

1 [Issuance of Bonds - California Municipal Finance Authority - Institute on Aging, a California
2 Nonprofit Public Benefit Corporation - Not to Exceed \$45,000,000]

3 **Resolution approving, in accordance with Internal Revenue Code, Section 147(f), the**
4 **issuance of revenue bonds by the California Municipal Finance Authority in an**
5 **aggregate principal amount not to exceed \$45,000,000 to refinance all or a portion of**
6 **certain outstanding debt obligations that originally financed and refinanced the**
7 **acquisition, construction, equipping, and furnishing of facilities owned and managed**
8 **by Institute on Aging, a California nonprofit public benefit corporation, in connection**
9 **with the provision of health care and other support services for low-income, frail older**
10 **adults.**

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12 WHEREAS, The California Municipal Finance Authority (the "Authority") is authorized
13 pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and
14 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government
15 Code of the State of California, and a Joint Exercise of Powers Agreement, dated as of
16 January 1, 2004, among the Authority and certain local agencies, including the City, as
17 amended from time to time (as so amended, the "Agreement"), to issue revenue bonds and
18 other forms of indebtedness to assist nonprofit corporations to obtain tax-exempt financing for
19 certain projects and purposes; and

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

22 WHEREAS, Institute on Aging, a California nonprofit public benefit corporation (the
23 "Borrower"), and an organization described in Internal Revenue Code Section 501(c)(3)
24 ("Code"), has requested that the Authority issue revenue bonds, in one or more series, in an
25 aggregate issue price not to exceed \$45,000,000 (the "Bonds") and loan the proceeds of the

1 Bonds to the Borrower (the “Loan”) to: (i) refinance all or a portion of certain outstanding debt
2 obligations that originally financed and refinanced the acquisition, construction, equipping and
3 furnishing of facilities, including a clinic, meeting and office space and a parking garage,
4 owned and operated by the Borrower, in connection with the provision of health care and
5 other support services for low-income, frail older adults, and (ii) pay certain expenses incurred
6 in connection with the issuance of the Bonds (collectively, the “Project”); and

7 WHEREAS, The Project, located at 3569-3575 Geary Boulevard, San Francisco,
8 California 94118, is located within the territorial limits of the City; and

9 WHEREAS, The issuance of the Bonds shall be subject to the approval of and
10 execution by the Authority of all financing documents relating thereto to which the Authority is
11 a party; and

12 WHEREAS, Interest on the Bonds may qualify for tax exemption under Section 103 of
13 the Internal Revenue Code of 1986, as amended (the “Code”) only if the Bonds are approved
14 by an “applicable elected representative” of the City in accordance with Section 147(f) of the
15 Code; and

16 WHEREAS, The Board of Supervisors of the City (the “Board”) is the elected legislative
17 body of the City and is therefore an “applicable elected representative” required to approve
18 the Bonds within the meaning of Code Section 147(f); and

19 WHEREAS, The Authority has requested the Board to approve the issuance of the
20 Bonds by the Authority for the purposes of financing the Project in order to satisfy the public
21 approval requirements of Code Section 147(f) and the requirements of Section 4 of the
22 Agreement; and

23 WHEREAS, The Authority is also requesting that the Board approve the issuance of
24 any refunding bonds hereafter issued by the Authority for the purpose of refinancing the
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1 Bonds which financed the Project (the “Refunding Bonds”), but only in such cases where
2 federal tax laws would not require additional consideration or approval by the Board; and

3 WHEREAS, On March 6, 2017, the City caused a notice to appear in the *San*
4 *Francisco Chronicle*, which is a newspaper of general circulation in the City, stating that a
5 public hearing with respect to the issuance of the Bonds would be held by the Office of Public
6 Finance on March 20, 2017; and

7 WHEREAS, The Office of Public Finance held the public hearing described above on
8 March 20, 2017, and an opportunity was provided for persons to comment on the issuance
9 and sale of the Bonds and the plan of financing of the Project, and the Office of Public
10 Finance has forwarded any comments received by such date to this Board; and

11 WHEREAS, The Bonds will be limited obligations of the Authority, payable solely from
12 and secured solely by amounts received from or on behalf of the Borrower, and will not
13 constitute an indebtedness or obligation, or a pledge of the faith and credit of, the City or the
14 Authority, and

15 WHEREAS, It is intended that this resolution shall constitute the approval of the
16 issuance of the Bonds required by Code Section 147(f) and the approval of the Project
17 required by Section 4 of the Agreement; and

18 WHEREAS, The Director of Public Finance (the “Director”) recommends approval of
19 the issuance of the Bonds pursuant to Chapter 43, Article 9, Section 5 of the Administrative
20 Code; now, therefore, be it

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

23 FURTHER RESOLVED, That this Board hereby approves the issuance of the Bonds
24 by the Authority for the purpose of financing the Project; and, be it

1 FURTHER RESOLVED, That it is the purpose and intent of this Board that this
2 Resolution constitute approval of the issuance of the Bonds by the Authority and of the
3 financing of the Project, as the applicable elected representative of the governmental unit
4 having jurisdiction over the area in which the Project is located, for purposes of and in
5 accordance with (a) Code Section 147(f) and (b) Section 4 of the Agreement; and, be it

6 FURTHER RESOLVED, That the approval by the City of the issuance of the Bonds by
7 the Authority is neither an approval of the underlying credit of the Borrower or of the proposed
8 Project nor an approval of the financial structure of the Bonds; and neither the City, nor any
9 department thereof, shall have any 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 in any
12 respect of the City, and no resources of the City shall be available or pledged to the
13 repayment of the Bonds, the payment of the principal, prepayment premium, if any, and
14 interest on the Bonds shall be solely the responsibility of the Borrower; and, be it

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

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

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

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4 APPROVED AS TO FORM:
5 DENNIS J. HERRERA
6 CITY ATTORNEY

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7 By: _____
8 Mark D. Blake
9 Deputy City Attorney
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