

RECREATION AND PARK COMMISSION
City and County of San Francisco
Resolution No. 1804-006

RESOLUTION REQUESTING THAT THE BOARD OF SUPERVISORS APPROVE THE ISSUANCE OF LEASE REVENUE BONDS FOR THE PURPOSE OF REFUNDING OUTSTANDING BONDS SECURED BY THE PARK, RECREATION AND OPEN SPACE FUND AND BY CERTAIN CITY-OWNED PROPERTIES UNDER THE JURISDICTION OF THE RECREATION AND PARK COMMISSION

WHEREAS, on March 7, 2000, the voters of the City and County of San Francisco (the "City") approved Proposition C, which extended the Park, Recreation and Open Space Fund (the "Fund"), established by Section 16.107 of the City's Charter (the "Charter") and administered by the Recreation and Park Department ("Department") as directed by the Recreation and Park Commission ("Commission"); and

WHEREAS, pursuant to Section 16.107(e) of the Charter, the Commission may request and, upon recommendation of the Mayor of the City, the Board of Supervisors of the City (the "Board of Supervisors") may authorize the issuance of revenue bonds or other evidences of indebtedness, or the incurrence of other obligations, secured by the Fund for the acquisition, construction, reconstruction, rehabilitation and/or improvement of real property and/or facilities and for the purchase of equipment; and

WHEREAS, pursuant to Section 9.108(2), the City, acting through the City and County of San Francisco Finance Corporation (the "Corporation"), may issue refunding bonds that are expected to result in net savings in rental payments to the City and County on a present value basis, calculated as provided by ordinance; and

WHEREAS, at the request of the Board of Supervisors pursuant to Section 16.107(e), the Corporation has previously issued \$27,005,000 aggregate principal amount of its Lease Revenue Bonds, Series 2006 (Open Space Fund – Various Park Projects) (the "Series 2006 Bonds") and \$42,435,000 aggregate principal amount of its Lease Revenue Bonds, Series 2007 (Open Space Fund – Various Park Projects) (the "Series 2007 Bonds" and, together with the Series 2006 Bonds, the "Prior Bonds") to finance the construction, reconstruction, rehabilitation and/or improvement of various park, recreation and open space improvements; and

WHEREAS, to further secure the Prior Bonds, the City and the Corporation entered into certain leases of City-

owned facilities and properties under the jurisdiction of the Commission (the "Prior Leased Property"); and

WHEREAS, the Series 2006 Bonds are currently outstanding in an aggregate principal amount of \$15,805,000 and the Series 2007 Bonds are currently outstanding in an aggregate principal amount of \$28,135,000; and

WHEREAS, to reduce the annual debt service costs with respect to the Prior Bonds, the Commission wishes to request that the Board of Supervisors authorize the issuance of revenue bonds (the "2018 Bonds") pursuant to Section 16.107(e) secured by the Fund to refund the Prior Bonds; and

WHEREAS, the Commission has identified certain other City-owned facilities and properties under the jurisdiction of the Commission for purposes of leasing in connection with the issuance and sale of the 2018 Bonds as set forth and further described below; and

WHEREAS, as part of the refunding, the leases entered into between the City and the Corporation in connection with the Prior Bonds will be terminated and the Prior Leased Property will be unencumbered by the financing leases; now therefore be it,

RESOLVED, that the Commission hereby requests that the Board of Supervisors approve the issuance by the Corporation of the 2018 Bonds to refund the Prior Bonds pursuant to Section 9.108(2) of the Charter.

RESOLVED, that the issuance of the 2018 Bonds and lease financing hereby approved may involve the lease and leaseback by the City of all or a portion of the real property and improvements identified as follows: (1) the Betty Ann Ong Chinese Recreation Center, located at 1199 Mason Street, (2) the Sunset Recreation Center, located at 2201 Lawton Street, (3) the Palega Recreation Center, located at 500 Felton Street, (4) the Minnie & Lovie Ward Recreational Center, located at 650 Capital Avenue, and (5) any other property under the jurisdiction of the Commission that is available to be leased for these purposes, as determined by the Department's General Manager or his or her designee in consultation with the Director of Real Estate, the Office of Public Finance and the City Attorney.

Adopted by the following vote:

Ayes 7

Noes 0

Absent 0

I hereby certify that the foregoing resolution was adopted at the Recreation and Park Commission meeting held on April 19, 2018.

A handwritten signature in cursive script, reading "Margaret A. McArthur", written over a horizontal line.

Margaret A. McArthur, Commission Liaison

