

1 [Issuance of Tax-Exempt Obligations - Town School for Boys - Not to Exceed \$19,000,000]

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3 **Resolution approving, in accordance with Section 147(f) of the Internal Revenue Code,**
4 **the issuance of one or more tax-exempt revenue obligations by the California**
5 **Statewide Communities Development Authority in an aggregate principal amount not to**
6 **exceed \$19,000,000 to finance various capital facilities owned or operated by the Town**
7 **School for Boys as heard on May 30, 2013, at the Office of Public Finance.**

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9 WHEREAS, Town School for Boys, a California nonprofit public benefit corporation (the
10 "School"), has requested that the California Statewide Communities Development Authority, a
11 joint exercise of powers agency established pursuant to the laws of the State of California (the
12 "Authority"), issue its tax-exempt revenue obligations (the "Obligations"), in an aggregate
13 principal amount not to exceed \$19,000,000, for the purpose of making one or more loans to
14 the School pursuant to a plan of financing for various capital facilities as more fully described
15 below; and,

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

18 WHEREAS, The School expects to use the proceeds of the Obligations for: (1)
19 financing the construction, improvement and equipping of certain of the School's educational
20 facilities located at 2750 Jackson Street, San Francisco, California 94115 (including the
21 campus expansion at such location) and 3601 Lyon Street, San Francisco, California 94123
22 (collectively, the "Facilities"), and (2) paying costs of issuance related to the Obligations 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 Obligations will be the School;
3 and,

4 WHEREAS, The issuance of the Obligations 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 Obligations may qualify for tax exemption under
9 Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the
10 Obligations are approved by an "applicable elected representative" of the City in accordance
11 with Section 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 Section 9 of the Amended and
15 Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the "Agreement"),
16 among the Authority and certain agencies, including the City; and,

17 WHEREAS, The Authority has requested the Board to approve the issuance of the
18 Obligations in order to satisfy the public approval requirements of Section 147(f) of the Code
19 and Section 9 of the Agreement; and,

20 WHEREAS, On May 15, 2013, the City caused a notice to appear in the San Francisco
21 Chronicle, which is a newspaper of general circulation in the City, stating that a public hearing
22 with respect to the issuance of the Obligations would be held by the City's Office of Public
23 Finance on May 30, 2013; and,

1 WHEREAS, The City’s Office of Public Finance held the public hearing described
2 above on May 30, 2013, and an opportunity was provided for persons to comment on the
3 issuance of the Obligations and plan of financing the Project; and,

4 WHEREAS, The Director of Public Finance recommends approval of the issuance of
5 the Obligations pursuant to Chapter 43, Article 9, Section 5 of the Administrative Code; now,
6 therefore, be it

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

9 FURTHER RESOLVED, That this Board hereby approves the issuance of the
10 Obligations by the Authority; and, be it

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

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

21 FURTHER RESOLVED, That the Obligations shall not constitute a debt or obligation in
22 any respect of the City, and the payment of the principal, prepayment premium, if any, and
23 interest on the Obligations shall be solely the responsibility of the School; and, be it

24 FURTHER RESOLVED, That the adoption of this Resolution shall not obligate the City
25 or any department of the City to (i) provide financing to the School for the construction,

1 improvement and equipping of the Facilities or the campus expansion at 2750 Jackson Street,
2 San Francisco, California 94115, or to issue the Obligations for purposes of such financing; (ii)
3 make any contribution or advance any funds to the Authority; or (iii) approve any application
4 or request for, or take any other action in connection with, any environmental, General Plan,
5 zoning or any other permit or other regulatory action sought in connection with the Project;
6 and, be it

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

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

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14 APPROVED AS TO FORM:
15 DENNIS J. HERRERA, City Attorney

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17 By: _____
18 KENNETH DAVID ROUX
19 Deputy City Attorney
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