

1 [Issuance and Sale of Tax-Exempt Bonds – Children's Day School, Inc. – Not to
2 Exceed \$10,000,000]

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4 **Resolution approving the issuance and sale of tax-exempt bonds by the California**
5 **Municipal Finance Authority in an aggregate principal amount not to exceed**
6 **\$10,000,000 to finance various capital facilities owned or leased by Children's Day**
7 **School.**

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9 WHEREAS, Children's Day School, Inc., a California nonprofit corporation (the
10 "Corporation") has requested that the California Municipal Finance Authority, a joint exercise of
11 powers agency established pursuant to the laws of the State of California (the "Authority") issue
12 and sell from time to time its revenue bonds (the "Bonds"), in one or more series over the next
13 three years, in an aggregate principal amount not expected to exceed \$10,000,000, for the
14 purpose of making one or more loans (collectively, the "Loan") to the Corporation pursuant to a
15 plan of financing for various capital facilities as more fully described below; and

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

18 WHEREAS, The Corporation expects to use the proceeds of the Loan over the next three
19 years to finance the following: (1) construction, acquisition, improvement, capital maintenance,
20 equipment acquisition and other related capital expenditures at the Corporation's facilities located
21 at 333 Dolores Street, San Francisco, California 94110 and 3275-3279 16th Street, San
22 Francisco, California 94103 (the "Facilities"); (2) acquisition and/or improvement of one or more
23 properties located immediately adjacent to the Facilities in the area bounded by Dolores Street,
24 16th Street, Guerrero Street and 17th Street in San Francisco, California; (3) refinance
25 approximately \$7.2 million of loans with banks and certain individuals that financed construction,

1 acquisition, improvement, capital maintenance, equipment acquisition and other related capital
2 expenditures at the Facilities; and (4) costs of issuance, funding a debt service reserve,
3 capitalized interest and credit enhancement fees (collectively, the "Projects"), all to be owned or
4 leased and operated by the Corporation and used for the educational purposes thereof; and

5 WHEREAS, The issuance and delivery of the Bonds shall be subject to the approval of and
6 execution by the Authority of all financing documents relating thereto to which the Authority is a
7 party and shall also be subject to the sale of the Bonds by the Authority; and

8 WHEREAS, The Project is located wholly within the City; and

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

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

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

17 WHEREAS, On May 3, 2010, the City caused a notice to appear in the *San Francisco*
18 *Chronicle*, which is a newspaper of general circulation in the City, stating that a public hearing with
19 respect to the issuance of the Bonds would be held by the City's Office of Public Finance on May
20 18th, 2010; and

21 WHEREAS, The Office of Public Finance held the public hearing described above on May
22 18th, 2010, and an opportunity was provided for persons to comment on the issuance and sale of
23 the Bonds and plan of financing the Project; and

1 WHEREAS, the Director of Public Finance recommends approval of the issuance and sale
2 of the Bonds pursuant to Chapter 43, Article 9, Section 5 of the Administrative Code; now,
3 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 and sale of the
7 Bonds by the Authority; and be it

8 FURTHER RESOLVED, That it is the purpose and intent of this Board that this Resolution
9 constitutes approval of the issuance of the Bonds by the applicable elected representative of the
10 governmental unit having jurisdiction over the area in which the Project is located for the purposes
11 of and in accordance with Section 147(f) of the Code; and, be it

12 FURTHER RESOLVED, That the approval of the issuance and sale of the Bonds by the
13 City is neither an approval of the underlying credit issues of the proposed Project nor an approval
14 of the financial structure of the Bonds; and the City, nor any department thereof, shall have no
15 responsibility or liability whatsoever with respect to the Bonds or the Project; and be it

16 FURTHER RESOLVED, That the Bonds shall not constitute a debt or obligation of the City
17 and the payment of the principal, prepayment premium, if any, and purchase price of and interest
18 on the Bonds shall be solely the responsibility of the Corporation; and be it

19 FURTHER RESOLVED, That adoption of this Resolution shall not obligate (i) the City to
20 provide financing to the Corporation for the acquisition, rehabilitation and development of the
21 Project or to issue the Bonds for purposes of such financing; (ii) make any contribution or advance
22 any funds to the Authority; or (iii) the City, or any department of the City, to approve any
23 application or request for, or take any other action in connection with, any environmental,
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1 General Plan, zoning or any other permit or other regulatory action sought in connection with
2 the Project; and be it

3 FURTHER RESOLVED, That this Resolution shall take effect immediately upon its
4 adoption.

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6 APPROVED AS TO FORM:

7 DENNIS J. HERRERA
8 City Attorney

9 By: Kenneth David Roux
10 KENNETH DAVID ROUX
11 Deputy City Attorney

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City and County of San Francisco
Tails
Resolution

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

File Number: 100646

Date Passed: June 08, 2010

Resolution approving the issuance and sale of tax-exempt bonds by the California Municipal Finance Authority in an aggregate principal amount not to exceed \$10,000,000 to finance various capital facilities owned or leased by Children's Day School.

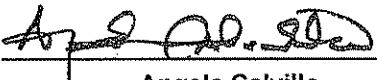
June 08, 2010 Board of Supervisors - ADOPTED

Ayes: 11 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell and Mirkarimi

File No. 100646

I hereby certify that the foregoing Resolution was ADOPTED on 6/8/2010 by the Board of Supervisors of the City and County of San Francisco.



Mayor Gavin Newsom

Angela Calvillo
Clerk of the Board

6/09/2010

Date Approved