North Oakland Community Charter School (NOCCS)
**General Board Meeting**
@ 6:15 pm April 25, 2011
1000 42nd Street, Oakland

Our Overarching Role as Board Members:
*Serve as pro-active stewards of NOCCS’ sustainability and growth, in alignment with its guiding principles*

Outcomes
Better understand the current state of the school
Make progress on strategic priorities; fine-tune implementation strategies
Address emerging policy issues
Agree on next steps

Present: Susan, Julie, Carolyn, Eric, Rachel, Jay, Catherine, Helen

Absent: Li Mei, Michael, Mara, Ken

Visitors: Peter Trueblood, Richard Owen

AGENDA

The following resolution was read by Jay:

**WHEREAS:**

**A. On April 19, 2006, North Oakland Community Charter School (“NOCCS”) purchased real property located in Emeryville and Oakland, Alameda County, California (Assessor Parcel Numbers 013-1082-009 and 049-1084-004 (the “Property”)) for a purchase price $4,200,000, which was paid for in part by a $2,600,000 loan (“Original Bank Loan”) from First Republic Bank, a Nevada banking association, to which First Republic Bank, a California corporation, is successor in interest (“Bank”). NOCCS’s obligations under the Original Bank Loan were secured by a first deed of trust on the Property, recorded on 4/21/2006 as Document No. 2006157737 in the Official Records of Alameda County.**

**B. Peter M. Trueblood and Cynthia Evans Trueblood (collectively, “Guarantors”) and Kathleen Hull (“Hull”) executed a Continuing Guaranty in favor of the Bank pursuant to which they each personally guaranteed the Original Bank Loan (“Guaranty”). In connection with such guaranty, NOCCS entered into a Guarantor Agreement, dated April 19, 2006, with the Guarantors and Hull (“Guarantor Agreement”), pursuant to which NOCCS undertook certain obligations to Guarantors and Hull, which obligations were secured by a second deed on trust on the Property, recorded on 4/21/2006 as Document No. 2006157739 in the Official Records of Alameda County (“Guarantor Trust Deed”).**

**C. On April 19, 2006, Charter Loans, LLC, a California limited liability company (“Charter Loans”), extended a loan to NOCCS in the amount of $1,050,000 as evidenced by Promissory Note Secured by Deed of Trust, dated April 19, 2006, in favor of Charter Loans (“Charter Note”), the proceeds of which were also used to pay the purchase price for the Property. The Charter Note was secured by a third deed on trust on the Property, recorded on 4/21/2006 as Document No. 2006157740 in the Official Records of Alameda County (“Charter Trust Deed”).**

**D. On February 10, 2010, with the consent of the Bank, the Guarantors, Hull and Charter, NOCCS transferred the Property to 1000 42nd Street LLC, a California limited liability company (“Borrower”), whose sole member is Progressive Equity Charter, Inc. (“PEC”). PEC is a California nonprofit public benefit corporation whose purpose is to support NOCCS. In connection with the transfer of the Property to Borrower, NOCCS assigned and Borrower assumed all of the obligations of NOCCS to the Bank, the Guarantors and Charter Loans described above.**

**E. The maturity date of the Original Bank Loan is May 1, 2011 and the Bank has agreed to modify the Original Bank Loan to extend the maturity date to May 1, 2016 and to make other changes pursuant to a Modification Agreement between the Bank and Borrower and other documents related thereto (“Bank Loan Modification”). In connection with the Bank Loan Modification, the Bank has agreed to release Hull from the Guaranty, leaving the Guarantors as the guarantors under the Guaranty.**

**F. Guarantors are willing to agree to the release of Hull from the Guaranty and to be solely responsible as guarantors under the Guaranty if NOCCS and Borrower agree to modify the Guarantor Agreement as set forth in that certain First Amended and Restated Guarantor Agreement, in the form attached hereto as Exhibit A (“Amended Guarantor Agreement”).**

**G. Section 3 of the Charter Note requires the consent of Charter Loans to the Bank Loan Modification and the Amended Guarantor Agreement. Charter Loans is willing to consent to the Bank Loan Modification and the Amended Guarantor Agreement on the terms contained in that certain Agreement among NOCCS, Borrower and Charter Loans in the form attached hereto as Exhibit B (“Charter Consent Agreement”).**

**NOW, THEREFORE, IT IS HEREBY RESOLVED THAT:**

**1. The resolutions pertaining to the Bank Loan Modification, attached hereto as Exhibit C and made a part hereof (the “Bank Resolutions”), are hereby authorized, approved and ratified, and the board of directors of PEC is hereby authorized and directed to adopt, authorize, approve and ratify the Bank Resolutions.**

**2. The execution, delivery and performance by NOCCS of (i) all documents that the Bank may require NOCCS to sign in connection with the Bank Loan Modification or the Bank Resolutions, (ii) the Amended Guarantor Agreement and the Memorandum of Option attached as Exhibit A thereto (collectively, the “Guarantor Documents”), and (iii) the Charter Consent Agreement are hereby authorized, approved and ratified.**

**3. Each of Susan Jones and Jay Weil, acting alone, is authorized, directed and empowered to execute any of the documents contemplated the Bank Loan Modification or the Bank Resolutions, the Guarantor Documents, or the Charter Consent Agreement, and all additional documents and to take all additional action as either of them may deem necessary or appropriate and to do all things necessary and desirable to effectuate the intent of the foregoing resolutions.**

**4. PEC is hereby authorized and directed to act and to cause its officers, including, without limitation, its president, Richard Trafford-Owen, to act, on behalf of Borrower to execute, deliver and perform any of the documents contemplated by the Bank Loan Modification or the Bank Resolutions, the Guarantor Documents, and the Charter Consent Agreement, and all additional documents and to take all additional action as may be necessary or appropriate and to do all things necessary and desirable to effectuate the intent of the foregoing resolution.**

The resolution was discussed to clarify its meaning. The capital campaign was also the focus of some discussion. Peter Trueblood reiterated his feeling that NOCCS and the board need to prioritize the capital campaign and that the board needs to present a unified positive message about the capital campaign. The board reiterated its support of this position.

Julie made the aforementioned motion, Catherine seconded. Motion carried unanimously.

Meeting adjourned.