Resolution approving the issuance of tax-exempt revenue obligations by the California Statewide Communities Development Authority for the Presidio Hill School in an aggregate principal amount not to exceed $9,350,000 to refinance various capital facilities owned and operated by Presidio Hill School, a California non-profit public benefit corporation, in accordance with Internal Revenue Code, Section 147(f).

WHEREAS, Presidio Hill School, a California nonprofit public benefit corporation (the "School"), has requested that the California Statewide Communities Development Authority, a joint exercise of powers agency established pursuant to the laws of the State of California (the "Authority"), issue its tax-exempt revenue obligations (the "Obligations"), in an aggregate principal amount not to exceed $9,350,000 for the purpose of making a loan to the School pursuant to a plan of refinancing 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 apply the proceeds of the Obligations to (i) refinance the 2011 tax-exempt loan (the "Prior Loan"), issued pursuant to a Master Loan Agreement, among the Authority, First Republic Bank and the School, which Prior Loan refinanced the California Statewide Communities Development Authority Revenue Bonds (Presidio Hill School), Series 2002 (the "2002 Bonds"), which financed the School's construction, renovation, expansion and equipping of the School's educational facilities located at 3839 Washington Street, San Francisco, California 94118 (the "Educational Facilities"), with all such work having been completed in 2003; (ii) refinance the acquisition of...
a certain parcel of real property, and the improvements thereon (the "School Parcel"), located
at 233 Maple Street, San Francisco, California 94118, which property was purchased in May
2012 by Arguello Partners, LLC, a limited liability company (the "LLC"), of which the School is
the sole member (the School Parcel and together with the Educational Facilities, the
"Facilities" herein), and (iii) paying costs of issuance related to the Obligations and other
related costs (collectively, the "Project"); and

WHEREAS, The owner and/or operator of all capital improvements (including
equipment and other costs), to be refinanced with proceeds of the Obligation, has been and
will be the School or the LLC; and

WHEREAS, The issuance of the Obligations 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 geographic boundaries of 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 by an "applicable elected representative" of the City in accordance with the Code,
Section 147(f); and

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

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

WHEREAS, On April 28, 2014, 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 Obligations would be held by the City's Office of Public
Finance on May 12, 2014, said declaration of publication is on file with the Office of the Clerk
of the Board in File No. 140570; and

WHEREAS, The City's Office of Public Finance held said public hearing on May 12,
2014, and an opportunity was provided for the public to comment on the issuance of the
Obligations and plan of financing the Project; and

WHEREAS, The Director of Public Finance recommends approval of the issuance of
the Obligations pursuant to the Administrative Code, Chapter 43, Article 9, Section 5, thereof;
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
Obligations by the Authority; and, be it

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

FURTHER RESOLVED, That the approval by the City of the issuance of the
Obligations by the Authority is neither an approval of the underlying credit of the School or of
the proposed Project nor an approval of the financial structure of the Obligations; and neither
the City, nor any department thereof, shall have any responsibility or liability whatsoever with
respect to the Obligations or the Project; and, be it

FURTHER RESOLVED, That the Obligations shall not constitute a debt or liability in
any respect of the City, no funds of the City shall be available in any respect for the
repayment of the Obligations, the payment of the principal, prepayment premium, if any, and
interest on the Obligations being solely the responsibility of the School; and, be it

FURTHER RESOLVED, That the adoption of this Resolution shall not obligate the City
or any department of the City to (i) provide financing to the School for the repayment of the
Prior Loan or to issue the Obligations 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 Project; and, be it

FURTHER RESOLVED, That the Controller and the Director of the Office of Public
Finance and any other proper officers of the City are hereby authorized and directed, upon
consultation with the City Attorney, to execute such other agreements, documents and
certificates, and to perform such other acts as may be necessary or advisable to effect the
purposes of this Resolution; 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:
MARK D. BLAKE
Deputy City Attorney
Resolution approving the issuance of tax-exempt revenue obligations by the California Statewide Communities Development Authority for the Presidio Hill School in an aggregate principal amount not to exceed $9,350,000 to refinance various capital facilities owned and operated by Presidio Hill School, a California non-profit public benefit corporation, in accordance with Internal Revenue Code, Section 147(f).

July 09, 2014 Budget and Finance Sub-Committee - RECOMMENDED

July 15, 2014 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 7/15/2014 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

Date Approved