

File No. 100754

Committee Item No. 2

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight Date June 24, 2010

Board of Supervisors Meeting Date \_\_\_\_\_

#### Cmte Board

- |                                     |                          |  |
|-------------------------------------|--------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Budget Analyst Report                        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Analyst Report                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/> | Introduction Form (for hearings)             |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/> | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Public Correspondence                        |

#### OTHER

(Use back side if additional space is needed)

<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____

Completed by: Alisa Somera Date June 21, 2010  
Completed by: \_\_\_\_\_ Date \_\_\_\_\_

An asterisked item represents the cover sheet to a document that exceeds 25 pages.  
The complete document can be found in the file.



1 [Issuance and Sale of Tax-Exempt Revenue Bonds – Young Men’s Christian Association of  
2 San Francisco – Not to Exceed \$8,500,000]

3 **Resolution approving the issuance and sale of tax-exempt revenue bonds by the**  
4 **California Municipal Finance Authority in an aggregate principal amount not to exceed**  
5 **\$8,500,000 to finance and refinance community center facilities owned and operated by**  
6 **the Young Men's Christian Association of San Francisco.**  
7

8 WHEREAS, Young Men's Christian Association of San Francisco, a California nonprofit  
9 corporation (the "Borrower"), has requested that the California Municipal Finance Authority, a  
10 joint exercise of powers agency established pursuant to the laws of the State of California (the  
11 "Authority") participate in the issuance of revenue bonds in an aggregate principal amount not  
12 to exceed \$8,500,000 (the "Bonds") for the purpose of, among other things, financing the  
13 improvement and equipping of a community center and related facilities owned by the  
14 Borrower and located at 855 Sacramento Street, San Francisco, California (the "Project"); and

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

17 WHEREAS, The issuance and delivery of the Bonds shall be subject to the approval of  
18 and execution by the Authority of all financing documents relating thereto to which the  
19 Authority is a party and shall also be subject to the sale of the Bonds by the Authority; and,

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

21 WHEREAS, The interest on the Bonds may qualify for tax exemption under Section  
22 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the Bonds are  
23 approved in accordance with Section 147(f) of the Code; and  
24  
25

1           WHEREAS, The Board of Supervisors of the City (the "Board") is the elected legislative  
2 body of the City and is one of the applicable elected representatives required to approve the  
3 issuance of the Bonds within the meaning of Section 147(f) of the Code and the public agency  
4 approval requirements of Section 91530(f) of the Government Code of the State of California,  
5 as amended; and

6           WHEREAS, The Authority has requested the Board to approve the issuance and sale  
7 of the Bonds in order to satisfy the public approval requirements of Section 147(f) of the Code  
8 and the public agency approval requirements of Section 91530(f) of the Government Code of  
9 the State of California, as amended; and

10           WHEREAS, On May 19, 2010, the City caused a notice to appear in the *San Francisco*  
11 *Chronicle*, which is a newspaper of general circulation in the City, stating that a public hearing  
12 with respect to the issuance of the Bonds would be held by the City's Office of Public Finance  
13 on June 2, 2010; and

14           WHEREAS, The Office of Public Finance held the public hearing described above on  
15 June 2, 2010, and an opportunity was provided for persons to comment on the issuance and  
16 sale of the Bonds and the plan of finance for the Project; and

17           WHEREAS, the Director of the Office of Public Finance recommends approval of the  
18 issuance and sale of the Bonds pursuant to Chapter 43, Article 9, Section 5 of the  
19 Administrative Code; now, therefore, be it

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

22           FURTHER RESOLVED, That this Board hereby approves the issuance and sale of the  
23 Bonds by the Authority for the purposes of financing the acquisition, acquiring, construction,  
24 improvement and equipping of the Project; and, be it

1 FURTHER RESOLVED, That it is the purpose and intent of this Board that this  
2 Resolution constitute approval by the applicable elected representative of the governmental  
3 unit having jurisdiction over the area in which the Project is located for the purposes of and in  
4 accordance with Section 147(f) of the Code and the public agency approval requirements of  
5 Section 91530(f) of the Government Code of the State of California, as amended; and, be it

6 FURTHER RESOLVED, That the approval by the City of the issuance and sale of the  
7 Bonds by the Authority is neither an approval of the underlying credit issues of the proposed  
8 Project nor an approval of the financial structure of the Bonds; and the City, nor any  
9 department thereof, shall have no responsibility or liability whatsoever with respect to the  
10 Bonds or the Project; and, be it

11 FURTHER RESOLVED, That the Bonds shall not constitute a debt or obligation of the  
12 City and the payment of the principal, prepayment premium, if any, and purchase price of and  
13 interest on the Bonds shall be solely the responsibility of the Borrower; and, be it

14 FURTHER RESOLVED, The adoption of this Resolution shall not obligate (i) the City to  
15 provide financing to the Borrower for the acquisition, rehabilitation and development of the  
16 Project or to issue the Bonds for purposes of such financing; (ii) make any contribution or  
17 advance any funds to the Authority; (iii) the City, or any department of the City, to approve any  
18 application or request for, or take any other action in connection with, any environmental,  
19 General Plan, zoning or any other permit or other regulatory action sought in connection with  
20 the Project; and, be it

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

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

2

3 APPROVED AS TO FORM:

4 DENNIS J. HERRERA  
5 City Attorney

6 By: Kenneth David Roux  
7 KENNETH DAVID ROUX  
8 Deputy City Attorney

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Application Number: \_\_\_\_\_

## APPLICATION FOR ASSISTANCE / FINANCING

### I. APPLICANT PROFILE

<b>Borrower's Name:</b>	Young Men's Chirstian Association of San Francisco		
<b>Street Address:</b>	631 Howard Street, Suite 500		
<b>City / State / Zip Code:</b>	San Francisco, CA 94105		
<b>Contact Name:</b>	Kathy Cheng	<b>Title:</b>	Sr. Vice Pres./Chief Financial Officer
<b>Contact Phone:</b>	(415) 777-9622	<b>Fax:</b>	(415) 777-6915
<b>Contact E-Mail:</b>	kcheng@ymcasf.org		

<b>Corporate Structure:</b>	<input type="checkbox"/> S Corporation <input type="checkbox"/> C Corporation <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> Other		
<b>Date of Incorporation:</b>	4/12/1932	<b>State of Incorporation:</b>	California

<b>Guarantor's Name:</b>	None		
<b>Street Address:</b>			
<b>City / State / Zip Code:</b>			
<b>Contact Name:</b>		<b>Title:</b>	
<b>Contact Phone:</b>		<b>Fax:</b>	
<b>Contact E-Mail:</b>			

### II. TYPE OF ACTIVITY (Check appropriate box or boxes)

- Nonprofit or Public Benefit   
  Housing   
  Manufacturing or Pollution Control   
  Government   
  Other

### III. FINANCING INFORMATION

<b>Maximum Amount of Bonds:</b>	\$8,500,000	<b>Approximate Date of Sale of Bonds:</b>	June 1, 2010
<b>Scheduled Maturity of Bonds:</b>	10/1/2029		
<b>Type of Financing:</b>	<input type="checkbox"/> New Money <input checked="" type="checkbox"/> Refunding	<b>If Refunding, State Volume Cap Required:</b>	\$0.00
<b>Type of Offering:</b>	<input type="checkbox"/> Public <input checked="" type="checkbox"/> Private		
<b>Credit Enhancement:</b>	<input type="checkbox"/> Letter of Credit <input checked="" type="checkbox"/> None <input type="checkbox"/> Bond Insurance <input type="checkbox"/> Other: _____		

Expected Rating on Bonds:

None



**IV. PROJECT DESCRIPTION**

Is this Application related to another previously submitted project? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Provide Detailed Description of Project:	Proceeds will refinance a ABAG taxable bonds used to refinance project debt.
Activity/Products Manufactured:	Upstanding young men, women and children
Provide Detailed Summary of Public Benefits Associated with Project:	The refinancing will significantly reduce the debt service cost to the Borrower, enabling the Borrower to re-direct funds to its charitable function, which is the positive development of the people of San Francisco

**V. PROJECT SITE LOCATION** (Please attach separate sheet labeled "Project Site Locations" for multiple site projects.)

Street Address:	see addendum		
City:		County:	
State:		Zip Code:	
Current # of Employees at this site:		Full-Time Jobs Created/Retained:	

**VI. SUMMARY OF PROJECT COSTS**

Sources of Funds:	Amount
Tax-Exempt Bond Proceeds:	\$ 8,130,000
Taxable Bond Proceeds:	
Other*: _____	
Other*: _____	
Other*: _____	
Other*: _____	
Equity:	66,260.00
<b>Total Source of Funds:</b>	<b>\$</b>

Summary of Project Costs:	Amount
Land Acquisition:	\$
Building Acquisition:	
Rehabilitation:	
New Construction:	
New Machinery & Equipment:	
Used Machinery & Equipment:	
Architectural & Engineering:	
Legal and Professional:	
Other: <u>Refinance</u>	\$8,130,000.00
Other: <u>Issuer closing fee</u>	16,260.00
Other: _____	
Other: _____	
Costs of Issuance:	50,000.00
<b>Total Project Costs:</b>	<b>\$ 8,196,260.00</b>

\* Identify other sources: Equity, Bank Financing, use of Federal, State or Local Financing Programs, etc.

**VII. FINANCING TEAM**

<b>BORROWER'S COUNSEL:</b>		Paul, Hastings, Janofsky & Walker LLP			
Street Address:		55 Second Street, Twenty-Fourth Floor			
City / State / Zip Code:		San Francisco, CA 94105			
Contact Name:		Kevin B. Fisher	Title:	Lawyer	
Contact Phone:	415-856-7219	Fax:	451-856-7319	E-Mail:	kevinfisher@pauhastings.com

<b>FINANCIAL ADVISOR:</b>		None			
Street Address:					
City / State / Zip Code:					
Contact Name:			Title:		
Contact Phone:		Fax:		E-Mail:	

<b>UNDERWRITER:</b>		Bank of America, N.A. will be the sole purchaser and owner of the Bonds			
Street Address:		315 Montgomery Street, 13th Floor			
City / State / Zip Code:		San Francisco, CA 94104-1866			
Contact Name:		Marianna Pisano	Title:	Vice President	
Contact Phone:	415-913-2865	Fax:	415-913-2365	E-Mail:	marianna.pisano@bamf.com

<b>UNDERWRITER'S COUNSEL:</b>		None			
Street Address:					
City / State / Zip Code:					
Contact Name:			Title:		
Contact Phone:		Fax:		E-Mail:	

<b>BOND COUNSEL:</b>		Mark E. Raymond, Esq.			
Street Address:		4360 Northlake Boulevard; Suite 204			
City / State / Zip Code:		Palm Beach Gardens, Florida 33410			
Contact Name:		Mark E. Raymond	Title:	Lawyer	
Contact E-Mail:		mark.raymond@mraymondlaw.com			
Contact Phone:	561-775-8440	Fax:	561-775-8442	E-Mail:	mark.raymond@mraymondlaw.com

<b>CREDIT ENHANCEMENT PROVIDER:</b>		none			
Street Address:					
City / State / Zip Code:					
Contact Name:			Title:		
Contact Phone:		Fax:		E-Mail:	

**ADDITIONAL REQUIREMENTS:**

1. \$2,500.00 Non-Refundable Application Fee made payable to the **California Municipal Finance Authority**.
2. Provide Description of Borrower and/or its Affiliates.
3. Provide Description of Developer's Experience (including a summary of other multi-family housing development projects completed within past five years).
4. Financial Statements (or Annual Report) for most recent three years and most recent quarterly statement.
5. Provide Financial Forecast of the Project (including income statement, balance sheet, summary of cash flows, and forecasted sources and uses of financing).
6. For Housing Applications only – please complete Section VIII.

**CERTIFICATION**

I hereby represent that all the information contained in this documentation and attachments are true and correct to the best of my knowledge.

Signature: Kathy Cheng

Date: April, 2010

Print Name: KATHY CHENG

Print Title: Sr. Vice Pres./CFO

**FOR MORE INFORMATION OR TO SUBMIT AN APPLICATION  
PLEASE CONTACT:**

CALIFORNIA MUNICIPAL FINANCE AUTHORITY  
 Attention: John P. Stoecker  
 2111 Palomar Airport Road, Suite 320  
 Carlsbad, CA 92011  
 Tel: (760) 930-1221 • Fax: (760) 683-3390  
 E-Mail: [jstoecker@cmfa-ca.com](mailto:jstoecker@cmfa-ca.com)

**VIII. HOUSING ADDENDUM (For Housing Applications Only)**

PROJECT NAME:	N/A		
Street Address:			
City:		County:	
State:		Zip Code:	
Land Owned / Date Acquired or Option:		Land Leased or Lease Option Date:	
Current Zoning of Project Site:		Will Project Require a Zoning Change:	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, Describe Changes Required:			
Other Entitlements:			
Number of Units:		Restricted:	Market:
% of Restricted Units:		% of Area Median Income for Low Income Housing:	
Describe Amenities:			
Describe Services:			

Please provide a breakdown of the following information:

Unit Size	No. of Units	Market	Restricted Rents	% of AMI
		\$	\$	
		\$	\$	

## V. Project Site Locations

Street Address: Peninsula YMCA, 1877 South Grant Avenue  
City: San Mateo  
County: San Mateo  
State: CA  
Zip Code: 94402  
Current # of Employees at this site: 191  
Full-Time Jobs Created/Retained: 48

Street Address: Presidio YMCA, 63 Funston Avenue  
City: San Francisco  
County: San Francisco  
State: CA  
Zip Code: 94129  
Current # of Employees at this site: 197  
Full-Time Jobs Created/Retained: 42

# DECLARATION OF PUBLICATION OF SAN FRANCISCO CHRONICLE

Lori Gomez

## NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on June 2, 2010, a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986 will be held with respect to the proposed issuance by the California Municipal Finance Authority of its revenue bonds in one or more series in an amount not to exceed \$9,500,000 (the "Bonds"). A portion of the proceeds of the Bonds will be used to finance the acquisition, construction, improving and equipping of community center facilities located at 855 Sacramento Street, San Francisco, California. The facilities are to be owned and operated by the Young Men's Christian Association of San Francisco, a California non-profit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986.

The Bonds and the obligation to pay principal of and interest thereon and any redemption premium with respect thereto do not constitute indebtedness or an obligation of the Authority, the State of California or any political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them. The Bonds shall be a limited obligation of the Authority, payable solely from certain revenues pledged therefor and generally representing amounts paid by the Borrower.

The hearing will commence at 10:00 a.m. or as soon thereafter as the matter can be heard, and will be held in the Office of Public Finance, Room 336, 1 Dr. Carlton B. Goodlett Place, San Francisco, California, 94102. Interested persons wishing to express their views on the issuance of the Bonds or on the nature and location of the facilities proposed to be financed may attend the public hearing or, prior to the time of the hearing, submit written comments.

Additional information concerning the above matter may be obtained from, and written comments should be addressed to the City c/o Office of Public Finance, City Hall, Room 336, 1 Dr. Carlton B. Goodlett Place, San Francisco, California, 94102.  
Dated: May 14, 2010

Declares that:

The annexed advertisement has been regularly published  
In the

SAN FRANCISCO CHRONICLE

Which is an was at all times herein mentioned  
established as newspaper of general circulation in the  
City and County of San Francisco, State of California, as  
the term is defined by Section 6000 of the Government  
Code

SAN FRANCISCO CHRONICLE

(Name of Newspaper)

901 Mission Street

San Francisco, CA 94103

From

5/19/10

To

5/19/10

Namely on

5/19/10

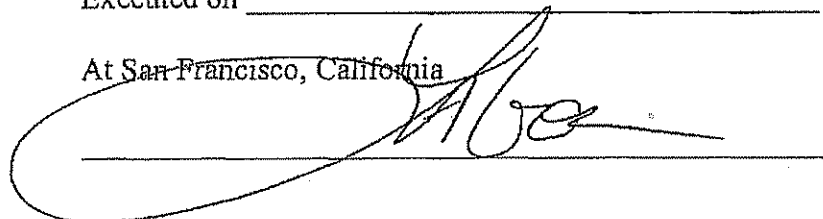
(Dates of Publication)

I declare under penalty of perjury that the foregoing is  
true and correct.

Executed on

5/19/10

At San Francisco, California



TEFRA SCRIPT  
CALIFORNIA MUNICIPAL FINANCE AUTHORITY PRIVATE OFFERING FOR  
THE YOUNG MEN'S CHRISTIAN ASSOCIATION OF SAN FRANCISCO'S  
FINANCING AND/OR REFINANCING VARIOUS CAPITAL FACILITIES IN  
SAN FRANCISCO, CALIFORNIA

To be read by the Office of Public Finance:

"This is a public hearing to consider the execution and delivery of revenue bonds (the "Bonds") for the purpose of making a loan to Young Men's Christian Association of San Francisco (the "Corporation") for the purpose of, among other things, financing the improvement and equipping of other community center and related facilities owned by the Corporation and located at 855 Sacramento Street, San Francisco, California (the "Project"), all to be owned or leased and operated by the Corporation. The public hearing regarding the financing is required by federal tax law. Today's hearing is part of a larger process and no decision or approval will be made here today. Your comments will be heard and provided to the Board of Supervisors. The Board of Supervisors will then have the discretion to consider legislation approving the issuance of the Bonds to finance and/or refinance the Project.

"The public hearing is now open. We will now hear from any person who wishes to speak about the proposed financing. Does anyone wish to speak about the financing?"

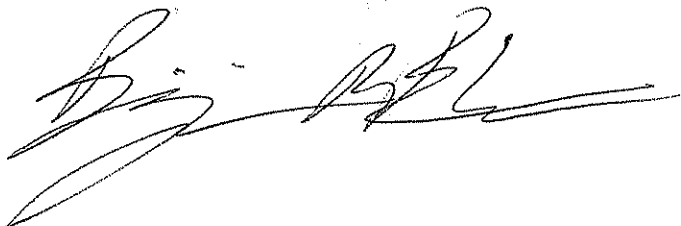
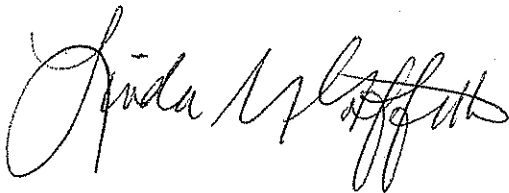
*[WAIT TO SEE IF ANY MEMBER OF THE AUDIENCE WISHES TO SPEAK AND, IF SO, GIVE EACH OF THEM THE OPPORTUNITY TO DO SO, WITHIN THE USUAL TIME LIMITS ALLOWED.]*

"Were any written comments on the proposed tax-exempt obligations or the project received by the Clerk or the Board of Supervisors or the Office of Public Finance prior to this hearing?"

*[IDENTIFY ANY SUCH WRITTEN COMMENTS OR STATE THAT NONE WERE RECEIVED.]*

"The public hearing is now closed"

Date: Wednesday, June 2, 2010



10:05 AM

