

1 [Issuance of Tax Exempt Revenue Obligations - Live Oak School - Not to Exceed \$6,750,000]

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3 **Resolution approving in accordance with Section 147(f) of the Internal Revenue Code**  
4 **the issuance of tax-exempt revenue obligations by the California Enterprise**  
5 **Development Authority in an aggregate principal amount not to exceed \$6,750,000 to**  
6 **refinance various capital facilities owned by Live Oak School.**

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8 WHEREAS, Live Oak, a Learning Center for Children, doing business as Live Oak  
9 School, a nonprofit corporation, duly organized and existing under the laws of the State of  
10 California (the "Borrower") has requested that the California Enterprise Development  
11 Authority, a joint exercise of powers agency established pursuant to the laws of the State of  
12 California (the "Authority") issue its revenue obligations (the "Obligations") in an aggregate  
13 principal amount not to exceed \$6,750,000, for the purpose of making a loan (the "Loan") to  
14 the Borrower which will refinance various capital 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 expects to use the proceeds of the Loan for the following  
18 purposes: (i) to refinance the \$7,000,000 California Statewide Communities Development  
19 Authority Series 2000 Revenue Bonds (Live Oak School) (the "Bonds"), currently outstanding  
20 in the aggregate principal amount of \$6,170,000, which Bonds financed or refinanced the  
21 acquisition of various capital improvements on the Borrower's educational facilities and (ii) to  
22 pay certain costs of 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 boundaries of the City; and

5           WHEREAS, Interest on the Obligations may qualify for tax exemption under Section  
6 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the Obligations  
7 are approved by the applicable elected representatives of the City in accordance with Section  
8 147(f) of the Code; and

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

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

18           WHEREAS, On April 12, 2012, the City caused a notice to appear in the San Francisco  
19 Chronicle, which is a newspaper of general circulation in the City, stating that a public hearing  
20 with respect to the issuance of the Obligations would be held by the City's Office of Public  
21 Finance on April 27, 2012; and,

22           WHEREAS, The Office of Public Finance held the public hearing described above on  
23 April 27, 2012, and an opportunity was provided for persons to comment on the issuance of  
24 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 in  
18 any respect of the City and the payment of the principal, prepayment premium, if any, and  
19 purchase price of and interest on the Obligations shall be solely the responsibility of the  
20 Borrower; and, be it

21           FURTHER RESOLVED, The adoption of this Resolution shall not obligate (i) the City to  
22 provide financing to the Borrower for the Project or to issue the Obligations for purposes of  
23 such financing; (ii) make any contribution or advance any funds to the Authority; (iii) the City  
24 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.

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12 APPROVED AS TO FORM:

13 DENNIS J.HERRERA, City Attorney

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16 By: \_\_\_\_\_  
Mark D. Blake  
Deputy City Attorney

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