

**ORLEANS PARISH SCHOOL BOARD
RESOLUTION NO. 59-17**

The following resolution was offered by Woody Koppel and seconded by Ben Kleban.

A resolution authorizing and directing the Orleans Parish School Board's General Counsel and Bond Counsel to draft such ground leases and/or such other agreements as may be necessary to implement a leveraged financing transaction to complete the historic rehabilitation and renovation of Harriet Tubman Elementary School in accordance with the School Facilities Master Plan dated August 2008, amended October 2011; approving the proceedings adopted by the Board of Directors of the Orleans Schools Facilities Foundation, Inc. and providing for other matters in connection therewith.

WHEREAS, the Public School Facilities Financing Act contained in La. R.S. 17:100.10 (the "**PSFFA**") authorizes the Orleans Parish School Board (the "**School Board**") and the Recovery School District ("**RSD**") to enter into financing arrangements with public benefit corporations ("**PBCs**") and other private parties to leverage additional funds (a "**Leveraged Financing**") not otherwise available to the School Board and/or to the RSD in order to construct new schools and to renovate existing school properties; and

WHEREAS, the RSD and the School Board have entered into a Cooperative Endeavor Agreement as of March 20, 2014 (the "**Coordinating CEA**") which, among other provisions, affirms their commitment to work together to provide excellent, equitable education for all students in Orleans Parish by rebuilding the Orleans Parish School system through construction and repair of public school campuses, and the efficient use of available funding sources for the education of children within Orleans Parish (the "**Parish**"); and

WHEREAS, Section 3.4 of the Coordinating CEA provides that the RSD will continue to pursue tax credits to further leverage current funds to finance the School Facilities Master Plan (the "**Master Plan**") and other school construction needs and provide support to the School Board in pursuing tax credits for School Board controlled facilities; and

WHEREAS, Section 3.4 of the Coordinating CEA provides that the School Board will bring to a vote before the full board action items requesting approval of tax credit transactions as requested by the RSD, upon request by the RSD no later than two weeks prior to a scheduled School Board Business meeting; and

WHEREAS, a preliminary commitment from U.S. Bancorp Community Development Corporation ("**USBCDC**") has been received to make an equity investment of approximately \$1,960,200 (the "**FHTC Equity**") to facilitate the completion of the historic rehabilitation and renovation of the Harriet Tubman Elementary School (the "**Harriet Tubman School Facility**")

in a Leveraged Financing resulting in Federal Historic Rehabilitation Tax Credits (“**FHTCs**”) of approximately \$2,178,000 (the “**Credit Amount**”) being available to USBCDC in connection with total development costs of approximately \$19 million and Qualified Rehabilitation Expenditures (“**QREs**”) of approximately \$11 million, provided, that the Harriet Tubman School Facility’s QRE must be placed in service before August 31, 2018 (the “**PIS Deadline**”); and

WHEREAS, the School Board has previously authorized and organized the Orleans Schools Facilities Foundation Inc. (the “**Facilities Foundation**”) as a PBC under the PSFFA to implement Leveraged Financings in accordance with the Master Plan; and

WHEREAS, the PSFFA authorizes the School Board to make loans and/or guarantees to a PBC or to other third parties, including to one or more limited liability companies (“**LLCs**”) as may be necessary for the generation of additional funds in a Leveraged Financing to facilitate the construction and/or renovation of schools such as the Harriet Tubman School Facility in accordance with the Master Plan pursuant to the PSFFA; and

WHEREAS, the School Board’s General Counsel and Bond Counsel have drafted (i) a Cooperative Endeavor Agreement (“**Harriet Tubman School CEA**”) by and among the School Board, the RSD and the Facilities Foundation to implement a Leveraged Financing for the Harriet Tubman School Facility, (ii) an Act of Conveyance and a Master Lease between the OPSB and RSD (together the “**Master Lessor**”) and the Facilities Foundation (the “**Master Lessee**”), (iii) an Act of Conveyance and a Ground Lease between the Master Lessee and Tubman School Facility, LLC, a Louisiana limited liability company (the “**Sub-Lessee**”) in connection with the historic rehabilitation and renovation of the Harriet Tubman School Facility through a Leveraged Financing;

NOW, THEREFORE, BE IT RESOLVED by the Orleans Parish School Board that:

- (i) the form of a Cooperative Endeavor Agreement among School Board, the RSD and the Facilities Foundation attached hereto as **Exhibit A** to implement a Leveraged Financing for the Harriet Tubman School in accordance with the Master Plan is hereby approved with such revisions as may be approved by the School Board’s General Counsel, Bond Counsel and/or Superintendent;
- (ii) the Superintendent is hereby authorized and directed to transfer and convey the Harriet Tubman School Facility to the Facilities Foundation by an act of sale and declaration of separate immovable and a long term ground lease in the forms attached hereto as **Exhibit B-1 and Exhibit B-2**, respectively (collectively, the “**Master Lease Documents**”) with such revisions as may be approved by the School Board’s General Counsel, Bond Counsel and/or Superintendent in accordance with the provisions of the PSFFA in order to complete the historic rehabilitation and renovation of the Harriet Tubman School Facility through a Leveraged Financing in accordance with the Master Plan;
- (iii) the Facilities Foundation is hereby authorized and directed to enter into an act of sale of separate immovable property and long term ground lease in the forms

attached hereto as **Exhibit C-1 and C-2**, respectively (collectively, the “**Ground Lease Documents**”) with Tubman School Facility, LLC, a Louisiana limited liability company as the designated Sub-Lessee with such revisions as may be approved by the School Board’s General Counsel, Bond Counsel and/or Superintendent and to sell and convey the Harriet Tubman School Facility to the Sub-Lessee in accordance with the provisions of the PSFFA and Ground Lease in order to complete the historic rehabilitation and renovation of the Harriet Tubman School Facility through a Leveraged Financing in accordance with the Master Plan;

- (iv) provided that such loans and/or guarantees generate additional funds in a Leveraged Financing for the Harriet Tubman School Facility are determined by the Superintendent and/or the School Board’s Chief Financial Officer (the “**CFO**”) to be safe and sound and necessary to implement the Leveraged Financing of the Harriet Tubman School Facility, the Superintendent and/or the CFO are hereby authorized as permitted by the PSFFA to make loans or grants to and/or guarantees by the School Board to the Facilities Foundation and/or to such other third parties in order to facilitate a Leverage Financing for the Harriet Tubman School Facility in connection with the historic rehabilitation and renovation of the Harriet Tubman School Facility;
- (v) the parameter terms of the loan, including not exceeding principal amounts, maturities, purposes and security for each Leveraged Financing of the Harriet Tubman School Facility attached as **Exhibit D** are hereby approved;
- (vi) application is hereby formally made to the State Bond Commission, Baton Rouge, Louisiana, for its consent and authority for (a) all loans and guarantees to the Facilities Foundation and/or to other third parties in the Leveraged Financing of the Harriet Tubman School Facility in order to facilitate the historic rehabilitation and renovation of the Harriet Tubman School Facility, and (b) for any revenue bonds that may be issued by the Facilities Foundation to accomplish the purposes set forth in the PSFFA. The details of the Leveraged Financing for the historic rehabilitation and renovation of the Harriet Tubman School Facility shall be submitted in the application form required by the State Bond Commission. A certified copy of this resolution shall be forwarded to the State Bond Commission on behalf of the School Board, together with a letter requesting the prompt consideration and approval of an application to approve a Leveraged Financing for the historic rehabilitation and renovation of the Harriet Tubman School Facility. By virtue of applicant/issuer’s application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission’s approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the “State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.”, adopted by the Commission on July 20, 2006, as to the borrowing(s) and other

matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby;

- (vii) the School Board finds and determines that a real necessity exists for the employment of special counsel in connection with the details of a Leveraged Financing that must be approved by the Louisiana State Bond Commission under the PSFFA. Foley & Judell, L.L.P., as the School Board's Bond Counsel, is hereby requested to do and perform comprehensive legal and coordinate professional work in connection with the historic rehabilitation and renovation of the Harriet Tubman School Facility as bond counsel and/or as special counsel to the School Board and the Facilities Foundation with respect to the Leveraged Financings. Foley & Judell, L.L.P. shall prepare and submit to the School Board and to the Facilities Foundation for adoption all of the proceedings and documents incidental to the Leveraged Financing, shall counsel and advise the School Board and the Facilities Foundation in connection with such Leveraged Financing and shall furnish its opinion for the School Board and the Facilities Foundation covering the legality of the Leveraged Financing to complete the historic rehabilitation and renovation of the Harriet Tubman School Facility. The fee of said Bond Counsel shall be approved by the Attorney General's in accordance with the guidelines for comprehensive, legal and coordinate professional work in connection with the issuance of revenue bonds and based on the amount of each loan and/or guarantee or Leveraged Financing proposed, plus "out-of-pocket" expenses, said fees to be contingent upon the closing of any Leveraged Financing. Foley & Judell, L.L.P is hereby further authorized and retained to provide such additional legal and coordinate services in connection with transactions involving Leveraged Financing on behalf of the School Board with the fee for such services based upon an hourly rate for a total billing fee not in excess of fifty thousand dollars. A certified copy of this resolution shall be submitted to the Attorney General of the State of Louisiana for his written approval of said employment and of the fees herein designated, and the Superintendent is hereby empowered and directed to issue vouchers to Foley & Judell, L.L.P. in payment for the work herein provided upon completion of the work herein specified and under the conditions herein enumerated.

The foregoing Resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

Ethan Ashley, John Brown, Sr. Ben Kleban, Woody Koppel, Nolan Marshall, Jr.

NAYS:

None

ABSENTS:

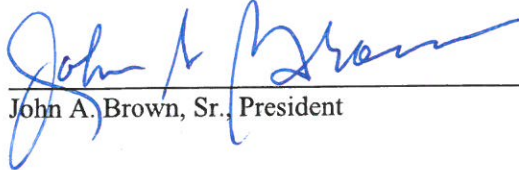
Leslie Ellison, Sarah Newell Usdin

ABSTENTIONS:

None

PASSED AND ADOPTED AT THE ORLEANS PARISH SCHOOL BOARD BUSINESS MEETING held at Timbers, 3520 General deGaulle Drive, Multi-purpose Room 1050, New Orleans, Louisiana, on the 26th day of October, 2017.

ORLEANS PARISH SCHOOL BOARD



John A. Brown, Sr., President

CERTIFICATE

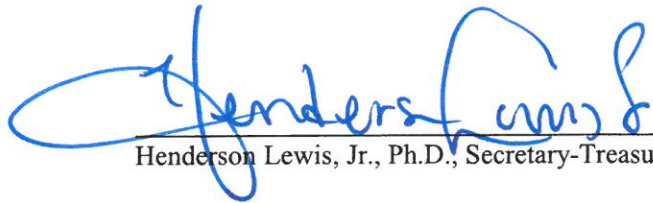
STATE OF LOUISIANA

PARISH OF ORLEANS

I, the undersigned Secretary-Treasurer of the Orleans Parish School Board, State of Louisiana, do hereby certify that the foregoing five (5) pages constitute a true and correct copy of Resolution No. 59-17 adopted by said Orleans Parish School Board on October 26, 2017.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the School Board at New Orleans, Louisiana, on this 9th the day of November, 2017.

(SEAL)



Henderson Lewis, Jr., Ph.D., Secretary-Treasurer

EXHIBIT "A"

Cooperative Endeavor Agreement

Attached