

1 [Public hearing approval for the issuance and sale of refunding revenue bonds by CSCDA for
2 Walden House, Inc.]

3 **Resolution authorizing the issuance and sale of refunding revenue bonds by the**
4 **California Statewide Communities Development Authority in an aggregate principal**
5 **amount not to exceed \$7,950,000 for the Project (as defined herein).**

6
7 WHEREAS, The California Statewide Communities Development Authority (the
8 “Authority”), a joint exercise of powers agency established pursuant to the laws of the State of
9 California and the terms of an Amended and Restated Joint Exercise of Powers Agreement,
10 dated as of June 1, 1988 (the “JPA Agreement”) among certain local agencies throughout the
11 State of California, has proposed to issue and sell refunding revenue bonds (the “Bonds”) in
12 an aggregate principal amount not to exceed \$7,950,000 for the purpose of making a loan to
13 Walden House, Inc., a California nonprofit public benefit corporation (the “Corporation”); 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
17 refunding of the \$8,800,000 California Health Facilities Financing Authority Insured Revenue
18 Bonds (Walden House, Inc.), Series 1992 (the “1992 Bonds”), currently outstanding in the
19 principal amount of \$7,140,000. The 1992 Bonds were issued to (i) finance the acquisition of
20 the real property (and improvements thereon) housing the Corporation’s 100-bed adult
21 residential treatment facility located at 890 Hayes Street, San Francisco, California (the
22 “Hayes Street Facility”), which the Corporation previously leased; (ii) finance various capital
23 improvements to the Hayes Street Facility, the Corporation’s adult residential treatment facility
24 located at 815 Buena Vista West, San Francisco, California, and its adolescent residential
25 facility located at 214 Haight Street, San Francisco, California; (iii) reimburse the Corporation

1 for certain expenditures previously made in connection with various capital improvement
2 projects at the Corporation's various facilities; and (iv) refinance certain existing indebtedness
3 of the Corporation (collectively, the "Project"); and,

4 WHEREAS, The interest on the Bonds may qualify for tax exemption under Section
5 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the Bonds are
6 approved in accordance with Section 147(f) of the Code; and,

7 WHEREAS, Pursuant to Section 9 of the JPA Agreement, the Authority may only issue
8 the Bonds with the approval of the governing body of the jurisdiction in which the Project is
9 located; and,

10 WHEREAS, The Authority has requested the Board of Supervisors of the City (the
11 "Board") to approve the issuance and sale of the Bonds in order to satisfy the public approval
12 requirements of Section 147(f) of the Code and the requirements of the JPA Agreement; and,

13 WHEREAS, On October 30, 2004, the City caused a notice stating that a public
14 hearing with respect to the issuance of the Bonds would be held by the Mayor's Office of
15 Public Finance on November 15, 2004, to appear in *The Independent* which is a newspaper of
16 general circulation in the City; and,

17 WHEREAS, The Mayor's Office of Public Finance has held the public hearing
18 described above on November 15, 2004, and an opportunity was provided for persons to
19 comment on the issuance and sale of the Bonds and the Project; and,

20 WHEREAS, This Board is the elected legislative body of the City and is the applicable
21 elected representative required to approve the issue within the meaning of Section 147(f) of
22 the Code and the JPA Agreement; now, therefore be it

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

1 FURTHER RESOLVED, That this Board hereby approves the issuance and sale of the
2 Bonds by the Authority. It is the purpose and intent of this Board that this Resolution
3 constitute approval of the Bonds by the applicable elected representative of the governmental
4 unit having jurisdiction over the area in which the Project is located in accordance with Section
5 147(f) of the Code and Section 9 of the JPA Agreement; and, be it

6 FURTHER RESOLVED, That the approval of the issuance and sale of the Bonds by
7 the City is neither an approval of the underlying credit issues of the proposed Project nor an
8 approval of the financial structure of the Bonds.

9
10 APPROVED AS TO FORM:

11 DENNIS J. HERRERA
12 CITY ATTORNEY

13 By: Theresa Alvarez Hackett
14 Theresa Alvarez Hackett
15 Deputy City Attorney
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City and County of San Francisco

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

Tails Resolution

File Number: 041574

Date Passed:

Resolution authorizing the issuance and sale of refunding revenue bonds by the California Statewide Communities Development Authority in an aggregate principal amount not to exceed \$7,950,000 for the Project (as defined herein).

November 23, 2004 Board of Supervisors — ADOPTED

Ayes: 10 - Alioto-Pier, Ammiano, Daly, Elsbernd, Gonzalez, Ma, Maxwell,
McGoldrick, Peskin, Sandoval

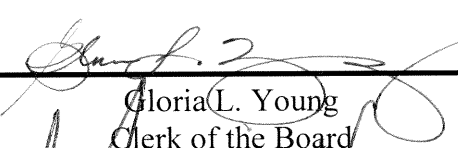
Absent: 1 - Dufty

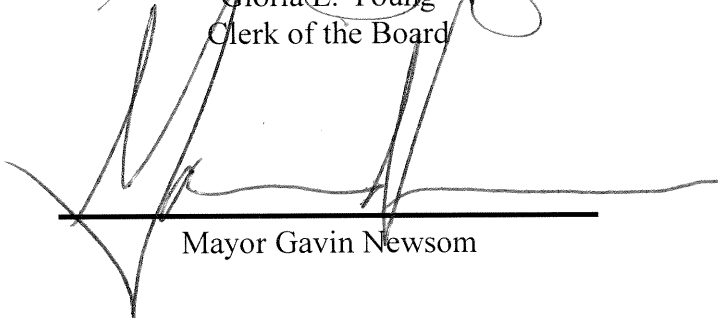
File No. 041574

I hereby certify that the foregoing Resolution was ADOPTED on November 23, 2004 by the Board of Supervisors of the City and County of San Francisco.

DEC 01 2004

Date Approved


Gloria L. Young
Clerk of the Board


Mayor Gavin Newsom