

1 [Approving the issuance of revenue bonds by the ABAG Finance Authority for Nonprofit  
2 Corporations in accordance with state law and federal tax law.]

3 **Resolution approving the issuance and sale of revenue bonds by the ABAG Finance**  
4 **Authority for Nonprofit Corporations in an aggregate principal amount not to exceed**  
5 **\$143,000,000 for the Corporation of Fine Arts Museums and the Fine Arts Museums**  
6 **Foundation.**

7 WHEREAS, The ABAG Finance Authority for Nonprofit Corporations, a joint exercise of  
8 powers agency established pursuant to the laws of the State of California (the "Authority"),  
9 has proposed to issue and sell its revenue bonds (the "Bonds") in an aggregate principal  
10 amount not expected to exceed \$143,000,000 for the purpose of making a loan to the  
11 Corporation of Fine Arts Museums, a nonprofit public benefit corporation ("COFAM"), and the  
12 Fine Arts Museums Foundation, a nonprofit public benefit corporation (the "Foundation" and  
13 together with COFAM, the "Corporations"); and,

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

16 WHEREAS, The project to be financed with the proceeds of the Bonds includes the  
17 acquisition and construction of a new M. H. de Young Memorial Museum to be owned by the  
18 City under the jurisdiction of the Board of Trustees of the Fine Arts Museums of San  
19 Francisco, and the payment of other related expenses (collectively, the "Project"), to be  
20 operated by the Corporations in the same manner as the existing M. H. de Young Memorial  
21 Museum; and,

22 WHEREAS, The Project is located at 50 Tea Garden Drive, Golden Gate Park, San  
23 Francisco, California 94118; and,

1           WHEREAS, The interest on the Bonds may qualify for tax exemption under Section  
2 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the Bonds are  
3 approved in accordance with Section 147(f) of the Code; and,

4           WHEREAS, The Board of Supervisors of the City (the "Board") is the elected legislative  
5 body of the City and is the applicable elected representative required to approve the issue  
6 within the meaning of Section 147(f) of the Code;

7           WHEREAS, Section 6585.5 of the Government Code of the State of California requires  
8 the Board, as the local governing body of the local agency within whose boundaries the  
9 Project is located, to approve the issuance of the Bonds after a public hearing following  
10 published notice, and to make certain findings of significant public benefit; and,

11           WHEREAS, The Authority has requested the Board to approve the issuance and sale  
12 of the Bonds in order to satisfy the public approval requirements of Section 147(f) of the Code  
13 and Section 6585.5 of the Government Code of the State of California; and,

14           WHEREAS, On December 1, 2001, the City caused a notice stating that a public  
15 hearing with respect to the issuance of the Bonds would be held by the Mayor's Office of  
16 Public Finance on December 17, 2001, to appear in *The Independent* which is a newspaper of  
17 general circulation in the City; and,

18           WHEREAS, The Mayor's Office of Public Finance has held the public hearing  
19 described above on December 17, 2001, and an opportunity was provided for persons to  
20 comment on the issuance and sale of the Bonds and the Project, a copy of such public  
21 comment is on file with the Clerk of the Board in File No. 020603; and,

22           WHEREAS, It is in the public interest and for the public benefit that the Board approve  
23 the issuance of the Bonds; and,  
24  
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1           WHEREAS, The Planning Commission adopted findings pursuant to the California  
2 Environmental Quality Act on its Motion No. 16336, which findings are incorporated herein by  
3 this reference hereto; and,

4           WHEREAS, The Planning Commission has determined that the Project is consistent  
5 with the General Plan, as set forth in Planning Commission Motion No. 16338; now, therefore  
6 be it

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

9           FURTHER RESOLVED, That this Board hereby approves the issuance and sale of the  
10 Bonds by the Authority. It is the purpose and intent of this Board that this Resolution  
11 constitute approval of the bonds by the applicable elected representative of the governmental  
12 unit having jurisdiction over the area in which the Project is located in accordance with Section  
13 147(f) of the Code and Section 6585.5 of the Government Code of the State of California;  
14 and, be it

15           FURTHER RESOLVED, That the issuance of the Bonds will achieve significant public  
16 benefit, in that demonstrable interest savings will be achieved, comparing debt service on the  
17 Bonds to conventional financing which could be used by the Corporations for the construction  
18 of a new museum facility; and, be it

19           FURTHER RESOLVED, That the approval of the issuance and sale of the Bonds by  
20 the City is neither an approval of the underlying credit quality of the proposed Project nor an  
21 approval of the financial structure of the Bonds.

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APPROVED AS TO FORM:

DENNIS J. HERRERA  
CITY ATTORNEY

By: Theresa Alvarez  
Theresa Alvarez  
Deputy City Attorney



City and County of San Francisco

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

Tails  
Resolution

File Number: 020603

Date Passed:

Resolution approving the issuance and sale of revenue bonds by the ABAG Finance Authority for Nonprofit Corporations in an aggregate principal amount not to exceed \$143,000,000 for the Corporation of Fine Arts Museums and the Fine Arts Museums Foundation.

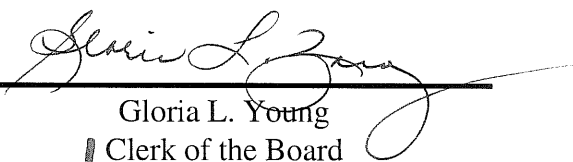
April 22, 2002 Board of Supervisors — ADOPTED

Ayes: 9 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, McGoldrick, Peskin, Sandoval

Absent: 2 - Newsom, Yee

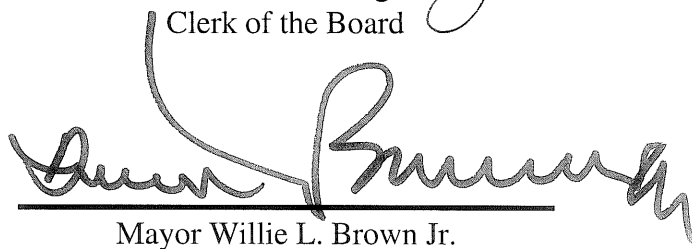
File No. 020603

I hereby certify that the foregoing Resolution was ADOPTED on April 22, 2002 by the Board of Supervisors of the City and County of San Francisco.

  
Gloria L. Young  
Clerk of the Board

MAY 03 2002

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Date Approved

  
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Mayor Willie L. Brown Jr.