

1 [Tax-Exempt Revenue Obligation Bonds - the San Francisco School - Not to Exceed
2 \$5,000,000]

3 **Resolution approving the issuance of tax-exempt revenue obligation bonds by the**
4 **California Enterprise Development Authority in an aggregate principal amount not to**
5 **exceed \$5,000,000 to finance and refinance various capital facilities owned by the San**
6 **Francisco School.**

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8 WHEREAS, The San Francisco School, a nonprofit corporation, duly organized and
9 existing under the laws of the State of California (the "Borrower") has requested that the
10 California Enterprise Development Authority, a joint exercise of powers agency established
11 pursuant to the laws of the State of California (the "Authority") issue its revenue obligations
12 (the "Obligations") in an aggregate principal amount not expected to exceed \$5,000,000, for
13 the purpose of making a loan (the "Loan") to the Borrower which will refinance various capital
14 facilities as more fully described below; and,

15 WHEREAS, The proceeds of the Obligations are to be loaned to the Borrower pursuant
16 to a loan agreement (the "Loan Agreement"); and,

17 WHEREAS, The Borrower plans to use the proceeds of the Loan for the following
18 purposes: (i) to finance and refinance the cost incurred to acquire, construct, install, rehabilitate,
19 equip and furnish educational facilities located at 300, 307 and 311 Gaven Street, San
20 Francisco, California 94134, including, but not limited to, a 4,100 square foot community center,
21 new art rooms, library, language space and outdoor areas and (ii) to pay certain costs of
22 issuance in connection with the financing (collectively, the "Project"); and,

23 WHEREAS, The City and County of San Francisco (the "City") is an associate member
24 of the Authority; and,
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1 WHEREAS, The issuance of the Obligations shall be subject to the approval of and
2 execution by the Authority of all financing documents relating thereto to which the Authority is
3 a party; and,

4 WHEREAS, The Project is located wholly within the City; and,

5 WHEREAS, The interest on the Obligations may qualify for tax exemption under
6 Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the
7 Obligations are approved in accordance with Section 147(f) of the Code; and,

8 WHEREAS, The Board of Supervisors of the City (the "Board") is the elected legislative
9 body of the City and is one of the applicable elected representatives required to approve the
10 issuance of the Obligations within the meaning of Section 147(f) of the Code and the Joint
11 Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1
12 (commencing with Section 6500) of the Government Code of the State of California (the
13 "Act"); and,

14 WHEREAS, The Authority has requested the Board to approve the issuance of the
15 Obligations in order to satisfy the public approval requirements of Section 147(f) of the Code
16 and the Act; and,

17 WHEREAS, On November 9, 2010, the City caused a notice to appear in *The*
18 *Examiner*, which is a newspaper of general circulation in the City, stating that a public hearing
19 with respect to the issuance of the Obligations would be held by the City's Office of Public
20 Finance on November 23, 2010; and,

21 WHEREAS, The Office of Public Finance held the public hearing described above on
22 November 23, 2010, and an opportunity was provided for persons to comment on the
23 issuance of the Obligations and the plan of finance for the Project; and,

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

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

6 FURTHER RESOLVED, That this Board hereby approves the issuance, from time to
7 time, pursuant to a plan of finance, of the Obligations by the Authority; and, be it

8 FURTHER RESOLVED, That it is the purpose and intent of this Board that this
9 Resolution constitute approval by the applicable elected representative of the governmental
10 unit having jurisdiction over the area in which the Project is located for the purposes of and in
11 accordance with Section 147(f) of the Code and the Act; and, be it

12 FURTHER RESOLVED, That the approval by the City of the issuance of the
13 Obligations by the Authority is neither an approval of the underlying credit issues of the
14 proposed Project nor an approval of the financial structure of the Obligations; and none of the
15 City or any department thereof, shall have any responsibility or liability whatsoever with
16 respect to the Obligations or the Project; and, be it

17 FURTHER RESOLVED, That the Obligations shall not constitute a debt or obligation of
18 the City and the payment of the principal, prepayment premium, if any, and purchase price of
19 and interest on the Obligations shall be solely the responsibility of the Borrower; and, be it

20 FURTHER RESOLVED, The adoption of this Resolution shall not obligate (i) the City to
21 provide financing to the Borrower for the Project or to issue the Obligations for purposes of
22 such financing; (ii) make any contribution or advance any funds to the Authority; (iii) the City
23 or any department of the City to approve any application or request for, or take any other
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1 action in connection with, any environmental, General Plan, zoning or any other permit or
2 other regulatory action sought in connection with the Project; and, be it

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

7 FURTHER RESOLVED, That this Resolution shall take effect immediately upon its
8 adoption.

9
10 APPROVED AS TO FORM:

11 DENNIS J. HERRERA
12 City Attorney

13 By: _____
14 MARK D. BLAKE
15 Deputy City Attorney