

1 [TEFRA Approval for the Execution and Delivery of Tax-Exempt Certificates of Participation
2 (City Office Buildings – Multiple Properties Project).]

3 **Resolution approving the issuance and sale of tax-exempt certificates of participation**
4 **in an aggregate principal amount not to exceed \$162,000,000 to finance the acquisition**
5 **and/or improvement of the portions of the buildings known as One South**
6 **Van Ness Avenue, 1650 Mission Street and 30 Van Ness Avenue that are currently**
7 **leased to nonprofit corporations.**

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9 WHEREAS, In its Resolution No. 680-06 this Board of Supervisors (the "Board") of the
10 City and County of San Francisco (the "City") approved the execution and delivery of
11 certificates of participation by the City in an aggregate principal amount not to exceed
12 \$162,000,000 (the "Certificates") to finance the acquisition and improvement of the building
13 commonly known as One South Van Ness Avenue, the acquisition and improvement of the
14 building commonly known as 1650 Mission Street, and improvements to the City-owned
15 building located at 30 Van Ness Avenue (collectively, the "Project"); and,

16 WHEREAS, Portions of the facilities comprising the Project will be leased to
17 certain non-governmental tenants (the "Tenants") that are organizations described in
18 Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"), including the California
19 Pacific Medical Center at the One South Van Ness property, The Private Industry Council at
20 the 1650 Mission Street property and the Herbst Foundation at the 30 Van Ness Avenue
21 property; and,

22 WHEREAS, The Director of the City's Office of Public Finance deems it advisable to
23 issue as much of the aggregate principal amount of the Certificates on a tax-exempt basis as
24 practicable; and,

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1 WHEREAS, The portion of the Certificates financing the acquisition or improvement of
2 the space currently occupied by Tenants (the "501(c)(3) Portion") may be issued on a tax-
3 exempt basis if such portion is issued as a "qualified 501(c)(3) bond" under the Code; and,

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5 WHEREAS, The Project is located wholly within the City; and,

6 WHEREAS, The interest on the 501(c)(3) Portion may qualify for tax exemption under
7 Section 103 of the Code only if the Certificates are approved in accordance with
8 Section 147(f) of the Code; and,

9 WHEREAS, The Board of Supervisors of the City (the "Board") is the elected legislative
10 body of the City and is one of the applicable elected representatives required to approve the
11 issue within the meaning of Section 147(f) of the Code; and,

12 WHEREAS, On February 19, 2007, the City caused a notice to appear in the
13 *San Francisco Examiner*, which is a newspaper of general circulation in the City, stating that a
14 public hearing with respect to the execution and delivery of the Certificates would be held by
15 the City's Office of Public Finance on March 5, 2007; and

16 WHEREAS, The Office of Public Finance held the public hearing described above on
17 March 5, 2007, and an opportunity was provided for persons to comment on the execution
18 and delivery of the Certificates and the plan of financing for the Project; now, therefore be it

19 RESOLVED, That this Board hereby finds and declares the above recitals are true and
20 correct; and, be it

21 FURTHER RESOLVED, That this Board hereby approves the execution and delivery of
22 the Certificates, including the 501(c)(3) Portion; and, be it

23 FURTHER RESOLVED, That it is the purpose and intent of this Board that this
24 Resolution constitute approval of the issuance of the 501(c)(3) Portion by the applicable
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1 elected representative of the governmental unit having jurisdiction over the area in which the
2 Project is located for the purposes of and in accordance with Section 147(f) of the Code; and,
3 be it

4 FURTHER RESOLVED, That this Resolution shall take effect immediately upon its
5 adoption.

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7 APPROVED AS TO FORM:

8 DENNIS J. HERRERA
9 City Attorney

10 By: _____
11 MICHAEL J. MARTIN
12 Deputy City Attorney

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