

1 [Issuance of Tax-Exempt Revenue Obligation Bonds - The California School of Mechanical
2 Arts (Lick-Wilmerding High School) - Not to Exceed \$17,000,000]

3 **Resolution approving in accordance with Section 147(f) of the Internal Revenue Code**
4 **of 1986, as amended, the issuance of tax-exempt obligations by the California**
5 **Statewide Communities Development Authority in an aggregate principal amount not to**
6 **exceed \$17,000,000 for the refinancing of various capital facilities owned by The**
7 **California School of Mechanical Arts (Lick-Wilmerding High School).**

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9 WHEREAS, The California School of Mechanical Arts (Lick-Wilmerding High School), a
10 California nonprofit corporation (the "Corporation") has requested that the California Statewide
11 Communities Development Authority, a joint exercise of powers agency established pursuant
12 to the laws of the State of California (the "Authority"), issue obligations (the "Obligation") in an
13 aggregate principal amount not to exceed \$17,000,000, for the purpose of making a loan (the
14 "Loan") to the Corporation which will refinance various capital facilities as more fully described
15 below; and

16 WHEREAS, proceeds of the Obligation are to be loaned to the Corporation, pursuant to
17 a Master Loan Agreement (the "Loan Agreement"). The Corporation plans to use the
18 proceeds of the Loan for the following purposes: (1) to refinance all of the outstanding
19 \$18,375,000 ABAG Finance Authority for Nonprofit Corporations Revenue Bonds (The
20 California School of Mechanical Arts – Lick-Wilmerding High School) Series 2002, which
21 financed the construction of a technology and design center, expansion of seating capacity at
22 the auditorium, remodeling the entrance, construction of a new cafeteria, construction of a
23 new music room and the construction and acquisition of various other capital improvements
24 for the Corporation's campus located at 755 Ocean Avenue, San Francisco, California 94112
25 (the "Project"); and (2) pay various costs of issuance and other related costs with respect to

1 the Obligation. The Project is owned and operated by the Corporation and used for the
2 educational purposes of the Corporation.

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

5 WHEREAS, The issuance and delivery of the Obligation shall be subject to the
6 approval of and execution by the Authority of all financing documents relating thereto to which
7 the Authority is a party and subject to the issuance of the Obligation by the Authority; and

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

9 WHEREAS, The interest on the Obligation may qualify for tax exemption under Section
10 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the Obligation is
11 approved in accordance 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 one of the applicable elected representatives required to approve the
14 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, among certain local
16 agencies, including the City (the "Agreement"); and

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

20 WHEREAS, On February 2, 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 and the Project would be held by
23 the Controller's Office of Public Finance on February 16, 2012; and

24 WHEREAS, The Controller's Office of Public Finance held the public hearing described
25 above on February 16, 2012, and an opportunity was provided for persons to comment on the

1 issuance of the Obligation and the plan of financing for the Project, and the Office of Public
2 Finance has forwarded to this Board any written comments received on or prior to the date of
3 said hearing; 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 of the
7 Obligation 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 of the issuance of the Obligation by the applicable elected
10 representative of the governmental unit having jurisdiction over the area in which the Project
11 is located for the purposes of and in accordance with Section 147(f) of the Code and Section
12 9 of the Agreement; and, be it

13 FURTHER RESOLVED, That the approval of the issuance of the Obligation by the
14 Authority is neither an approval of the underlying credit issues supporting of the proposed
15 Project nor an approval of the financial structure of the Obligation; and be it

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

19 FURTHER RESOLVED, The adoption of this Resolution shall not obligate (i) the City to
20 provide or pledge any of its revenues or assets financing to the Corporation for the
21 acquisition, rehabilitation and development of the Project or to issue the obligation for
22 purposes of such financing; or (ii) the City, or any department of the City, to approve and
23 application or request for, or take any other action in connection with, and environmental,
24 General Plan consistency determinations, zoning or any other permit or other regulatory
25 action sought in connection with the Project; and be it

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, CITY ATTORNEY

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8 BY: _____
 Mark D. Blake
 Deputy City Attorney

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