

1 [Association of Bay Area Governments Revenue Bond Issuance - Presidio Knolls School - Not  
2 to Exceed \$13,500,000]

3 **Resolution approving for purposes of Internal Revenue Code, Section 147(f), the**  
4 **Issuance and Sale of Revenue Bonds by the Association of Bay Area Governments**  
5 **Finance Authority for Nonprofit Corporations in an aggregate principal amount not to**  
6 **exceed \$13,500,000 to finance or refinance the acquisition, construction, equipping**  
7 **and/or furnishing of K-12 educational facilities to be owned and operated by Presidio**  
8 **Knolls School, a California nonprofit public benefit corporation.**

9  
10 WHEREAS, The Association of Bay Area Governments (ABAG) Finance Authority for  
11 Nonprofit Corporations (the "Authority") is authorized pursuant to the provisions of California  
12 Government Code, Section 6500 et seq. and the terms of an ABAG Finance Authority for  
13 Nonprofit Corporations Joint Powers Agreement, dated as of April 1, 1990, revised as of  
14 September 18, 1990, and June 9, 1992, (as so revised, the "Agreement"), among certain  
15 public agencies throughout the State of California, to issue revenue bonds and other forms of  
16 indebtedness to assist nonprofit corporations to obtain tax-exempt financing for appropriate  
17 projects and purposes; and

18 WHEREAS, Presidio Knolls School (the "Borrower"), a California nonprofit public  
19 benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue  
20 Code of 1986, as amended (the "Code"), has requested that the Authority issue revenue  
21 bonds in an aggregate principal amount not to exceed \$13,500,000 (the "Bonds") to: (i)  
22 finance or refinance the costs of the acquisition, construction, equipping and/or furnishing of  
23 K-12 educational facilities located at 250 10<sup>th</sup> Street, San Francisco, California 94103, to be  
24 owned and operated by the Borrower (the "Project") and (ii) to pay certain costs of issuance of  
25 the Bonds; and

1           WHEREAS, The Project is located within the City and County of San Francisco (the  
2 “City”), a member of the Authority; and

3           WHEREAS, Pursuant to Internal Revenue Code, Section 147(f), the issuance of the  
4 Bonds by the Authority may qualify for tax exemption under Internal Revenue Code, Section  
5 103 only if the Bonds are approved both by the “applicable elected representative” of the  
6 governmental unit issuing the Bonds and by a governmental unit having jurisdiction over the  
7 area in which the Project is located after a public hearing held following reasonable public  
8 notice; and

9           WHEREAS, The issuance and delivery of the Bonds shall be subject to the approval of  
10 and execution by the Authority; and

11           WHEREAS, The Authority has requested the Board of Supervisors of the City and  
12 County of San Francisco (the “Board”) to approve the issuance and sale of the Bonds in order  
13 to satisfy the requirements of Internal Revenue Code, Section 147(f), the Board being the  
14 applicable elected representatives having jurisdiction over the area in which the Project is  
15 located within the meaning of Internal Revenue Code, Section 147(f); and

16           WHEREAS, On November 7, 2014, the City caused a notice to appear in the *San*  
17 *Francisco Examiner*, which is a newspaper of general circulation in the City, stating that a  
18 public hearing with respect to the issuance of the Bonds would be held by the Office of Public  
19 Finance on November 21, 2014; and

20           WHEREAS, The Office of Public Finance held the public hearing described above on  
21 November 21, 2014, and an opportunity was provided for persons to comment on the  
22 issuance and sale of the Bonds and the plan of financing of the Project; and

23           WHEREAS, The Bonds will be limited obligations of the Authority, payable solely from  
24 and secured solely by amounts received from or on behalf of the Borrower, and will not  
25

1 constitute an indebtedness or obligation, or a pledge of the faith and credit of, the City or the  
2 Authority, except to the limited extent described herein; and

3 WHEREAS, It is intended that this Resolution shall constitute approval of the issuance  
4 of the Bonds for purposes of Internal Revenue Code, Section 147(f); now, therefore, be it

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

7 FURTHER RESOLVED, That the Board hereby approves the issuance of the Bonds by  
8 the Authority. It is the purpose and intent of the Board that this Resolution constitutes approval  
9 of the issuance of the Bonds by the applicable elected representatives of the City for purposes  
10 of Internal Revenue Code Section 147(f); and, be it

11 FURTHER RESOLVED, That the approval by the Board of the issuance and sale of the  
12 Bonds is neither an approval of the underlying credit issues of the Project nor an approval of  
13 the financial structure of the Bonds, and that the adoption of this Resolution shall not obligate  
14 (i) the City to provide financing to the Borrower for the acquisition, construction, equipping  
15 and/or furnishing of the Project or to issue the Bonds for purposes of such financing or (ii) the  
16 City, or any department of the City, to approve any application or request for, or take any  
17 other action in connection with any environmental, General Plan, zoning or any other permit or  
18 other action necessary for the acquisition, construction, equipping or furnishing of the Project;  
19 and, be it

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

3 APPROVED AS TO FORM:  
4 Dennis J. Herrera,  
5 City Attorney

6 By: \_\_\_\_\_  
7       Mark D. Blake  
8       Deputy City Attorney

n:\financlas2014\1300182\00973340.doc

9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25