



MURIEL BOWSER
MAYOR

November 17, 2020

The Honorable Phil Mendelson, Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, N.W., Suite 504
Washington, DC 20004

Dear Chairman Mendelson:

Enclosed for consideration by the Council of the District of Columbia (the "Council") are the proposed resolutions entitled, "Friendship Public Charter Schools Revenue Bonds Project Approval Resolution of 2020;" "Friendship Public Charter School Revenue Bonds Project Emergency Approval Resolution of 2020;" and "Friendship Public Charter School Revenue Bonds Project Emergency Declaration Resolution of 2020."

The Friendship Public Charter School has requested that the District issue up to \$70,000,000 in tax-exempt bonds to FPCS (the "Borrower" or "Friendship PCS"), in connection with the financing, refinancing, and a variety of locations within their organization especially 1400 First St., NW, associated with an authorized project pursuant to section 490 of the District of Columbia Home Rule Act.

Friendship PCS is one of the District of Columbia's largest public charter school networks, with 12 schools serving over 4,200 students in prekindergarten through 12th grade. Friendship PCS has a long-standing partnership with the Friendship House, a non-profit social service agency. Currently Friendship House operates the after-school programs at Friendship PCS and runs a Community Technology Center at the Junior Academy. Social workers at Friendship House, work together with school staff to get families the services they need, including adult education, employment assistance, and crisis intervention.

Proceeds from these Bonds will be used to finance, refinance or reimburse the Borrower for certain costs of all or a portion of the acquisition, rehabilitation and renovation of the school facilities located at 1400 First Street, N.W. in Washington, D.C. and other locations.

In accordance with Section 490 of the Home Rule Act, we have determined that the bonds, when,

as, and if issued, shall be without recourse to the District. The bonds shall not be general obligations of the District; shall not be a pledge of or involve the full faith and credit or the taxing power of the District; shall not constitute a debt of the District; and shall not constitute a lending of public credit for private undertakings as prohibited in section 602(a) (2) of the Home Rule Act. The bonds shall not give rise to any pecuniary liability of the District and the District shall have no obligation with respect to the purchase of the bonds.


I find that the proposed financing will assist in furthering the efforts of Friendship PCS in providing, education, association, trade, commerce and employment opportunities to the citizens of the District of Columbia. I urge the Council to take prompt and favorable action on the measure.

Sincerely,



Muriel Bowser

Enclosures


Chairman Phil Mendelson
at the request of the Mayor

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To authorize and provide, on an emergency basis, for the issuance, sale, and delivery in an aggregate principal amount not to exceed \$70,000,000 of District of Columbia revenue bonds in one or more series and to authorize and provide for the loan of the proceeds of such bonds to assist Friendship Public Charter School, Inc. in the financing, refinancing, or reimbursing of costs associated with an authorized project pursuant to section 490 of the District of Columbia Home Rule Act.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Friendship Public Charter School, Inc. Revenue Bonds Project Emergency Approval Resolution of 2020”.

Sec. 2. Definitions.

For the purposes of this resolution, the term:

(1) “Authorized Delegate” means the Mayor or the Deputy Mayor for Planning and Economic Development, or any officer or employee of the Executive Office of the Mayor to whom the Mayor has delegated or to whom the foregoing individuals have subdelegated any of the Mayor’s functions under this resolution pursuant to section 422(6) of the Home Rule Act.

(2) “Bond Counsel” means a firm or firms of attorneys designated as bond counsel from time to time by the Mayor.

(3) “Bonds” means the District of Columbia revenue bonds, notes, or other obligations (including refunding bonds, notes, and other obligations), in one or more series,

1 authorized to be issued pursuant to this resolution.

2 (4) "Borrower" means the owner of the assets financed, refinanced, or reimbursed
3 with proceeds from the Bonds, which shall be Friendship Public Charter School, Inc., a non-profit
4 corporation organized under the laws of the District of Columbia, which is exempt from federal
5 income taxes under 26 U.S.C. § 501(a) as an organization described in 26 U.S.C. § 501(c)(3) and
6 which is liable for the repayment of the Bonds.

7 (5) "Chairman" means the Chairman of the Council of the District of Columbia.

8 (6) "Closing Documents" means all documents and agreements, other than Financing
9 Documents, that may be necessary and appropriate to issue, sell, and deliver the Bonds and to make
10 the Loan, and includes agreements, certificates, letters, opinions, forms, receipts, and other similar
11 instruments.

12 (7) "District" means the District of Columbia.

13 (8) "Financing Documents" means the documents, other than Closing Documents,
14 that relate to the financing, refinancing or reimbursement of transactions to be effected through the
15 issuance, sale, and delivery of the Bonds and the making of the Loan, including any offering
16 document, and any required supplements to any such documents.

17 (9) "Home Rule Act" means the District of Columbia Home Rule Act, approved
18 December 24, 1973 (87 Stat. 774; D.C. Official Code § 1-201.01 *et seq.*).

19 (10) "Issuance Costs" means all fees, costs, charges, and expenses paid or incurred in
20 connection with the authorization, preparation, printing, issuance, sale, and delivery of the Bonds
21 and the making of the Loan, including, but not limited to, underwriting, legal, accounting, rating
22 agency, and all other fees, costs, charges, and expenses incurred in connection with the development
23 and implementation of the Financing Documents, the Closing Documents, and those other

1 documents necessary or appropriate in connection with the authorization, preparation, printing,
2 issuance, sale, marketing, and delivery of the Bonds and the making of the Loan, together with
3 financing fees, costs, and expenses, including program fees and administrative fees charged by the
4 District, fees paid to financial institutions and insurance companies, initial letter of credit fees (if
5 any), and compensation to financial advisors and other persons (other than full-time employees of
6 the District) and entities performing services on behalf of or as agents for the District.

7 (11) "Loan" means the District's lending of proceeds from the sale, in one or more
8 series, of the Bonds to the Borrower.

9 (12) "Project" means the financing, refinancing, or reimbursing of all or a portion of
10 the Borrower's costs of:

11 (A) Refunding the District of Columbia Revenue Bonds (Friendship Public
12 Charter School, Inc. Issue) Series 2012A, originally issued in the aggregate principal amount of
13 \$35,780,000 pursuant to provisions of the Friendship Public Charter School, Inc. Revenue Bond
14 Project Approval Resolution of 2012 (Resolution No. 19-478, adopted by the Council on July 10,
15 2012), the proceeds of which were used to finance: (i) the construction of the Tech Prep Academy
16 Campus, classrooms and gymnasium building located at 620 Milwaukee Place, S.E., Washington,
17 D.C. 20032 (Lot 0045, Square 5982) and an adjacent high school located at 2705 Martin Luther
18 King Avenue, S.E., Washington, D.C. 20032 (Lot 0049, Square 5982) (together, the "Tech Prep
19 Academy Campus"), (ii) the renovation of an existing building on the Tech Prep Academy Campus,
20 (iii) the acquisition of furniture, fixtures and equipment for the Tech Prep Academy Campus, (iv) the
21 repayment of certain outstanding loans that funded the acquisition of the Tech Prep Academy
22 Campus, (v) the funding of a debt service reserve fund, (vi) the payment of certain costs of issuance
23 and (vii) the funding of capitalized interest;

1 (B) The construction and equipping of a new classroom building at the
2 Southeast Elementary Campus and Middle Campus, an approximately 68,000 square foot elementary
3 school located at 640 Milwaukee Place S.E., Washington, D.C. 20032 (Lot 0001, Square 5982)
4 (“Southeast”) and the construction and equipping of a new classroom building at the Ideal
5 Elementary Campus and Middle Campus, an approximately 36,856 square foot elementary school
6 located at 6130 North Capitol Street NW, Washington, DC 20011 (Lot 238, Square 35090) (“Ideal
7 Academy”);

8 (C) Certain capital improvements at the Borrower’s school facilities at the
9 following locations: (i) Tech Prep Academy Campus and the adjacent office building located at 642
10 Milwaukee Place SE, Washington, DC 20032 (Lot 0012, Square 5982) (together, the “Tech Prep
11 Buildings”); (ii) Chamberlain Elementary Campus and Middle Campus, an approximately 80,660
12 square foot primary and secondary school located at 1345 Potomac Avenue, S.E., Washington, D.C.
13 20003 (Lot 0847, Square 1046) and 14th Street SE, Washington, DC 20003 (Lot 0848, Square 1046)
14 (“Chamberlain”); (iii) Woodridge Elementary Campus and Middle Campus, an approximately
15 115,000 square foot primary school located at 2959 Carlton Avenue, N.E., Washington, D.C. 20018
16 (Lot 812, Square 4339) and 2900 Central Avenue, Washington, DC 20018 (Lot 0026, Square 4339),
17 (“Woodridge”); (iv) Blow-Pierce Elementary Campus and Middle Campus, an approximately 62,994
18 square foot primary school located at 725 19th Street, N.E., Washington, D.C. 20002 (Lots 833, 834,
19 Square 4515) and Claggett Place Street NE, Washington, DC 20002 (Lot 835, Square 4515),
20 (“Blow-Pierce”); (v) Carter G. Woodson Collegiate Academy, an approximately 151,558 square foot
21 high school located at 4095 Minnesota Avenue, N.E., Washington, D.C. 20019 (Lot 0813, Square
22 5078) (“Collegiate”); (vi) Southeast; (vii) Ideal Academy; (viii) Armstrong Elementary Campus and
23 Middle Campus, an approximately 70,000 square foot elementary school located at 1400 1st Street,

1 N.W., Washington, D.C. 20001, also known as 111 O Street NW, Washington, DC 20001 (Lot 844,
2 Square 553) (“Armstrong”); and (ix) Online Academy, a virtual online school located in an
3 approximately 10,000 square foot facility at 1335 Nicholson Street, N.W., Washington D.C. 20011
4 (Lot 846, Square 2794) (collectively, the “Friendship Campuses”);

5 (D) The purchase of certain equipment and furnishings for the Friendship
6 Campuses, together with other property, real and personal, functionally related and subordinate thereto;

7 (E) Funding certain working capital costs, to the extent financeable relating to
8 the Bonds;

9 (F) Funding any credit enhancement costs, liquidity costs or debt service reserve
10 fund relating to the Bonds; and

11 (G) Paying allowable Issuance Costs.

12 Sec. 3. Findings.

13 The Council finds that:

14 (1) Section 490 of the Home Rule Act provides that the Council may, by resolution,
15 authorize the issuance of District revenue bonds, notes, or other obligations (including refunding
16 bonds, notes, or other obligations) to borrow money to finance, refinance, or reimburse costs, and to
17 assist in the financing, refinancing, or reimbursing of, the costs of undertakings in certain areas
18 designated in section 490 and may affect the financing, refinancing, or reimbursement by loans made
19 directly or indirectly to any individual or legal entity, by the purchase of any mortgage, note, or other
20 security, or by the purchase, lease, or sale of any property.

21 (2) The Borrower has requested the District to issue, sell, and deliver revenue bonds,
22 in one or more series pursuant to a plan of finance, in an aggregate principal amount not to exceed

1 \$70,000,000, and to make the Loan for the purpose of financing, refinancing, or reimbursing costs of
2 the Project.

3 (3) The Facility is located in the District and will contribute to the health, education,
4 safety, or welfare of, or the creation or preservation of jobs for, residents of the District, or to
5 economic development of the District.

6 (4) The Project is an undertaking in the area of elementary, secondary and college
7 and university facilities, within the meaning of section 490 of the Home Rule Act.

8 (5) The authorization, issuance, sale, and delivery of the Bonds and the Loan to the
9 Borrower are desirable, are in the public interest, will promote the purpose and intent of section 490
10 of the Home Rule Act, and will assist the Project.

11 Sec. 4. Bond authorization.

12 (a) The Mayor is authorized pursuant to the Home Rule Act and this resolution to assist in
13 financing, refinancing or reimbursing the costs of the Project by:

14 (1) The issuance, sale, and delivery of the Bonds, in one or more series, in an
15 aggregate principal amount not to exceed \$70,000,000; and

16 (2) The making of the Loan.

17 (b) The Mayor is authorized to make the Loan to the Borrower for the purpose of financing,
18 refinancing or reimbursing the costs of the Project and establishing any fund with respect to the
19 Bonds as required by the Financing Documents.

20 (c) The Mayor may charge a program fee to the Borrower, including, but not limited to, an
21 amount sufficient to cover costs and expenses incurred by the District in connection with the
22 issuance, sale, and delivery of each series of the Bonds, the District's participation in the monitoring
23 of the use of the Bond proceeds and compliance with any public benefit agreements with the District,

1 and maintaining official records of each bond transaction, and assisting in the redemption,
2 repurchase, and remarketing of the Bonds.

3 Sec. 5. Bond details.

4 (a) The Mayor and each Authorized Delegate is authorized to take any action reasonably
5 necessary or appropriate in accordance with this resolution in connection with the preparation,
6 execution, issuance, sale, delivery, security for, and payment of the Bonds of each series, including,
7 but not limited to, determinations of:

8 (1) The final form, content, designation, and terms of the Bonds, including a
9 determination that the Bonds may be issued in certificated or book-entry form;

10 (2) The principal amount of the Bonds to be issued and denominations of the Bonds;

11 (3) The rate or rates of interest or the method for determining the rate or rates of
12 interest on the Bonds;

13 (4) The date or dates of issuance, sale, and delivery of, and the payment of interest
14 on, the Bonds, and the maturity date or dates of the Bonds;

15 (5) The terms under which the Bonds may be paid, optionally or mandatorily
16 redeemed, accelerated, tendered, called, or put for redemption, repurchase, or remarketing before
17 their respective stated maturities;

18 (6) Provisions for the registration, transfer, and exchange of the Bonds and the
19 replacement of mutilated, lost, stolen, or destroyed Bonds;

20 (7) The creation of any reserve fund, sinking fund, or other fund with respect to the
21 Bonds;

22 (8) The time and place of payment of the Bonds;

1 (9) Procedures for monitoring the use of the proceeds received from the sale of the
2 Bonds to ensure that the proceeds are properly applied to the Project and used to accomplish the
3 purposes of the Home Rule Act and this resolution;

4 (10) Actions necessary to qualify the Bonds under blue sky laws of any jurisdiction
5 where the Bonds are marketed; and

6 (11) The terms and types of credit enhancement under which the Bonds may be
7 secured.

8 (b) The Bonds shall contain a legend, which shall provide that the Bonds are special
9 obligations of the District, are without recourse to the District, are not a pledge of, and do not
10 involve the faith and credit or the taxing power of the District, do not constitute a debt of the District,
11 and do not constitute lending of the public credit for private undertakings as prohibited in section
12 602(a)(2) of the Home Rule Act.

13 (c) The Bonds shall be executed in the name of the District and on its behalf by the manual or
14 facsimile signature of the Mayor, and attested by the Secretary of the District of Columbia by the
15 Secretary of the District of Columbia's manual or facsimile signature. The Mayor's execution and
16 delivery of the Bonds shall constitute conclusive evidence of the Mayor's approval, on behalf of the
17 District, of the final form and content of the Bonds.

18 (d) The official seal of the District, or a facsimile of it, shall be impressed, printed, or
19 otherwise reproduced on the Bonds.

20 (e) The Bonds of any series may be issued in accordance with the terms of a trust instrument
21 to be entered into by the District and a trustee to be selected by the Borrower subject to the approval
22 of the Mayor, and may be subject to the terms of one or more agreements entered into by the Mayor
23 pursuant to section 490(a)(4) of the Home Rule Act.

1 (f) The Bonds may be issued at any time or from time to time in one or more issues and in
2 one or more series.

3 Sec. 6. Sale of the Bonds.

4 (a) The Bonds of any series may be sold at negotiated or competitive sale at, above, or below
5 par, to one or more persons or entities, and upon terms that the Mayor considers to be in the best
6 interest of the District.

7 (b) The Mayor or an Authorized Delegate may execute, in connection with each sale of the
8 Bonds, offering documents on behalf of the District, may deem final any such offering document on
9 behalf of the District for purposes of compliance with federal laws and regulations governing such
10 matters and may authorize the distribution of the documents in connection with the sale of the
11 Bonds.

12 (c) The Mayor is authorized to deliver the executed and sealed Bonds, on behalf of the
13 District, for authentication, and, after the Bonds have been authenticated, to deliver the Bonds to the
14 original purchasers of the Bonds upon payment of the purchase price.

15 (d) The Bonds shall not be issued until the Mayor receives an approving opinion from Bond
16 Counsel as to the validity of the Bonds of such series and, if the interest on the Bonds is expected to
17 be exempt from federal income taxation, the treatment of the interest on the Bonds for purposes of
18 federal income taxation.

19 Sec. 7. Payment and security.

20 (a) The principal of, premium, if any, and interest on, the Bonds shall be payable solely from
21 proceeds received from the sale of the Bonds, income realized from the temporary investment of
22 those proceeds, receipts and revenues realized by the District from the Loan, income realized from
23 the temporary investment of those receipts and revenues prior to payment to the Bond owners, other

1 moneys that, as provided in the Financing Documents, may be made available to the District for the
2 payment of the Bonds, and other sources of payment (other than from the District), all as provided
3 for in the Financing Documents.

4 (b) Payment of the Bonds shall be secured as provided in the Financing Documents and by an
5 assignment by the District for the benefit of the Bond owners of certain of its rights under the
6 Financing Documents and Closing Documents, including a security interest in certain collateral, if
7 any, to the trustee for the Bonds pursuant to the Financing Documents.

8 (c) The trustee is authorized to deposit, invest, and disburse the proceeds received from the
9 sale of the Bonds pursuant to the Financing Documents.

10 Sec. 8. Financing and Closing Documents.

11 (a) The Mayor is authorized to prescribe the final form and content of all Financing
12 Documents and all Closing Documents to which the District is a party that may be necessary or
13 appropriate to issue, sell, and deliver the Bonds and to make the Loan to the Borrower. Each of the
14 Financing Documents and each of the Closing Documents to which the District is not a party shall be
15 approved, as to form and content, by the Mayor.

16 (b) The Mayor is authorized to execute, in the name of the District and on its behalf, the
17 Financing Documents and any Closing Documents to which the District is a party by the Mayor's
18 manual or facsimile signature.

19 (c) If required, the official seal of the District, or a facsimile of it, shall be impressed, printed,
20 or otherwise reproduced on the Financing Documents and the Closing Documents to which the
21 District is a party.

22 (d) The Mayor's execution and delivery of the Financing Documents and the Closing
23 Documents to which the District is a party shall constitute conclusive evidence of the Mayor's

1 approval, on behalf of the District, of the final form and content of the executed Financing
2 Documents and the executed Closing Documents.

3 (e) The Mayor is authorized to deliver the executed and sealed Financing Documents and
4 Closing Documents, on behalf of the District, prior to or simultaneously with the issuance, sale, and
5 delivery of the Bonds, and to ensure the due performance of the obligations of the District contained
6 in the executed, sealed, and delivered Financing Documents and Closing Documents.

7 Sec. 9. Authorized delegation of authority.

8 To the extent permitted by District and federal laws, the Mayor may delegate to any
9 Authorized Delegate the performance of any function authorized to be performed by the Mayor
10 under this resolution.

11 Sec. 10. Limited liability.

12 (a) The Bonds shall be special obligations of the District. The Bonds shall be without
13 recourse to the District. The Bonds shall not be general obligations of the District, shall not be a
14 pledge of, or involve the faith and credit or the taxing power of, the District, shall not constitute a
15 debt of the District, and shall not constitute lending of the public credit for private undertakings as
16 prohibited in section 602(a)(2) of the Home Rule Act.

17 (b) The Bonds shall not give rise to any pecuniary liability of the District and the District
18 shall have no obligation with respect to the purchase of the Bonds.

19 (c) Nothing contained in the Bonds, in the Financing Documents, or in the Closing
20 Documents shall create an obligation on the part of the District to make payments with respect to the
21 Bonds from sources other than those listed for that purpose in section 7.

22 (d) The District shall have no liability for the payment of any Issuance Costs or for any
23 transaction or event to be effected by the Financing Documents.

1 (e) All covenants, obligations, and agreements of the District contained in this resolution, the
2 Bonds, and the executed, sealed, and delivered Financing Documents and Closing Documents to
3 which the District is a party, shall be considered to be the covenants, obligations, and agreements of
4 the District to the fullest extent authorized by law, and each of those covenants, obligations, and
5 agreements shall be binding upon the District, subject to the limitations set forth in this resolution.

6 (f) No person, including, but not limited to, the Borrower and any Bond owner, shall have
7 any claims against the District or any of its elected or appointed officials, officers, employees, or
8 agents for monetary damages suffered as a result of the failure of the District or any of its elected or
9 appointed officials, officers, employees or agents to either perform any covenant, undertaking, or
10 obligation under this resolution, the Bonds, the Financing Documents, or the Closing Documents, or
11 as a result of the incorrectness of any representation in or omission from the Financing Documents
12 or the Closing Documents, unless the District or its elected or appointed officials, officers,
13 employees, or agents have acted in a willful and fraudulent manner.

14 Sec. 11. District officials.

15 (a) Except as otherwise provided in section 10(f), the elected or appointed officials, officers,
16 employees, or agents of the District shall not be liable personally for the payment of the Bonds or be
17 subject to any personal liability by reason of the issuance, sale or delivery of the Bonds, or for any
18 representations, warranties, covenants, obligations, or agreements of the District contained in this
19 resolution, the Bonds, the Financing Documents, or the Closing Documents.

20 (b) The signature, countersignature, facsimile signature, or facsimile countersignature of any
21 official appearing on the Bonds, the Financing Documents, or the Closing Documents shall be valid
22 and sufficient for all purposes notwithstanding the fact that the individual signatory ceases to hold
23 that office before delivery of the Bonds, the Financing Documents, or the Closing Documents.

1 Sec.12. Maintenance of documents.

2 Copies of the specimen Bonds and of the final Financing Documents and Closing Documents
3 shall be filed in the Office of the Secretary of the District of Columbia.

4 Sec.13. Information reporting.

5 Within 3 days after the Mayor's receipt of the transcript of proceedings relating to the
6 issuance of the Bonds, the Mayor shall transmit a copy of the transcript to the Secretary to the
7 Council.

8 Sec. 14. Disclaimer.

9 (a) The issuance of Bonds is in the discretion of the District. Nothing contained in this
10 resolution, the Bonds, the Financing Documents, or the Closing Documents shall be construed as
11 obligating the District to issue any Bonds for the benefit of the Borrower or to participate in or assist
12 the Borrower in any way with financing, refinancing, or reimbursing the costs of the Project. The
13 Borrower shall have no claims for damages or for any other legal or equitable relief against the
14 District, its elected or appointed officials, officers, employees, or agents as a consequence of any
15 failure to issue any Bonds for the benefit of the Borrower.

16 (b) The District reserves the right to issue the Bonds in the order or priority it determines in
17 its sole and absolute discretion. The District gives no assurance and makes no representations that
18 any portion of any limited amount of bonds or other obligations, the interest on which is excludable
19 from gross income for federal income tax purposes, will be reserved or will be available at the time
20 of the proposed issuance of the Bonds.

21 (c) The District, by adopting this resolution or by taking any other action in connection with
22 financing, refinancing, or reimbursing costs of the Project, does not provide any assurance that the
23 Project is viable or sound, that the Borrower is financially sound, or that amounts owing on the

1 Bonds or pursuant to the Loan will be paid. Neither the Borrower, any purchaser of the Bonds, nor
2 any other person shall rely upon the District with respect to these matters.

3 Sec. 15. Expiration.

4 If any Bonds are not issued, sold, and delivered to the original purchaser within 3 years of the
5 date of this resolution, the authorization provided in this resolution with respect to the issuance, sale,
6 and delivery of the Bonds shall expire.

7 Sec. 16. Severability.

8 If any particular provision of this resolution or the application thereof to any person or
9 circumstance is held invalid, the remainder of this resolution and the application of such provision to
10 other persons or circumstances shall not be affected thereby. If any action or inaction contemplated
11 under this resolution is determined to be contrary to the requirements of applicable law, such action
12 or inaction shall not be necessary for the purpose of issuing of the Bonds, and the validity of the
13 Bonds shall not be adversely affected.

14 Sec. 17. Compliance with public approval requirement.

15 This approval shall constitute the approval of the Council as required in section 147(f) of the
16 Internal Revenue Code of 1986, approved October 22, 1986 (100 Stat. 2635; 26 U.S.C. § 147(f)), as
17 amended, and section 490(k) of the Home Rule Act, for the Project to be financed, refinanced, or
18 reimbursed with the proceeds of the Bonds. This resolution approving the issuance of the Bonds for
19 the Project has been adopted by the Council after a public hearing held at least fourteen (14) days
20 after publication of notice in a newspaper of general circulation in the District.

21 Sec. 18. Transmittal.

22 The Council shall transmit a copy of this resolution, upon its adoption, to the Mayor.

1 Sec. 19. Fiscal impact statement.

2 The Council adopts the fiscal impact statement in the committee report as the fiscal impact
3 statement required by section 4a of the General Legislative Procedures Act of 1975, approved
4 October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

5 Sec. 20. Effective date.

6 This resolution shall take effect immediately.

7

FRIENDSHIP PUBLIC CHARTER SCHOOL.

Revenue Bond Project

FACT SHEET

The Friendship Public Charter School has requested that the District issue up to \$70,000,000 in tax-exempt bonds to FPCS (the “Borrower” or “FPCS”), in connection with the financing, refinancing, and a variety of locations within their organization especially 1400 First St., NW.

The Applicant

Friendship PCS is one of the District of Columbia’s largest public charter school networks, with 12 schools serving over 4,200 students in prekindergarten through 12th grade. Friendship PCS has a long-standing partnership with the Friendship House, a non-profit social service agency. Currently Friendship House operates the after-school programs at Friendship PCS and runs a Community Technology Center at the Junior Academy. Social workers at Friendship House, work together with school staff to get families the services they need, including adult education, employment assistance, and crisis intervention.

Proposed Project

Proceeds from these Bonds will be used to finance, refinance or reimburse the Borrower for certain costs of all or a portion of the acquisition, rehabilitation and renovation of the school facilities located at 1400 FIRST Street, N.W. in Washington, D.C. and other locations such as:

642 Milwaukee Place SE, Washington, DC 20032 – Square 5982, Lot 0012
2900 Central Avenue, Washington, DC 20018 – Square 4339, Lot 0026
2959 Carlton Avenue NE, Washington, DC 20018 – Square 4339, Lot 812
620 Milwaukee Place SE, Washington, DC 20032 – Square 5982, Lot 0045, 0819
725 19th Street NE, Washington, DC 20002 – Square 4515, Lot 833, 834
Claggett Place Street NE, Washington, DC 20002 – Square 4515, Lot 835
1345 Potomac Avenue SE, Washington, DC 20003 – Square 1046, Lot 0847
14th Street SE, Washington, DC 20003 – Square 1046, Lot 0848
2705 Martin Luther King Jr. Avenue SE, Washington, DC 20032 – Square 5982, Lot 0047, 0821
640 Milwaukee Place SE, Washington, DC 20032 – Square 5982, Lot 0001
6130 North Capitol Street NW, Washington, DC 20011 – Square 35090, Lot 238
1351 Nicholson Street NW, Washington, DC 20011 – Square 2794, Lot 0846
1400 First Street NW, Washington, DC 20001 – Square 0553, Lot 0844
111 O Street NW, Washington, DC 20001

The purchase of certain equipment and furnishings, together with other property, real and personal, functionally related and subordinate to the Facility; Funding certain expenditures associated with

the financing of the Facility, to the extent permissible; and paying costs of issuance and other related costs, to the extent permissible.

Feasibility/Structure/Security of the Bonds

They are currently reviewing different options for an underwriter for their project.

The bonds, if issued, will be secured by a general obligation pledge of the FPCS and will be without recourse to the District of Columbia.

Public Purpose Benefits

Friendship has a history of opening its doors to the community for academic and social service programs. When not used during the school day for education, the Borrower's buildings have been used to host community meetings, to host after school programs, to host a family literacy program, to provide computer training for neighborhood residents, and to serve several other community purposes."

Tax Revenue

Friendship PCS is a 501(c) (3) organization and has been granted exemption from certain taxes within the District. However, the school will contribute to the District's revenue stream through payment of unemployment taxes, income taxes (on DC resident employees and employees of local, small and disadvantaged business contractors in the District of Columbia.)

Employment

Friendship has executed a First Source Employment Agreement with the Department of Employment Services (DOES). District residents account for 65% of Friendship PCS workforce.

Legal and Regulatory Affairs

The law firm, McGuire Woods LLC, bond counsel to the Industrial Revenue Bond Program, has preliminarily determined that the applicant is a 501(c) (3) organization and the project constitutes a permissible undertaking in the area

Based on the foregoing, we have determined that the proposed project complies with criteria for approval of a proposed financing through the District's Revenue Bond Program and that the proposed project will enhance employment opportunities and contribute to community betterment.

Financing Plan

A summary of the proposed sources and uses of funds is attached (see Table 1).

Table 1: FINANCING PLAN

1. Please indicate the estimated sources and uses of project funds:

	Total Cost	Tax-Exempt Bond Proceeds	Taxable Loan	Economic Life
Refinance/Refunding	\$34,225,000	\$34,225,000		30 Years
Due Diligence				
Other Site Improvements	\$35,275,000	\$35,275,000		30 Years
Program Fee				
Bond Counsel Fee	\$100,000	\$100,00		
Other Counsels Fees	\$50,000	\$50,000		
Underwriter/Placement Fee	\$50,000	\$50,000		
Title Policy				
Up-front fee for LOC/Bond Insurance	\$300,000	\$300,000		
Recordation Fee				
TOTALS	\$70,000,000	\$70,000,000		\$70,000,000

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Attorney General



Commercial Division
Tax and Finance Section

MEMORANDUM

TO: William Liggins, Director
D.C. Revenue Bond-Enterprise Zone Program
Office of the Deputy Mayor for Planning
and Economic Development

FROM: Andrea R. Littlejohn *ARL*
Assistant Attorney General

DATE: October 30, 2020

SUBJECT: Legal Sufficiency Review: Friendship Public Charter School Revenue Bonds
Project Approval Resolution of 2020; Friendship Public Charter School Revenue
Bonds Emergency Approval Resolution of 2020; Friendship Public Charter
School Revenue Bonds Emergency Declaration Resolution of 2020

This responds to a request from your office to review for legal sufficiency the attached draft of the above-referenced proposed resolutions. For purposes of this review, this Office premises its conclusion on the assumption that your office has determined that the Borrower as defined in the aforementioned resolution is a "qualified applicant" within the meaning of Section 490 of the District of Columbia Home Rule Act.

A review of the attached draft of the above-referenced proposed resolutions indicates that the draft proposed resolution conforms with the Model Revenue Bond Resolution jointly drafted and determined to be legally sufficient by the General Counsel of the Council, the Office of the Attorney General, and the District's bond counsel. Accordingly, we find the attached draft of the above-referenced proposed resolutions legally sufficient.

Please contact me at 724-7761 if you have further questions or concerns.

Attachment: Friendship Public Charter School Revenue Bonds Project Approval Resolution of 2020
Friendship Public Charter School Revenue Bonds Emergency Approval Resolution of 2020
Friendship Public Charter School Revenue Bonds Emergency Declaration Resolution of 2020

ARL/arl