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## *Agenda*

Tuesday, October 23, 2018

**Place:** County Board of Supervisors Chambers  
Kings County Government Center, Hanford, CA

**Time:** 11:00 a.m.

1.        **CALL TO ORDER**  
          **ROLL CALL – Clerk to the Board**
  
2.        **APPROVAL OF MINUTES**  
          Approval of the minutes from the September 11, 2018 regular meeting.
  
3.        **CONSENT CALENDAR**  
          **A.** Consideration of approving resolution 18-05M for the addition of program participants to the Authority.  
          **B.** Consideration of MSRB Rule G-42 disclosure letter from GPM Municipal Advisors, LLC.
  
4.        **NEW BUSINESS**  
          **A.** Consideration of approving resolution 18-11A for Baypoint Academy Properties, LLC, City of San Jacinto, County of Riverside; up to \$50,000,000 of revenue bonds. (Staff – Caitlin Lancot)  
          **B.** Consideration of approving deferral of GPM Municipal Advisors, LLC municipal advisory fee. (Staff – Caitlin Lancot)
  
5.        **PUBLIC COMMENT**  
          *Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.*
  
6.        **STAFF UPDATES**
  
7.        **ADJOURNMENT**  
          *Adjourn as the California Public Finance Authority.*



**2. APPROVAL OF MINUTES**

Approval of the minutes from the September 11, 2018 regular meeting.



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## *Action Summary*

Tuesday, September 11, 2018

**Place:** County Board of Supervisors Chambers  
Kings County Government Center, Hanford, CA

**Time:** 11:00 a.m.

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1. **CALL TO ORDER**  
ROLL CALL – Clerk to the Board  
ALL MEMBERS PRESENT
2. **APPROVAL OF MINUTES**  
Approval of the minutes from the August 28, 2018 regular meeting.  
**ACTION: APPROVED AS PRESENTED (JN/RF/DV/CP/RV-Aye)**
3. **CONSENT CALENDAR**  
A. Consideration of approving an inducement resolution 18-05I for: Brookmore Apartment Corporation (Simpson Arbor Apartments), City of North Hollywood, County of Los Angeles; up to \$25,000,000 in revenue bonds.  
**ACTION: APPROVED AS PRESENTED (JN/RF/DV/CP/RV-Aye)**
4. **NEW BUSINESS**  
A. Consideration of approving resolution 18-10A for 9966 I Ave, LLC., City of Hesperia, County of San Bernardino; up to \$20,000,000 of revenue bonds. (Staff – Caitlin Lanctot)  
**ACTION: APPROVED AS PRESENTED (DV/RF/JN/CP/RV-Aye)**
5. **PUBLIC COMMENT**  
*Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.*  
None
6. **STAFF UPDATES**  
None
7. **ADJOURNMENT**  
*The meeting was adjourned at 11:07 a.m.*



CALIFORNIA  
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3. **CONSENT CALENDAR**

A. Consideration of approving resolution 18-05M for the addition of program participants to the Authority.

**RESOLUTION NO. 18-05M**

**RESOLUTION OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY APPROVING  
AND RATIFYING THE ADDITION OF PROGRAM PARTICIPANTS TO THE  
AUTHORITY**

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WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the “Act”), Kings County and the Housing Authority of Kings County entered into a joint exercise of powers agreement (the “Agreement”) pursuant to which the California Public Finance Authority (the “Authority”) was organized;

WHEREAS, pursuant to Section 12 of the Agreement, the Authority may add a qualifying public agency to become a Non-Charter Member (an “Additional Member”) upon the filing by such public agency with the Authority of a resolution of the governing body of such public agency requesting to be added as an Additional Member of the Authority and adoption of a resolution of the Board approving the addition of such public agency as an Additional Member;

WHEREAS, the Cities and/or Counties listed on Exhibit A hereto (the “City/County”) have by resolution requested to join the Authority and the Authority has authorized each such City/County to become an Additional Member pursuant to the provisions of the Agreement;

WHEREAS, the Board hereby finds and determines that each City/County is qualified to be added as an Additional Member to the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Board of the California Public Finance Authority, as follows:

Section 1. This Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. The addition of the Cities and/or Counties listed on Exhibit A hereto as Additional Members of the Authority is hereby approved, confirmed and ratified, and any actions heretofore taken on behalf of each City/County is hereby approved, confirmed and ratified.

Section 3. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the California Public Finance Authority this 23<sup>rd</sup> day of October, 2018.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called meeting of the Board of Directors of the Authority held in accordance with law on October 23, 2018.

By: \_\_\_\_\_  
Authorized Signatory  
California Public Finance Authority

**EXHIBIT A**

**ADDITION OF CITIES AND/OR COUNTIES AS ADDITIONAL MEMBERS OF THE  
CALIFORNIA PUBLIC FINANCE AUTHORITY**

1. City of Santa Rosa
2. City of San Jacinto



CALIFORNIA  
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3. CONSENT CALENDAR

**B.** Consideration of MSRB Rule G-42 disclosure letter from GPM Municipal Advisors, LLC.



October 23, 2018

California Public Finance Authority  
Board of Directors  
1400 W. Lacey Blvd  
Hanford CA 93230

RE: Information related to the GPM Municipal Advisors, LLC Services Agreement dated July 7, 2015

Dear CalPFA Board of Directors,

Pursuant to Municipal Securities Rulemaking Board (“MSRB”) Rule G-42, on Duties of Non-Solicitor Municipal Advisors, Municipal Advisors are required to make certain written disclosures to clients when engaging in municipal advisory activities as required by the Municipal Securities Rulemaking Board (“MSRB”) Rule. GPM Municipal Advisors, LLC (“GPM”) is providing you with this supplemental writing to the Services Agreement currently in effect with the California Public Finance Authority (the “Authority”).

### **Conflicts of Interest**

GPM represents in general that it has no known material conflicts of interest with the Authority. If GPM becomes aware of any material conflict of interest, GPM will disclose all detailed information in writing to the Authority in a timely manner.

### **General Compensation Potential Conflicts**

GPM represents that in connection with the issuance of municipal securities, GPM may receive compensation from an Issuer or Obligated Person for services rendered, which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. Consistent with the requirements of MSRB Rule G-42, GPM hereby discloses, that such contingent and/or transactional compensation may present a potential conflict of interest regarding GPM’s ability to provide unbiased advice to enter into such transaction. This potential conflict of interest will not impair GPM’s ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Authority.

## Legal or Disciplinary Events

GPM does not have any legal events or disciplinary history on GPM's Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. The Authority may electronically access GPM's most recent Form MA and each most recent Form MA-I filed with the Commission at the following website:  
[www.sec.gov/edgar/searchedgar/companysearch.html](http://www.sec.gov/edgar/searchedgar/companysearch.html).

There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC. If any material legal or regulatory action is brought against GPM, GPM will provide complete disclosure to the Authority in detail allowing the Authority to evaluate GPM, its management and personnel.

Please accept this letter as written disclosure and acknowledge by executing below.

Signed:

Acknowledged:

\_\_\_\_\_  
Michael LaPierre  
President  
GPM Municipal Advisors, LLC

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
California Public Finance Authority



CALIFORNIA  
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AUTHORITY

4. **NEW BUSINESS**

A. Consideration of approving resolution 18-11A for Baypoint Academy Properties, LLC, City of San Jacinto, County of Riverside; up to \$50,000,000 of revenue bonds. (Staff – Caitlin Lanctot)



CALIFORNIA  
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|                          |   |
|--------------------------|---|
| <b>DATE:</b>             | OCTOBER 23, 2018  |
| <b>APPLICANT:</b>        | BAYPOINT ACADEMY PROPERTIES, LLC  |
| <b>AMOUNT:</b>           | UP TO \$50 MILLION OF TAX-EXEMPT AND TAXABLE REVENUE BONDS  |
| <b>PURPOSE:</b>          | FINANCE AND/OR REFINANCE THE ACQUISITION, CONSTRUCTION, EXPANSION, REMODELING, RENOVATION, IMPROVEMENT, FURNISHING, AND EQUIPPING OF EDUCATIONAL FACILITIES |
| <b>PRIMARY ACTIVITY:</b> | K-12 SCHOOL   |
| <b>LEGAL STRUCTURE:</b>  | NONPROFIT PUBLIC BENEFIT CORPORATION  |

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Baypoint Academy Properties, LLC (the “Borrower”) is a California limited liability corporation, the sole member of which is the Baypoint Preparatory Academy, a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Code. The Borrower will take title to and lease facilities to the public charter school known as Baypoint Preparatory Academy (“BPA”), whose mission is to provide an intimate, friendly academic environment that recognizes and values a student’s unique learning profile, defines clear expectations, sets appropriate yet challenging goals, and celebrates the achievement of these goals.

BPA currently operates from a campus located at 26089 Girard St., in Hemet, California 92544. The financing will enable BPA to operate at its new campus located at 1010 S. Lyon Ave, San Jacinto, California 92543.

**Description of Proposed Project:**

The proceeds of the Bonds will be used by Baypoint Academy Properties, LLC (the “Borrower”), the sole member of which is the Baypoint Preparatory Academy (the “Foundation”), for the benefit of Baypoint Preparatory Academy (the “Lessee”), pursuant to a plan of financing for the Project, as defined above, in the approximate amount of \$50,000,000.00 for (a) financing or refinancing the costs of the acquisition, construction, renovation, improving and equipping of land and education and related facilities to be leased to the Lessee for use as a charter school and located at 1010 S. Lyon, San Jacinto, California (the “Series 2018 Facilities”); (b) funding a debt service reserve fund; (c) funding capitalized interest on the Series 2018 Bonds; and (d) paying certain issuance expenses (collectively, the “Series 2018 Project”).

The Borrower has acquired the approximately 30-acre parcel of land that will be improved by an approximately 11,000 sq. ft. administration building, 28,000 sq. ft. elementary classroom building, a 7,500 sq. ft. middle school classroom building, a 14,500 sq. ft. high school classroom building and a 9,000 sq. ft. multi-purpose room for a total building area of 80,000 sq. ft. There are 32 classrooms total with additional rooms for resource support, special education and specialized programs. The administration building is a two-story building, the elementary campus consists for four, single-story buildings, the middle school consists of a single two-story building, and the high school campus consists of a two-story building and a single-story building. The facility height at its tallest point 35 feet. There is a pick up and drop off zone on the western perimeter of the facility. A security fence encloses the entire

facility. The site includes a multi-purpose room and kitchen “heat and serve” facilities. The site includes 185 parking spaces per municipal code, a kindergarten/TK play area and a football/soccer field.

**TEFRA Information:**

A TEFRA hearing was held and approved by the City of San Jacinto on October 16, 2018 and is scheduled in Kings County on October 23, 2018.

**Financing Structure:**

The Bonds will mature in no more than 35 years and bear interest at an average coupon rate not to exceed 10.00%. The Bonds will be sold through a limited offering to qualified institutional or accredited buyers. The proposed financing is in accordance with the Authority's issuance guidelines.

**Estimated Sources and Uses:**

| Sources:                      | Series 2017A<br>(Tax-Exempt) | Series 2017B<br>(Taxable) | Total            |
|-------------------------------|------------------------------|---------------------------|------------------|
| <b>Bond Proceeds</b>          |                              |                           |                  |
| Par Amount:                   | \$ 45,335,000.00             | \$ 225,000.00             | \$ 45,560,000.00 |
| Bond Premium:                 | \$                           | \$                        | \$ 0.00          |
| Equity Contribution:          | \$                           | \$                        | \$ 0.00          |
| Total:                        | \$ 45,335,000.00             | \$ 225,000.00             | \$ 45,560,000.00 |
| Uses:                         | Series 2017A (Tax-Exempt)    | Series 2017B<br>(Taxable) | Total            |
| <b>Project Fund Deposits</b>  |                              |                           |                  |
| Project #1:                   | \$ 37,609,317.00             | \$                        | \$ 37,609,317.00 |
| Project #2:                   | \$                           | \$                        | \$ 0.00          |
| Project #3:                   | \$                           | \$                        | \$ 0.00          |
| Project #4:                   | \$                           | \$                        | \$ 0.00          |
| Total:                        | \$ 37,609,317.00             | \$ 0.00                   | \$ 37,609,317.00 |
| <b>Other Fund Deposits</b>    |                              |                           |                  |
| Debt Service Reserve Fund:    | \$ 3,056,588.00              | \$                        | \$ 3,056,588.00  |
| Capitalized Interest Fund:    | \$ 3,757,870.00              | \$                        | \$ 3,757,870.00  |
| <b>Delivery Date Expenses</b> |                              |                           |                  |
| Cost of Issuance:             | \$ 250,558.00                | \$ 220,604.40             | \$ 471,162.40    |
| Underwriter's Discount:       | \$ 660,562.00                | \$                        | \$ 660,562.00    |
| Total:                        | \$ 911,120.00                | \$ 220,604.40             | \$ 1,131,724.40  |
| <b>Other Uses of Funds</b>    |                              |                           |                  |
| Contingency:                  | \$ 105.00                    | \$ 4,395.60               | \$ 4,500.60      |
| <b>Total</b>                  | \$ 45,335,000.00             | \$ 225,000.00             | \$ 45,560,000.00 |

**Recommendations:**

Based on the overall Project public benefit and finance related considerations detailed on Attachment 1, it is recommended that the Board of Directors approve the Resolution as submitted to the Board, which:

1. Approves the issuance of Bonds;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Board or authorized signatory to sign all necessary documents.

## Attachment 1

### **Public Benefit:**

The public benefits provided by the Baypoint Preparatory Academy project are numerous. Not only will the school increase the permanent employment base in the area by adding new teachers & staff, but the school also offers a strong alternative to public education at no cost to parents. The school will also attract new resident families and/or students with the increased classroom space that will now be available to accommodate more students. The new facilities with a multi-purpose room will increase the capacity for much needed community activities. Finally, the new construction project will provide an immediate boost to the local economy by increasing the number of construction jobs and materials purchased.

**RESOLUTION NO. 18-11A**

**CALIFORNIA PUBLIC FINANCE AUTHORITY**

**RESOLUTION AUTHORIZING THE ISSUANCE OF CHARTER SCHOOL REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$50,000,000 TO FINANCE AND/OR REFINANCE THE ACQUISITION, CONSTRUCTION, EXPANSION, REMODELING, RENOVATION, IMPROVEMENT, FURNISHING, AND/OR EQUIPPING OF EDUCATIONAL FACILITIES FOR USE BY BAYPOINT ACADEMY PROPERTIES, LLC AND BAYPOINT PREPARATORY ACADEMY AND OTHER MATTERS RELATING THERETO**

**WHEREAS**, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the “Act”), Kings County and the Housing Authority of Kings County (the “Charter Members”) entered into a joint exercise of powers agreement (the “Agreement”) pursuant to which the California Public Finance Authority (the “Authority”) was organized;

**WHEREAS**, the City of San Jacinto (the “City”) has by resolution requested to join the Authority and the Authority has authorized the City to become an Additional Member pursuant to the provisions of the Agreement;

**WHEREAS**, the Authority is authorized by its Agreement and under the Act to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing of certain projects;

**WHEREAS**, Baypoint Academy Properties, LLC, a California limited liability company (the “Borrower”) whose sole managing member is Baypoint Preparatory Academy, a California nonprofit public benefit corporation (the “Lessee”), wishes to finance and/or refinance the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and/or equipping of certain educational facilities (the “Project”) to be owned by the Borrower and operated by the Lessee and to be located in the City;

**WHEREAS**, the Borrower will finance such educational facilities in conjunction with, and will lease such educational facilities to, the Lessee, which is operating a charter school established pursuant to the Charter School Law (the “Charter School”); and

**WHEREAS**, the Borrower is requesting the assistance of the Authority in financing the Project;

**WHEREAS**, pursuant to an Indenture (the “Indenture”), between the Authority and U.S. Bank National Association (the “Trustee”), the Authority will issue the California Public Finance Authority Charter School Revenue Bonds (Baypoint Preparatory Academy) Series 2018A and California Public Finance Authority Charter School Revenue Bonds (Baypoint Preparatory Academy) Series 2018B (Taxable) (together, the “Bonds”) for the purpose, among others, of financing the Project;

**WHEREAS**, pursuant to a Loan Agreement (the “Loan Agreement”), between the Authority and the Borrower, the Authority will loan the proceeds of the Bonds to the Borrower for the purpose, among others, of financing the Project;

**WHEREAS**, pursuant to Section 5852.1 of the California Government Code, the Authority, as a conduit financing provider, has received certain representations and good faith estimates from the Borrower and has disclosed such good faith estimates as set forth on Exhibit A attached hereto;

**WHEREAS**, pursuant to a Bond Purchase Contract, to be dated the date of sale of the Bonds (the “Purchase Contract”), among Piper Jaffray & Co., as underwriter (the “Underwriter”), the Authority and the Borrower, the Bonds will be sold to the Underwriter, and the proceeds of such sale will be used as set forth in the Indenture to finance the Project, to fund all or a portion of a debt service reserve account and/or capitalized interest, and to pay costs incurred in connection with the issuance of the Bonds;

**WHEREAS**, the Bonds will be offered for sale to Approved Investors (as defined in the Indenture) through a limited offering memorandum;

**WHEREAS**, there have been made available to the Board of Directors of the Authority the following documents and agreements:

- (1) A proposed form of the Indenture;
  - (2) A proposed form of the Loan Agreement;
  - (3) A proposed form of the Purchase Contract;
  - (4) A proposed form of limited offering memorandum (the “Limited Offering Memorandum”) to be used by the Underwriter in connection with the offering and sale of the Bonds;
- and

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the California Public Finance Authority as follows:

**Section 1.** Pursuant to the Act and the Indenture, the Authority is hereby authorized to issue its revenue bonds designated as the “California Public Finance Authority Charter School Revenue Bonds (Baypoint Preparatory Academy, Series 2018A,” and “California Public Finance Authority Charter School Revenue Bonds (Baypoint Preparatory Academy, Series 2018B (Taxable),” in an aggregate principal amount not to exceed \$50,000,000. The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indenture. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Board of Directors of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 17-01C of the Authority, adopted on April 25, 2017 (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the manual signature of any Authorized Signatory.

**Section 2.** The proposed form of Indenture, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Indenture in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The trustee, dated date, maturity date or dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

**Section 3.** The proposed form of Loan Agreement, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 4.** The proposed form of the Purchase Contract, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Purchase Contract, in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 5.** The proposed preliminary form of Limited Offering Memorandum, as made available to the Board of Directors, is hereby approved. The Underwriter is hereby authorized to distribute the Limited Offering Memorandum in preliminary form, to persons who may be interested in the purchase of the Bonds and to deliver the Limited Offering Memorandum in final form, in substantially the form of the preliminary Limited Offering Memorandum, to the purchasers of the Bonds.

**Section 6.** The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

**Section 7.** The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents

approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

**Section 8.** All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

**Section 9.** Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the City and Kings County have each held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, to provide financing for the Project

**Section 10.** This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 23<sup>rd</sup> day of October, 2018.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called and properly noticed regular meeting of the Board of Directors of the Authority, at which a quorum was acting and present throughout, held in accordance with law on October 23, 2018.

By: \_\_\_\_\_  
Authorized Signatory  
California Public Finance Authority

## EXHIBIT A

### PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the “Borrower”) identified below has provided the following required information to California Public Finance Authority (the “Authority”) as conduit financing provider, prior to the Authority’s regular meeting (the “Meeting”) of its board of directors (the “Board”) at which Meeting the Board will consider the authorization of conduit revenue obligations (the “Obligations”) as identified below.

1. Name of Borrower: Baypoint Academy Properties, LLC.
2. Authority Meeting Date: October 23, 2018.
3. Name of Obligations: California Public Facilities Authority Charter School Revenue Bonds (Baypoint Preparatory Academy Project) Series 2018.
4.  Private Placement Lender or Bond Purchaser,  Underwriter or  Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows:
  - (A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 5.7500%.
  - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$1,200,000.
  - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$37,609,317.
  - (D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$120,000,000.
5. The good faith estimates provided above were presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale

thereof. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: October 23, 2018



4. **NEW BUSINESS**

**B.** Consideration of approving deferral of GPM Municipal Advisors, LLC municipal advisory fee.  
(Staff – Caitlin Lancot)



CALIFORNIA  
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FINANCE  
AUTHORITY

**DATE:** OCTOBER 23, 2018

**PURPOSE:** CONSIDERATION OF APPROVING DEFERRAL OF GPM MUNICIPAL ADVISORS, LLC, MUNICIPAL ADVISORY FEE

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**Background:**

GPM Municipal Advisors, LLC (“GPM”) entered into a Services Agreement (the “Agreement”) with the California Public Finance Authority (“CalPFA”) on July 7, 2015. In accordance with Exhibit C of the Agreement, CalPFA shall pay GPM a municipal advisory fee of no less than \$10,000 per year no later than each anniversary of the Agreement.

Due to a lack of adequate funds available in the CalPFA reserve funds and other priority payments coming due later this year, GPM would like the CalPFA Board to consider deferring the GPM municipal advisory fee to a later date until the reserve fund balance is sufficient. GPM will continue to monitor the reserve funds and advise the CalPFA Board when funds are sufficient to pay the municipal advisory fee.

**Recommendation:**

Approve deferral of the GPM Municipal Advisors, LLC municipal advisory fee until reserve fund balance is sufficient to cover the cost.