

1 [Issuance of Tax-Exempt Obligations - California Statewide Communities Development  
2 Authority - NCCD-Hooper Street LLC - Not to Exceed \$100,000,000]

3 **Resolution approving, in accordance with Section 147(f) of the Internal Revenue Code,**  
4 **the issuance of tax-exempt obligations by the California Statewide Communities**  
5 **Development Authority in an aggregate principal amount not to exceed \$100,000,000 to**  
6 **finance student housing facilities to be owned and/or operated by NCCD-Hooper Street**  
7 **LLC or an affiliate, to benefit California College of the Arts.**

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9 WHEREAS, NCCD – Hooper Street LLC, a California limited liability company (the  
10 “Borrower”) whose sole member is National Campus and Community Development, a  
11 nonprofit corporation, has requested that the California Statewide Communities Development  
12 Authority, a joint exercise of powers agency established pursuant to the laws of the State of  
13 California (the “Authority”), issue from time to time tax-exempt obligations (the “Obligation”), in  
14 an aggregate principal amount not expected to exceed \$100,000,000 for the purpose of  
15 making one or more loans (collectively, the “Loan”) to the Borrower pursuant to a plan of  
16 financing for student housing facilities as more fully described below; and

17 WHEREAS, The City and County of San Francisco (the “City”) is a member of the  
18 Authority and has entered into that certain Amended and Restated Joint Exercise of Powers  
19 Agreement relating to the Authority, dated as of June 1, 1988 (the “Agreement”) among  
20 certain local agencies, including the City; and

21 WHEREAS, The Borrower expects to use the proceeds of the Loan for the following  
22 purposes: (1) finance the acquisition, construction, furnishing and equipping of an  
23 approximately 280-unit, on-campus student housing facility to be located at 188 Hooper  
24 Street, San Francisco, California intended to benefit the California College of the Arts (“CCA”)  
25 and its students, including a food service facility intended to be used by CCA students, faculty

1 and staff; (2) fund a debt service reserve fund and capitalized interest, and (3) pay various  
2 costs of issuance and other related costs (collectively, the “Project”); and

3 WHEREAS, Application has been made to the City for authorization of the Project as a  
4 “Large Project Authorization” (as required by Section 329 of the San Francisco Planning  
5 Code) to construct a new five-story mixed-use building with 280 group housing units (student  
6 housing for CCA) and approximately 8,000 square feet of ground floor retail sales and service  
7 use; and

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

11 WHEREAS, All of the Project is and will be located within the City; and

12 WHEREAS, The interest on the Obligation may qualify for tax exemption under Section  
13 103 of the Internal Revenue Code of 1986, as amended (the “Code”) only if the Obligation is  
14 approved in accordance with Section 147(f) of the Code; and

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

18 WHEREAS, The Authority has requested the Board to approve the issuance of the  
19 Obligation by the Authority in order to satisfy the public approval requirements of Section  
20 147(f) of the Code and the requirements of Section 9 of the Agreement; and

21 WHEREAS, On October 4, 2018, the City caused a notice to appear in the *San*  
22 *Francisco Examiner*, which is a newspaper of general circulation in the City, stating that a  
23 public hearing with respect to the issuance of the Obligation would be held by the City’s Office  
24 of Public Finance on October 18, 2018; and  
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1 WHEREAS, The Office of Public Finance held the public hearing described above on  
2 October 18, 2018, and an opportunity was provided for persons to comment on the issuance  
3 of the Obligation and the financing of the Project; and

4 WHEREAS, The Obligation will be a limited obligation of the Authority, payable solely  
5 from and secured solely by amounts received from or on behalf of the Borrower, and will not  
6 constitute an indebtedness or obligation, or a pledge of the faith and credit of, the City or the  
7 Authority; and

8 WHEREAS, It is intended that this resolution shall constitute the approval of the  
9 issuance of the Obligation as required by Section 147(f) of the Code and the approval of the  
10 Obligation and the Project required by Section 9 of the Agreement; and

11 WHEREAS, The Director of Public Finance (the "Director") recommends approval of  
12 the issuance of the Obligation pursuant to Chapter 43, Article 9, Section 5 of the  
13 Administrative Code; now, therefore, be it

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

16 FURTHER RESOLVED, That this Board hereby approves the issuance of the  
17 Obligation by the Authority; and be it

18 FURTHER RESOLVED, That it is the purpose and intent of this Board that this  
19 Resolution constitutes (a) approval of the issuance of the Obligation by the applicable elected  
20 representative of the governmental unit having jurisdiction over the area in which the Project  
21 is located for the purposes of and in accordance with Section 147(f) of the Code, and (b)  
22 approval of the Obligation for purposes of Section 9 of the Agreement; and, be it

23 FURTHER RESOLVED, That the approval of the issuance of the Obligation by the City  
24 is neither an approval of the underlying credit issues of the proposed Project nor an approval  
25 of the financial structure of the Obligation; and neither the City, nor any department thereof,

1 shall have any responsibility or liability whatsoever with respect to the Obligation or the  
2 Project; and be it

3 FURTHER RESOLVED, That the Obligation shall not constitute a debt or obligation of  
4 the City in any respect of the City, and the faith and credit of the City is not pledged to the  
5 repayment of the Obligation, and the payment of the principal, prepayment premium, if any,  
6 and purchase price of and interest on the Obligation shall be solely the responsibility of the  
7 Borrower; and be it

8 FURTHER RESOLVED, That adoption of this Resolution shall not obligate (i) the City  
9 to provide financing to the Borrower for the acquisition, construction, furnishing and equipping  
10 of the Project or to issue the Obligation for purposes of such financing or to make any  
11 contribution or advance any funds to the Authority; or (ii) the City, or any department of the  
12 City, to approve any application or request for, or take any other action in connection with, any  
13 environmental, General Plan, zoning or any other permit or other regulatory action sought in  
14 connection with the Project; and be it

15 FURTHER RESOLVED, That the Controller and the Director and any other proper  
16 officers of the City are hereby authorized and directed to execute such other agreements,  
17 documents and certificates, and to perform such other acts as may be necessary or advisable  
18 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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8  
9 BY: \_\_\_\_\_

10 Kenneth D. Roux  
11 Deputy City Attorney

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