[Approving Issuance of Bonds - California Statewide Communities Development Authority - San Francisco Museum of Modern Art - Not to Exceed $30,000,000]

Resolution approving in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended, the issuance of tax-exempt obligations by the California Statewide Communities Development Authority in an aggregate principal amount not to exceed $30,000,000 for the financing or refinancing of various capital facilities owned or to be owned by San Francisco Museum of Modern Art.

WHEREAS, The California Statewide Communities Development Authority, is a joint exercise of powers agency established pursuant to the laws of the State of California (the "Authority") and that certain Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988, among certain local agencies, including the City (the "Agreement"); and

WHEREAS, San Francisco Museum of Modern Art (SFMOMA), a California nonprofit corporation (the "Corporation"), has requested that Authority to issue obligations (the "Obligations") in an aggregate principal amount not expected to exceed $30,000,000, for the purpose of making a loan to the Corporation to finance or refinance various capital facilities as more fully described below; and

WHEREAS, Proceeds of the Obligations will be loaned to the Corporation, pursuant to a Loan Agreement or a Master Loan Agreement (each, a "Loan Agreement"), and the Corporation will use the proceeds of the Obligations as follows: (1) the acquisition of fee title ownership of a parking garage (including an existing rooftop café area and sculpture garden area therein) located at 147 Minna Street, San Francisco, California (the "Parking Garage"); (2) capital improvements, equipment acquisition, capital maintenance and other related improvements to the Parking Garage and the Corporation's existing facilities located at 151
Third Street, San Francisco, California (the "Museum"); (3) the acquisition and installation of artworks for the Museum (collectively, the "Projects"); and (4) pay various costs of issuance and other related costs with respect to the Obligations; and

WHEREAS, The Projects are or will be owned and operated by the Corporation, and the Museum and the Projects are located within the geographic boundaries of the City and County of San Francisco (the "City"); and

WHEREAS, The City is a member of the Authority; and

WHEREAS, The issuance and delivery 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 subject to the issuance of the Obligations by the Authority; and

WHEREAS, Interest on the Obligations may qualify for tax exemption under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the Obligations are 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 one of the applicable elected representatives required to approve the issue within the meaning of Section 147(f) of the Code and Section 9 of Agreement; and

WHEREAS, The Authority has requested the Board to approve the issuance and sale of the Obligations 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 August 28, 2017, 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 and the Projects would be held by the Controller's Office of Public Finance on September 11, 2017; and

WHEREAS, The Controller's Office of Public Finance held the public hearing described above on September 11, 2017, and an opportunity was provided for persons to comment on
the issuance of the Obligations and the plan of financing for the Projects, and such written
comments received on or prior to the date of such hearing have been forwarded to this Board;
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 Projects
are located for the purposes of and in accordance with Section 147(f) of the Code and Section
9 of the Agreement; and be it

FURTHER RESOLVED, That the approval of the issuance of the Obligations by the
Authority is neither an approval of the underlying credit supporting the Projects nor an
approval of the financial structure of the Obligations; and be it

FURTHER RESOLVED, That the Obligations shall not constitute a debt or obligation of
the City and neither the full faith and credit or taxing power of the City shall be available to the
payment of the Obligations, the payment of the principal, prepayment premium, if any, and
purchase price of and interest on the Obligations shall be solely the responsibility of the
Corporation; and be it

FURTHER RESOLVED, The adoption of this Resolution shall not obligate (i) the City to
provide or pledge any of its revenues or assets to the Corporation for the acquisition,
rehabilitation and development of the Projects or to issue the Obligations for purposes of such
financing; or (ii) the City, or any department of the City, to approve an application or request for, or take any other action in connection with, environmental, General Plan consistency determinations, 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:  
Mark D. Blake
Deputy City Attorney

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September 21, 2017 Budget and Finance Committee - RECOMMENDED AS COMMITTEE REPORT

September 26, 2017 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 170950

I hereby certify that the foregoing Resolution was ADOPTED on 9/26/2017 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

09/27/2017

Date Approved