

1 [Approving Tax Reissuance of California Enterprise Development Authority Revenue  
2 Obligations - National Center for International Schools - Not to Exceed \$11,400,000]

3 **Resolution approving for purposes of Internal Revenue Code, Section 147(f), the**  
4 **Reissuance (for federal income tax purposes) of Revenue Obligations by the California**  
5 **Enterprise Development Authority in an aggregate principal amount not to exceed**  
6 **\$11,400,000 to finance or refinance certain educational and related facilities owned by**  
7 **the National Center for International Schools.**

8  
9 WHEREAS, The California Enterprise Development Authority (“Authority”) is authorized  
10 pursuant to the provisions of California Government Code, Section 6500 et seq., and the  
11 terms of a Joint Powers Agreement, dated as of June 1, 2006 (“Agreement”), among certain  
12 public agencies throughout the State of California, to issue revenue bonds and other forms of  
13 indebtedness to assist nonprofit corporations to obtain tax-exempt financing for appropriate  
14 projects and purposes; and

15 WHEREAS, National Center for International Schools (“Borrower”), a California  
16 nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the  
17 Internal Revenue Code of 1986, as amended (“Code”), has requested that the Authority  
18 participate in the reissuance (for federal income tax purposes) of certain outstanding revenue  
19 obligations qualifying as “qualified 501(c)(3) bonds” in a principal amount not to exceed  
20 \$11,400,000 (“Obligations”), which will be deemed to finance or refinance certain educational  
21 and related facilities located at 150 and 151 Oak Street, and 289 Fell Street, San Francisco,  
22 California 94102 (collectively, “Project”); and

23 WHEREAS, The legal owner of the Project has been and will be the Borrower, and  
24 French American International School and Chinese American International School, each a  
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1 California nonprofit public benefit corporation, lease the Project from the Borrower and are  
2 principal users of the Project; and

3 WHEREAS, The Project is located within the boundaries of the City and County of San  
4 Francisco (“City”), which is a member of the Authority; and

5 WHEREAS, Pursuant to Section 147(f) of the Code and the Treasury Regulations  
6 promulgated thereunder, the deemed reissuance of the Obligations by the Authority must be  
7 approved by an “applicable elected representative” of both the governmental unit reissuing the  
8 Obligations, or on behalf of which the Obligations are to be reissued, and a governmental unit  
9 having jurisdiction over the geographic area in which the Project is located, after a public  
10 hearing held following reasonable public notice; and

11 WHEREAS, The deemed reissuance and delivery of the Obligations shall be subject to  
12 the approval of and execution by the Authority; and

13 WHEREAS, The Authority has requested that the Board of Supervisors of the City and  
14 County of San Francisco (“Board”) approve the deemed reissuance of the Obligations,  
15 constituting a refinancing thereof for tax purposes, in order to satisfy the requirements of  
16 Section 147(f) of the Code and the Treasury Regulations promulgated thereunder, the Board  
17 being an applicable elected representative of the governmental unit on behalf of which the  
18 Obligations will be deemed reissued and having jurisdiction over the geographic area in which  
19 the Project is located within the meaning of Section 147(f) of the Code, and the Treasury  
20 Regulations promulgated thereunder; and

21 WHEREAS, On November 16, 2021, the City caused a notice to appear on its website,  
22 stating that a telephonic public hearing with respect to the deemed reissuance of the  
23 Obligations would be held by the Office of Public Finance on November 23, 2021; and

24 WHEREAS, The Office of Public Finance of the City has held the public hearing  
25 described above on November 23, 2021, and an opportunity was provided for persons to

1 comment on the deemed reissuance of the Obligations and the plan of financing/refinancing  
2 of the Project; and

3 WHEREAS, The Obligations as reissued will be limited obligations of the Authority,  
4 payable solely from and secured solely by amounts received from or on behalf of the  
5 Borrower, and will not constitute an indebtedness or obligation, or a pledge of the faith and  
6 credit of, or the taxing power, if any, of the City or the Authority, except to the limited extent  
7 described herein; and

8 WHEREAS, It is intended that this Resolution shall constitute approval of the  
9 reissuance of the Obligations for purposes of Section 147(f) of the Code and the Treasury  
10 Regulations promulgated thereunder; now, therefore, be it

11 RESOLVED, That this Board finds that all of the recitals set forth above are true and  
12 correct; and, be it

13 FURTHER RESOLVED, That the Board, as an applicable elected representative of the  
14 governmental unit on behalf of which the Obligations will be reissued and having jurisdiction  
15 over the geographic area in which the Project is located, hereby approves the reissuance of  
16 the Obligations by the Authority. It is the purpose and intent of the Board that this Resolution  
17 constitute both “issuer” approval and “host” approval of the reissuance of the Obligations by  
18 the City for purposes of Section 147(f) of the Code and the Treasury Regulations promulgated  
19 thereunder; and, be it

20 FURTHER RESOLVED, That the approval by the Board of the reissuance of the  
21 Obligations is neither an approval of the underlying credit issues of the Project nor an  
22 approval of the financial structure of the Obligations, and that the adoption of this Resolution  
23 shall not obligate (i) the City to provide financing/refinancing to the Borrower for the Project or  
24 to reissue the Obligations for purposes of such financing/refinancing, or (ii) the City, or any  
25 department of the City, to approve any application or request for, or take any other action in

1 connection with any environmental, General Plan, zoning or any other permit or other action  
2 necessary for the Project; and, be it

3 FURTHER RESOLVED, That this Resolution shall take effect from and after its  
4 adoption and approval.

5 APPROVED AS TO FORM:  
6 DAVID CHIU, City Attorney

7 By: /s/ MARK D. BLAKE  
8 MARK D. BLAKE  
9 Deputy City Attorney

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