

1 [Issuance and Sale of Revenue Obligations - California Enterprise Development Authority - San
2 Francisco University High School - Not to Exceed \$19,000,000]

3 **Resolution approving for purposes of Internal Revenue Code, Section 147(f), the**
4 **Issuance and Sale of Revenue Obligations by the California Enterprise Development**
5 **Authority in an aggregate principal amount not to exceed \$19,000,000 to finance or**
6 **refinance the acquisition, construction, renovation, rehabilitation, improvement and/or**
7 **equipping of educational and related facilities to be owned and operated by San**
8 **Francisco University High School, a California nonprofit public benefit corporation.**

9
10 WHEREAS, The California Enterprise Development Authority (“Authority”) is authorized
11 pursuant to the provisions of California Government Code, Section 6500 et seq. and the terms
12 of a Joint Powers Agreement, dated as of June 1, 2006 (“Agreement”), among certain public
13 agencies throughout the State of California, to issue revenue bonds and other forms of
14 indebtedness to assist nonprofit corporations to obtain tax-exempt financing for appropriate
15 projects and purposes; and

16 WHEREAS, San Francisco University High School (“Borrower”), a California nonprofit
17 public benefit corporation and an organization described in Section 501(c)(3) of the Internal
18 Revenue Code of 1986, as amended (“Code”), has requested that the Authority issue revenue
19 obligations qualifying as “qualified 501(c)(3) bonds” in an aggregate principal amount not to
20 exceed \$19,000,000 (“Obligations”) to: (i) refinance certain indebtedness that previously
21 financed costs relating to acquisition, construction, renovation, rehabilitation, improvement
22 and/or equipping of the Borrower’s educational and related facilities located at 3220
23 Sacramento Street, at 3185 Washington Street, at 3150 Washington Street, and at 3065
24 Jackson Street, in San Francisco, California 94115, and at 3954 Washington Street, in San

1 Francisco, California 94118 (collectively, "Prior Project"); (ii) finance, including through
2 reimbursement of prior Borrower expenditures, the construction, renovation, rehabilitation,
3 improvement and/or equipping of the Borrower's educational facilities located at 3150
4 Washington Street and at 3065 Jackson Street, in San Francisco, California 94115, including,
5 but not limited to, improvements to classrooms, creation of new offices, creation of additional
6 seating in the Borrower's student center, and replacement of certain sports court fencing ("New
7 Money Construction Project"), (iii) finance certain pre-construction costs related to the future
8 construction, renovation, rehabilitation, improvement and/or equipping of the Borrower's
9 educational facilities located at 3150 California Street and at 3185 Washington Street, in San
10 Francisco, California 94115 (together with the Prior Project and the New Money Construction
11 Project, "Project"), all of which is and will be owned and operated by, and used in an integrated
12 operation of, the Borrower (or a wholly-owned limited liability company of the Borrower); and
13 (iv) pay various transaction costs and other related costs; and

14 WHEREAS, The Project is located within the boundaries of the City and County of San
15 Francisco ("City"), which is a member of the Authority; and

16 WHEREAS, Pursuant to Section 147(f) of the Code, and the Treasury Regulations
17 promulgated thereunder, the issuance of the Obligations by the Authority may qualify for tax
18 exemption under Section 103 of the Code only if the Obligations are approved by an "applicable
19 elected representative" of both the governmental unit issuing the Obligations or on behalf of
20 which the Obligations are to be issued, and a governmental unit having jurisdiction over the
21 geographic area in which the Project is located, after a public hearing held following reasonable
22 public notice; and

23 WHEREAS, The issuance and delivery of the Obligations shall be subject to the approval
24 of and execution by the Authority; and

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1 WHEREAS, The Authority has requested the Board of Supervisors of the City and
2 County of San Francisco (“Board”) approve the issuance and sale of the Obligations in order to
3 satisfy the requirements of Section 147(f) of the Code, and the Treasury Regulations
4 promulgated thereunder, the Board being an applicable elected representative having
5 jurisdiction over the geographic area in which the Project is located within the meaning of
6 Section 147(f) of the Code, and the Treasury Regulations promulgated thereunder; and

7 WHEREAS, On February 28, 2020, the City caused a notice to appear on its website,
8 stating that a public hearing with respect to the issuance of the Obligations would be held by
9 the Office of Public Finance on March 9, 2020; and

10 WHEREAS, The Office of Public Finance of the City has held the public hearing
11 described above on March 9, 2020, and an opportunity was provided for persons to comment
12 on the issuance and sale of the Obligations and the plan of financing and refinancing of the
13 Project; and

14 WHEREAS, The Obligations will be limited obligations of the Authority, payable solely
15 from and secured solely by amounts received from or on behalf of the Borrower, and will not
16 constitute an indebtedness or obligation, or a pledge of the faith and credit of, or the taxing
17 power, if any, of the City or the Authority, except to the limited extent described herein; and

18 WHEREAS, It is intended that this Resolution shall constitute approval of the issuance
19 of the Obligations for purposes of Section 147(f) of the Code, and the Treasury Regulations
20 promulgated thereunder; now, therefore, be it

21 RESOLVED, That this Board finds that all of the recitals set forth above are true and
22 correct; and, be it

23 FURTHER RESOLVED, That the Board, as an applicable elected representative of the
24 governmental unit on behalf of which the Obligations will be issued and having jurisdiction over
25 the geographic area in which the Project is or will be located, hereby approves the issuance of

1 the Obligations by the Authority. It is the purpose and intent of the Board that this Resolution
2 constitute both “issuer” approval and “host” approval of the issuance of the Obligations by the
3 City for purposes of Section 147(f) of the Code, and the Treasury Regulations promulgated
4 thereunder; and, be it

5 FURTHER RESOLVED, That the approval by the Board of the issuance and sale of the
6 Obligations is neither an approval of the underlying credit issues of the Project nor an approval
7 of the financial structure of the Obligations, and that the adoption of this Resolution shall not
8 obligate (i) the City to provide financing to the Borrower for the acquisition, construction,
9 renovation, rehabilitation, improvement and/or equipping of the Project, or to issue the
10 Obligations for purposes of such financing or (ii) the City, or any department of the City, to
11 approve any application or request for, or take any other action in connection with any
12 environmental, General Plan, zoning or any other permit or other action necessary for the
13 construction, renovation, rehabilitation, improvement and/or equipping of the Project; and, be it

14 FURTHER RESOLVED, That this Resolution shall take effect from and after its
15 adoption and approval.

16 APPROVED AS TO FORM:
17 Dennis J. Herrera,
18 City Attorney

19 By: _____
20 Mark D. Blake
21 Deputy City Attorney
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