Resolution approving the issuance of a tax exempt obligation by the Association of Bay Area Governments (ABAG) Finance Authority for Nonprofit Corporations in an aggregate principal amount not to exceed $32,000,000 to finance and refinance various capital facilities owned by San Francisco Friends School.

WHEREAS, San Francisco Friends School, a California nonprofit corporation (the "School") has requested that the ABAG Finance Authority for Nonprofit Corporations, a joint exercise of powers agency established pursuant to the laws of the State of California (the "Authority") issue its tax-exempt obligations (the "Obligation"), in an aggregate principal amount not expected to exceed $32,000,000, for the purpose of making one or more loans to the School pursuant to a plan of financing for various capital facilities as more fully described below; and

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

WHEREAS, The School expects to use the proceeds of the Obligation for: (1) refunding the $24,000,000 ABAG Finance Authority for Nonprofit Corporations Variable Rate Demand Revenue Bonds (San Francisco Friends School) Series 2007 (the "Series 2007 Bonds") the proceeds of which were used by the School for the purpose of (a) the acquisition, rehabilitation, renovation, construction and equipping of an industrial building located at 250 Valencia Street to be converted for use as the School's educational facilities within the City and County of San Francisco, California (the "Facilities") including furniture, fixtures and equipment and design, architectural, engineering, project management, project consultants

Supervisor Wiener
BOARD OF SUPERVISORS
and other similar expenses relating thereto, (b) miscellaneous construction, renovation, improvements, capital maintenance, equipment acquisition and installation thereof at the Facilities, and (c) various costs of issuance, a debt service reserve fund, capitalized interest, working capital and credit enhancement fees; (2) the acquisition, construction, improvement, capital maintenance, equipment acquisition and other related capital expenditures of the property located at the Facilities; and (3) payment of costs of issuance related to the Obligation and other related costs, including but not limited to the termination payment with respect to an interest rate swap related to the Series 2007 Bonds (collectively, the "Projects"), all to be owned and operated by the School and used for the educational purposes thereof; and

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

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

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

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

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

WHEREAS, On October 29, 2012, the City caused a notice to appear in the San Francisco Chronicle, which is a newspaper of general circulation in the City, stating that a
public hearing with respect to the issuance of the Obligation would be held by the City's Office
of Public Finance on November 12, 2012; and

WHEREAS, The Office of Public Finance held the public hearing described above on
November 12, 2012, and an opportunity was provided for persons to comment on the
issuance of the Obligation and plan of financing the Projects; and

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

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

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

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

FURTHER RESOLVED, That the approval of the issuance of the Obligation by the City
is neither an approval of the underlying credit of the School or of the proposed Projects nor an
approval of the financial structure of the Obligation; and the City, nor any department thereof,
shall have no responsibility or liability whatsoever with respect to the Obligation or the
Projects; and be it

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

Supervisor Wiener
BOARD OF SUPERVISORS

Page 3
11/1/2012
FURTHER RESOLVED, That adoption of this Resolution shall not obligate the City or any department of the City to (i) provide financing to the School for the acquisition, rehabilitation and development of the Projects or to issue the Obligation for purposes of such financing; (ii) make any contribution or advance any funds to the Authority; or (iii) approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other regulatory action sought in connection with the Projects; and be it

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

APPROVED AS TO FORM:

DENNIS J. HERRERA
CITY ATTORNEY

BY: KENNETH DAVID ROUX
Deputy City Attorney
Resolution approving the issuance of a tax exempt obligation by the ABAG Finance Authority for Nonprofit Corporations in an aggregate principal amount not to exceed $32,000,000 to finance and refinance various capital facilities owned by San Francisco Friends School.

December 05, 2012 Budget and Finance Committee - RECOMMENDED

December 11, 2012 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Olague and Wiener

I hereby certify that the foregoing Resolution was ADOPTED on 12/11/2012 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Date Approved 12/13/12