

1 [Issuance of Tax-Exempt Obligation - The Hamlin School - Not to Exceed \$22,000,000]

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3 **Resolution approving in accordance with Internal Revenue Code, Section 147(f), of the**
4 **issuance of a tax-exempt revenue obligation by the California Enterprise Development**
5 **Authority in an aggregate principal amount not to exceed \$22,000,000 to refinance**
6 **various capital facilities owned and operated by The Hamlin School.**

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8 WHEREAS, The Hamlin School, a California nonprofit public benefit corporation (the
9 “School”), has requested that the California Enterprise Development Authority, a joint exercise
10 of powers agency established pursuant to the laws of the State of California (the “Authority”),
11 issue its tax-exempt revenue obligation (the “Obligation”), in an aggregate principal amount
12 not to exceed \$22,000,000, for the purpose of making a loan to the School pursuant to a plan
13 of refinancing for various capital facilities as more fully described below; and

14 WHEREAS, The City and County of San Francisco (the “City”) is a member of the
15 Authority; and

16 WHEREAS, The School expects to use the proceeds of the Obligation for: (1)
17 refinancing the \$20,000,000 ABAG Finance Authority for Nonprofit Corporations Revenue
18 Bonds (The Hamlin School) Series 2007 (the “Prior Bonds”), which were used to finance or
19 refinance the renovation and reconstruction of certain K-8 educational facilities located at
20 2120 Broadway, San Francisco, California 94115, and the purchase and acquisition of, and
21 improvements to, the land located at 2124 Broadway, San Francisco, California 94115
22 (collectively, the “Facilities”), and (2) paying costs of issuance related to the Obligation and
23 other related costs (collectively, the “Project”); and

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1 WHEREAS, The owner and/or operator of all capital improvements, including
2 equipment and other costs to be financed with proceeds of the Obligation will be the School;
3 and

4 WHEREAS, The issuance of the Obligation shall be subject to the approval of and
5 execution by the Authority of all financing documents relating thereto to which the Authority is
6 a party; and,

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

8 WHEREAS, The interest on the Obligation may qualify for tax exemption under Section
9 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the Obligation is
10 approved by an "applicable elected representative" of the City in accordance with Section
11 147(f) of the Code; and

12 WHEREAS, The Board of Supervisors of the City (the "Board") is the elected legislative
13 body of the City and is therefore an "applicable elected representative" required to approve
14 the issue within the meaning of Section 147(f) of the Code; and

15 WHEREAS, The Authority has requested the Board to approve the issuance of the
16 Obligation in order to satisfy the public approval requirements of Section 147(f) of the Code;
17 and

18 WHEREAS, On August 6, 2013, the City caused a notice to appear in the San
19 Francisco Chronicle, which is a newspaper of general circulation in the City, stating that a
20 public hearing with respect to the issuance of the Obligation would be held by the City's Office
21 of Public Finance on August 21, 2013; and

22 WHEREAS, The City's Office of Public Finance held the public hearing described
23 above on August 21, 2013, and an opportunity was provided for persons to comment on the
24 issuance of the Obligation and plan of financing the Project; and

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1 WHEREAS, The Director of Public Finance recommends approval of the issuance of
2 the Obligation pursuant to Chapter 43, Article 9, Section 5 of the Administrative Code; now,
3 therefore, be it

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

6 FURTHER RESOLVED, That this Board hereby approves the issuance of the
7 Obligation by the Authority; and, be it

8 FURTHER RESOLVED, That it is the purpose and intent of this Board that this
9 Resolution constitutes approval of the issuance of the Obligation by the applicable elected
10 representative of the governmental unit having jurisdiction over the area in which the Project
11 is located, and on behalf of which the Obligation is being issued, for purposes of and in
12 accordance with Section 147(f) of the Code; and, be it

13 FURTHER RESOLVED, That the approval by the City of the issuance of the Obligation
14 by the Authority is neither an approval of the underlying credit of the School or of the
15 proposed Project nor an approval of the financial structure of the Obligation; and neither the
16 City, nor any department thereof, shall have any responsibility or liability whatsoever with
17 respect to the Obligation or the Project; and, be it

18 FURTHER RESOLVED, That the Obligation shall not constitute a debt or obligation in
19 any respect of the City, and the payment of the principal, prepayment premium, if any, and
20 interest on the Obligation shall be solely the responsibility of the School; and, be it

21 FURTHER RESOLVED, That the adoption of this Resolution shall not obligate the City
22 or any department of the City to (i) provide financing to the School for the repayment of the
23 Prior Bonds or to issue the Obligation for purposes of such financing; (ii) make any
24 contribution or advance any funds to the Authority; or (iii) approve any application or request
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1 for, or take any other action in connection with, any environmental, General Plan, zoning or
2 any other permit or other regulatory action sought in connection with the Project; and, be it

3 FURTHER RESOLVED, That the Controller and the Director of the Office of Public
4 Finance and any other proper officers of the City are hereby authorized and directed to
5 execute such other agreements, documents and certificates, and to perform such other acts
6 as may be necessary or advisable to effect the purposes of this Resolution, and, be it

7 FURTHER RESOLVED, That this Resolution shall take effect immediately upon its
8 adoption.

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10 APPROVED AS TO FORM:

11 DENNIS J. HERRERA
12 CITY ATTORNEY

13 BY: _____
14 KENNETH DAVID ROUX
15 Deputy City Attorney
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