

**CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (IBank)
CONDUIT 501 (c)(3) REVENUE BOND FINANCING**

**EQUITABLE SCHOOL REVOLVING FUND, LLC's REQUEST TO USE UNSPENT
PROCEEDS OF THE SERIES 2020B BONDS FOR FINANCING AN ADDITIONAL LOAN TO
PUBLIC CHARTER SCHOOLS**

STAFF REPORT

INTRODUCTION

Equitable School Revolving Fund, LLC (“ESRF”) seeks IBank Board of Directors (the “Board”) approval to apply the remaining proceeds of an IBank-issued conduit bond, originally issued in July 2020, to a new eligible project located in Los Angeles, California and known as Equitas Academy 5 and 6.

DISCUSSION

On July 22, 2020, the Board adopted Resolution No. 20-11 (Exhibit A) authorizing the issuance of up to \$70 million in tax-exempt and/or taxable conduit revenue bonds for the benefit of ESRF. As discussed in IBank’s staff report (Exhibit B), ESRF intended to use the bond proceeds to finance loans to certain California public charter schools.

On August 27, 2020, IBank issued the ESRF Senior National Charter School Revolving Loan Fund Revenue Bonds, Series 2020B – Social Bonds (the “2020B Bonds”), in the par amount of \$48,115,000 with the premium amount of \$9,830,093.05, yielding total proceeds of \$57,945,093.05. To date, ESRF has applied only a portion of the 2020B Bonds proceeds to finance public charter school loans.

ESRF would like to apply the remaining proceeds to reimburse the costs of a loan to Pico Union Collective originally made to (i) finance the acquisition, construction, renovation and equipping of the charter school educational facilities known as Equitas Academy 5 and Equitas Academy 6, jointly located at 1612-1636 W. Pico Boulevard, Los Angeles, CA 90015; and (ii) pay certain expenses in connection with the issuance of such loan (the “2020 Transaction”). The 2020 Transaction was not among the public charter school loans discussed on Exhibit B, so ESRF now seeks Board approval to apply the Series 2020B Bonds proceeds to the 2020 Transaction. The proposed use of proceeds is permitted under the IBank Act and its Policies and Procedures for Conduit Revenue Bond Financing for Economic Development Facilities.

RECCOMENDATION

IBank Staff recommends approval of IBank Resolution No. 21-02 approving the application of 2020B Bonds proceeds to the 2020 Transaction.

Exhibit A

IBank Resolution No. 20-11

Exhibit B

Staff Report