



Board Agenda Item: V I: Action Item

Date: June 23, 2022

To: Magnolia Public Schools (“**MPS**”) Board of Directors (“**MPS Board**”)

From: MPS Audit/Facilities Committee
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 Board 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

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.