Resolution approving, in accordance with the Internal Revenue Code, Section 147(f), the issuance of tax-exempt obligations by the California Statewide Communities Development Authority in an aggregate principal amount not to exceed $26,000,000 to finance and refinance various capital facilities owned by California College of the Arts or an affiliate.

WHEREAS, California College of the Arts, a California nonprofit corporation (the "Corporation") 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, or other conduit issuer (the "Authority"), issue from time to time tax-exempt obligations (the "Obligation"), in an aggregate principal amount not expected to exceed $26,000,000 for the purpose of making one or more loans (collectively, the "Loan") to the Corporation 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 has entered into that certain Amended and Restated Joint Exercise of Powers Agreement relating to the Authority, dated as of June 1, 1988 (the "Agreement") among certain local agencies, including the City; and

WHEREAS, The Corporation expects to use the proceeds of the Loan for the following purposes: (1) redeem in full all of the outstanding $18,535,000 California Educational Facilities Authority ("CEFA") Revenue Bonds (California College of the Arts), Series 2005 (the "2005 Bonds") and the portion of CEFA's outstanding $37,765,000 Revenue Bonds (College and University Financing Program), Series 2007, allocable to the Corporation (the "2007
Bonds," and together with the 2005 Bonds, the "Refunded Bonds"), the proceeds of which
Refunded Bonds were used to finance or refinance the construction, acquisition,
 improvement, capital maintenance, equipment acquisition and other related capital
expenditures at the Corporation's facilities located at 1111 Eighth Street, San Francisco,
California (the "San Francisco Campus") and 5212 Broadway, Oakland, California (the
"Oakland Campus"), (2) pay and/or reimburse the Corporation for miscellaneous capital
expenditures related to the acquisition, construction, improvement and equipping of the San
Francisco Campus and/or the Oakland Campus, and (3) pay various costs of issuance and
other related costs (collectively, the "Project"); 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 subject to the issuance of the Obligation by the Authority; and

WHEREAS, All or a portion of the Project is and will be located 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 the requirements of Section 9 of the Agreement; and

WHEREAS, On September 19, 2014, the City caused a notice to appear in the San
Francisco Examiner, 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 October 3, 2014; and

WHEREAS, The Office of Public Finance held the public hearing described above on October 3, 2014, and an opportunity was provided for persons to comment on the issuance of the Obligation and the financing and refinancing of the Project; 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 (a) 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 (b) approval of the Obligation for purposes of Section 9 of the Agreement; 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 issues of the proposed Project nor an approval of the financial structure of the Obligation; 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 Corporation; and, be it

FURTHER RESOLVED, That adoption of this Resolution shall not obligate (i) the City to provide financing to the Corporation for the acquisition, rehabilitation and development of the Project or to issue the Obligation for purposes of such financing; or (ii) the City, or any department of the City, to 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 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 in accordance with the Internal Revenue Code, Section 147(f), the issuance of tax-exempt obligations by the California Statewide Communities Development Authority in an aggregate principal amount not to exceed $26,000,000 to finance and refinance various capital facilities owned by California College of the Arts or an affiliate.

November 19, 2014 Budget and Finance Committee - RECOMMENDED

November 25, 2014 Board of Supervisors - ADOPTED
Ayes: 10 - Avalos, Breed, Campos, Chiu, Farrell, Kim, Mar, Tang, Wiener and Yee
Excused: 1 - Cohen

File No. 141124

I hereby certify that the foregoing Resolution was ADOPTED on 11/25/2014 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Date Approved

Mayor