project in such manner and in such amounts as the Authority deems appropriate. The Authority has not authorized the pledge of its credit for the payment of the Bonds or the financing of the Project.

SECTION 4. Qualified Costs to be reimbursed shall be determined in accordance with the provisions of the Code and Treasury Regulation Section 1.150-2, as applicable. Notwithstanding anything herein contained to the contrary the Authority shall have no liability to the Borrower for any costs or funds advanced by the Borrower if Bonds are not issued.

SECTION 5. Pending issuance of the Bonds, the Borrower may finance the Project with other funds which will be reimbursed with the proceeds of the Bonds, provided that (i) the Bonds shall not be used to reimburse any expenditure paid more than 60 days prior to the present date; and (ii) the reimbursement with proceeds of the Bonds is made not later than 18 months after the date the expenditure was paid.

SECTION 6. All actions previously taken (not inconsistent with the provisions of this resolution) by the Authority and by the officers of the Authority directed toward the issuance and sale of the Bonds are hereby ratified and approved.

SECTION 7. The President, Vice President, members of the Board of Directors/Executive Committee, Program Administrator, Secretary, Treasurer, Authority Counsel, and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions upon consultation with the Authority's financial consultant, and including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents which they, or any of them, may deem necessary or advisable in order to consummate the transactions as described herein in connection with the issuance and sale of the Bonds or to otherwise effectuate the purposes of this Resolution.

SECTION 8. The Bonds once issued, together with interest thereon, shall be limited obligations of the Authority, giving rise to no pecuniary liability of the Authority or its members, the State of California or any political subdivision thereof, nor any charge against its general credit, and shall be payable solely from the Indenture trust estate. The Bonds shall not constitute an indebtedness or loan of the credit of the Authority or the State of California or any political subdivision thereof within the meaning of any constitutional or statutory provisions.

SECTION 9. If any provisions of this Resolution should be held invalid, the invalidity of such provision shall not affect the validity of any of the other provisions of this resolution.

SECTION 10. All resolutions of the Authority or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This Resolution shall take effect immediately upon adoption.

PASSED, APPROVED, AND ADOPTED BY THE INDEPENDENT CITIES FINANCE
AUTHORITY THIS _____ DAY OF FEBRUARY, 2013.

President

Secretary/Program Administrator

(Signature Page to Reimbursement Resolution – Alliance College-Ready High School #18)

I, Deborah Smith, Secretary and Program Administrator of the Independent Cities Finance Authority, do hereby certify that the foregoing Resolution was duly adopted by the Board of Directors/Executive Committee of said Authority at the meeting of the Board of Directors/Executive Committee of said Authority held on the ____ day of February, 2013, and that the same was passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

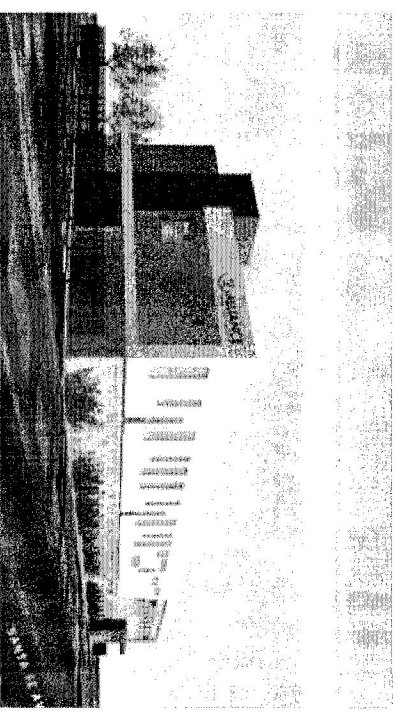
ABSTAIN:

Deborah Smith,
Secretary and Program Administrator of the
Independent Cities Finance Authority

College Ready High School #18

Project Summary

- Seats Created: 600
- Grades 9-12
- Timeline:
 - Design: October – November 2012
 - Permitting: December 2012 – January 2013
 - Construction: February 2013 – July 2013
 - Occupancy: August 2013



- Project Details:
 - Property Owner: ACRPS
 - Total New Building Size: ~30,000 square feet
 - Total Property Size: ~.94 acres
 - Project Costs: ~\$8.6MM
 - Architect: Franco & Associates
 - General Contractor: TBD

