

1 [Resolution Authorizing Issuance Of Revenue Bonds By California Municipal Finance  
2 Authority]

3 **Resolution approving the issuance of revenue bonds by the California Municipal**  
4 **Finance Authority for the purpose of financing or refinancing the acquisition of the**  
5 **State Office buildings Known as the Public Utilities Commission Building and/or the**  
6 **San Francisco Civic Center and certain other matters pertaining thereto.**

7  
8 WHEREAS, Pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of  
9 the State of California (the "Act"), certain public agencies (the "Members") have entered into  
10 the Joint Exercise of Powers Agreement Relating to the California Municipal Finance  
11 Authority, dated as of January 1, 2004 (the "Agreement"), in order to form the California  
12 Municipal Finance Authority (the "Authority") for the purpose of promoting economic, cultural  
13 and community development, and in order to exercise any powers common to the Members,  
14 including the issuance of bonds, notes or other evidences of indebtedness; and

15 WHEREAS, The City and County of San Francisco, California (the "City") is a Member  
16 of the Authority; and

17 WHEREAS, The Authority is authorized to issue and sell revenue bonds for the  
18 purpose, among others, of financing or refinancing the construction of capital projects; and

19 WHEREAS, The Authority intends to issue revenue bonds in the maximum principal  
20 amount of \$2,750,000,000 (the "Bonds") and use the proceeds or loan the proceeds to a  
21 subsidiary, affiliate or designee (the "Borrower"): (1) to finance and/or refinance the acquisition  
22 of the state office building/s known as the San Francisco Utilities Commission Building,  
23 located at 505 Van Ness Avenue, San Francisco, California and/or the San Francisco Civic  
24 Center, located at 350 McAllister Avenue and 455 Golden Gate Avenue, San Francisco,  
25 California, in each case, to be leased on a long-term basis to the State of California through

1 its Department of General Services (the “Project”); and (2) to finance and/or refinance similar  
2 projects outside the City, fund a reserve fund, if required and pay certain expenses incurred in  
3 connection with the issuance of the Bonds; and

4 WHEREAS, The manager(s) of the projects will be the Borrower, or another entity  
5 selected by the Authority or the Borrower; and

6 WHEREAS, The issuance of the Bonds by the Authority will effect demonstrable  
7 savings in interest rate and/or issuance costs which constitute significant public benefits  
8 pursuant to the Act; and

9 WHEREAS, The Act and the Agreement require that the local agency within which a  
10 public capital improvement to be financed with the proceeds of the Bonds is located, hold a  
11 public hearing and approves the financing of the public capital improvement by the Authority  
12 following such hearing; and

13 WHEREAS, The Authority has requested that the Board of Supervisors of the City and  
14 County of San Francisco (the “Board of Supervisors”) approve the financing of the Project by  
15 the Authority through the issuance of the Bonds in order to satisfy the approval requirement of  
16 the Act and the requirements of the Agreement; and

17 WHEREAS, Notice of such public hearing has been duly given as required by the Act,  
18 and this Board of Supervisors has heretofore held such public hearing at which all interested  
19 persons were given an opportunity to be heard on all matters relative to the financing of the  
20 Project and the Authority’s issuance of the Bonds therefor; and

21 WHEREAS, It is in the public interest and for the public benefit that the Board of  
22 Supervisors approve the issuance of the Bonds by the Authority to finance and/or refinance  
23 the acquisition of the Project;

1 RESOLVED, as follows:

2 Section 1. The Board of Supervisors hereby approves the financing and/or refinance  
3 of the acquisition of the Project through the issuance of the Bonds by the Authority and finds  
4 that this method of financing will effect the significant public benefits of the type described in  
5 Section 6586(a) of the Act, as set forth above. It is the purpose and intent of the Board of  
6 Supervisors that this resolution constitute approval of the financing of the Project through the  
7 issuance of the Bonds by the Board of Supervisors in accordance with the Agreement and the  
8 Act.

9 Section 2. The issuance of the Bonds shall be subject to the approval by the  
10 Authority of all financing documents relating thereto to which the Authority is a party. The City  
11 shall have no responsibility or liability whatsoever with respect to the Bonds.

12 Section 3. The adoption of this Resolution shall not obligate the City or any  
13 department thereof to (i) provide any financing to acquire or construct the Project or to  
14 refinance the Project; (ii) approve any application or request for or take any other action in  
15 connection with any planning approval, permit or other action necessary for the acquisition,  
16 rehabilitation or operation of the Project; (iii) make any contribution or advance any funds  
17 whatsoever to the Authority; or (iv) take any further action with respect to the Authority or its  
18 membership therein.

19 Section 4. The executing officer, the Clerk and all other proper officers and officials  
20 of the City are hereby authorized and directed to execute such other agreements, documents  
21 and certificates, and to perform such other acts and deeds, as may be necessary or  
22 convenient to effect the purposes of this Resolution and the transactions herein authorized.

23 Section 5. The Clerk shall forward a certified copy of this Resolution to the Authority  
24 in care of its counsel:

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1 Harriet M. Welch, Esq.  
2 Squire, Sanders & Dempsey LLP.  
3 555 South Flower St., Suite 3100  
4 Los Angeles, CA 90071-2300

5 Section 6. This resolution shall take effect immediately upon its passage.

6 APPROVED AS TO FORM:

7 DENNIS J. HERRERA, City Attorney

8  
9 By \_\_\_\_\_  
10 MARK D. BLAKE  
11 Deputy City Attorney