

1 [Issuance of Tax-Exempt Obligation - French American International School]

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3 **Resolution approving, in accordance with Internal Revenue Code Section 147(f), the**
4 **issuance of a tax-exempt revenue obligation by the California Statewide Communities**
5 **Development Authority in an aggregate principal amount not to exceed \$6,500,000 to**
6 **finance various capital facilities owned by the French American International School.**

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8 WHEREAS, French American International School, a California nonprofit public benefit
9 corporation (the "School") has requested that the California Statewide Communities
10 Development Authority, a joint exercise of powers agency established pursuant to the laws of
11 the State of California (the "Authority") issue its tax-exempt revenue obligation (the
12 "Obligation"), in an aggregate principal amount not expected to exceed \$6,500,000, for the
13 purpose of making a loan to the School pursuant to a plan of financing for various capital
14 facilities as more fully described below; and

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

17 WHEREAS, The School expects to use the proceeds of the Obligation for: (1) financing
18 the construction, improvement and equipping of certain of the School's educational facilities
19 located at 150 Oak Street, San Francisco, California 94102 and 1155 Page Street, San
20 Francisco, California 94117 (collectively, the "Facilities"), and (2) paying costs of issuance
21 related to the Obligation and other related costs (collectively, the "Project"); and

22 WHEREAS, the owner and operator of all capital improvements, including equipment
23 and other costs to be financed with proceeds of the Obligation, at 150 Oak Street, San
24 Francisco, California 94102, will be the School; and

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1 WHEREAS, the owner of the building to be constructed with proceeds of the Loan, at
2 1155 Page Street, San Francisco, California 94117, will be either the School or the San
3 Francisco Unified School District, and the operator of such building will be the School; and

4 WHEREAS, The issuance of the Obligation 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 Obligation may qualify for tax exemption under Section
9 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the Obligation is
10 approved by the applicable elected representative of the City in accordance with Section
11 147(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 the applicable elected representative required to approve the issue
14 within the meaning of Section 147(f) of the Code and the Joint Powers Act, comprising
15 Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of
16 the Government Code of the State of California (the "Act"); and

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

20 WHEREAS, On December 24, 2012, the City caused a notice to appear in the San
21 Francisco Chronicle, which is a newspaper of general circulation in the City, stating that a
22 public hearing with respect to the issuance of the Obligation would be held by the City's Office
23 of Public Finance on January 9, 2013; and

1 WHEREAS, The Office of Public Finance held the public hearing described above on
2 January 9, 2013, and an opportunity was provided for persons to comment on the issuance of
3 the Obligation and plan of financing the Project; and

4 WHEREAS, The Director of Public Finance recommends approval of the issuance of
5 the Obligation 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 Obligation 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 Obligation by the applicable elected
13 representative of the governmental unit having jurisdiction over the area in which the Project
14 is located for the purposes of and in accordance with Section 147(f) of the Code; and, be it

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

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

23 FURTHER RESOLVED, That the adoption of this Resolution shall not obligate the City
24 or any department of the City to (i) provide financing to the School for the construction,
25 improvement and equipping of the Facilities or to issue the Obligation for purposes of such

1 financing; (ii) make any contribution or advance any funds to the Authority; or (iii) approve any
2 application or request for, or take any other action in connection with, any environmental,
3 General Plan, zoning or any other permit or other regulatory action sought in connection with
4 the Project; and be it

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

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

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12 APPROVED AS TO FORM:

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14 DENNIS J. HERRERA
15 CITY ATTORNEY

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

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