Resolution approving for purposes of Internal Revenue Code, Section 147(f), the Issuance and Sale of Revenue Obligations by the California Enterprise Development Authority in an aggregate principal amount not to exceed $10,000,000 to finance or refinance the acquisition, construction, improvement, and/or equipping of K-8 educational facilities to be owned and operated by, or leased and operated by, Live Oak, a Learning Center for Children, a California nonprofit public benefit corporation.

WHEREAS, The California Enterprise Development Authority (the “Authority”) is authorized pursuant to the provisions of California Government Code, Section 6500 et seq. and the terms of a Joint Powers Agreement, dated as of June 1, 2006 (the “Agreement”), among certain public agencies throughout the State of California, to issue revenue bonds and other forms of indebtedness to assist nonprofit corporations to obtain tax-exempt financing for appropriate projects and purposes; and

WHEREAS, Live Oak, a Learning Center for Children, a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), or an affiliate thereof or successor thereto (collectively, the “Borrower”), has requested that the Authority issue revenue obligations in an aggregate principal amount not to exceed $10,000,000 (the “Obligations”) to: (i) prepay in full the Authority’s 2012 Tax-Exempt Loan (Live Oak School), issued in the original principal amount of $5,750,000, the proceeds of which financed and refinanced the acquisition, construction, improvement and equipping of educational facilities located at 1555 Mariposa Street, San Francisco, California 94107 (“1555 Mariposa”), all owned and operated by the Borrower, and used for educational purposes, (ii) finance, and/or reimburse the Borrower for
capital expenditures, including construction, improvement and equipping of facilities at
(a) 1555 Mariposa, and (b) the parcel of real estate leased by the Borrower from KRMR, LLC,
a California limited liability company, located at 1501 Mariposa Street, San Francisco,
California 94107 ("1501 Mariposa"), including the completion of the campus renovation and
expansion at 1555 Mariposa and 1501 Mariposa (such improvements financed and/or
refinanced with the Obligations are collectively referred to as the "Project") and (iii) pay
various transaction costs, prepayment costs, if applicable, and other related costs; and

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

WHEREAS, Pursuant to Internal Revenue Code, Section 147(f), the issuance of the
Obligations by the Authority may qualify for tax exemption under Internal Revenue Code,
Section 103 only if the Obligations are approved by the "applicable elected representative" of
both the governmental unit issuing the Obligations and a governmental unit having jurisdiction
over the area in which the Project is located after a public hearing held following reasonable
public notice; and

WHEREAS, The issuance and delivery of the Obligations shall be subject to the
approval of and execution by the Authority; and

WHEREAS, The Authority has requested the Board of Supervisors of the City and
County of San Francisco (the "Board") to approve the issuance and sale of the Obligations in
order to satisfy the requirements of Internal Revenue Code, Section 147(f), the Board being
the applicable elected representative of the governmental unit issuing the Obligations and
having jurisdiction over the area in which the Project is located within the meaning of Internal
Revenue Code, Section 147(f); and

WHEREAS, On April 21, 2015, 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 Office of Public Finance on May 6, 2015; and

WHEREAS, The Office of Public Finance held the public hearing described above on May 6, 2015, and an opportunity was provided for persons to comment on the issuance and sale of the Obligations and the plan of financing of the Project; and

WHEREAS, The Obligations will be limited obligations of the Authority, payable solely from and secured solely by amounts received from or on behalf of the Borrower, and will not constitute an indebtedness or obligation, or a pledge of the faith and credit of, the City or the Authority, except to the limited extent described herein; and

WHEREAS, It is intended that this Resolution shall constitute approval of the issuance of the Obligations for purposes of Internal Revenue Code, Section 147(f); now, therefore, be it

RESOLVED, That this Board finds that all of the recitals set forth above are true and correct; and, be it

FURTHER RESOLVED, That the Board hereby approves the issuance of the Obligations by the Authority. It is the purpose and intent of the Board that this Resolution constitutes approval of the issuance of the Obligations by the applicable elected representatives of the City for purposes of Internal Revenue Code, Section 147(f); and, be it

FURTHER RESOLVED, That the approval by the Board of the issuance and sale of the Obligations is neither an approval of the underlying credit issues of the Project nor an approval of the financial structure of the Obligations, and that the adoption of this Resolution shall not obligate (i) the City to provide financing to the Borrower for the acquisition, construction, improvement and/or equipping of the Project or to issue the Obligations 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 action necessary for the acquisition,
construction, equipping or furnishing of the Project; and, be it

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FURTHER RESOLVED, That this Resolution shall take effect from and after its adoption and approval.

APPROVED AS TO FORM:

Dennis J. Herrera,
City Attorney

By:

Mark D. Blake
Deputy City Attorney
Resolution approving for purposes of Internal Revenue Code, Section 147(f), the Issuance and Sale of Revenue Obligations by the California Enterprise Development Authority in an aggregate principal amount not to exceed $10,000,000 to finance or refinance the acquisition, construction, improvement, and/or equipping of K-8 educational facilities to be owned and operated by, or leased and operated by, Live Oak, a Learning Center for Children, a California nonprofit public benefit corporation.

June 10, 2015 Budget and Finance Sub-Committee - RECOMMENDED

June 16, 2015 Board of Supervisors - ADOPTED
   Ayes: 11 - Avalos, Breed, Campos, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 6/16/2015 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

Date Approved

6/25/15