



Facilities Committee / Board Agenda Item: II B: Recommended Action Item

Date: June 21, 2022

To: Magnolia Public Schools (“**MPS**”) Facilities Committee (“**Committee**”)

From: Alfredo Rubalcava, Chief Executive Officer and Superintendent
Patrick Ontiveros, General Counsel & Director of Facilities
Mustafa Sahin, Project Manager

RE: Approval of CLI Capital as a Lender to MPS and its Affiliates

I. Proposed Motion/Recommendation(s)

Staff recommends and moves that the Committee approve CLI Capital (“**CLI**”) as a lender to MPS and its affiliates for such projects and purposes as MPS’s CEO and Superintendent, CFO, and other C-Team staff members may deem necessary and appropriate and in the best interests of MPS and its affiliates. Staff further recommends that the Committee move that the MPS Board of Directors (the “**MPS Board**”) adopt the same.

II. Background

According to its website “*CLI Capital is a private Real Estate Investment Trust. For over 60 years, CLI has provided creative financing solutions for specialty real estate projects. As a direct lender, we pride ourselves on providing innovative credit structures in a responsive manner. Our current areas of focus are in the education and healthcare sectors. We specialize in bridge financing needs, interim construction projects, and semi-permanent loans in these sectors.*” CLI Capital is headquartered in Amarillo, Texas.

CLI has been in business since the 1960s and has financed over \$2 billion in charter school projects since their first charter school transaction in 2011.

III. Conclusion / Budget Impact

There are no immediate budget impacts to MPS. MPS Staff will evaluate each possible transaction with CLI on a case by case basis.