[General Obligation Bonds - San Francisco Unified School District - Not to Exceed $280,000,000]

Resolution authorizing the San Francisco Unified School District to issue and sell on its own behalf its general obligation bonds, Election of 2016, Series B in an aggregate principal amount not to exceed $280,000,000 without further action of the City and County of San Francisco.

WHEREAS, An election was duly and regularly held in the San Francisco Unified School District (the “District”) on November 8, 2016, in accordance with Section 1(b)(3) of Article XIII A of the California Constitution, for the purpose of submitting a bond measure (Proposition A) to the qualified electors of the District, authorizing the issuance of general obligation bonds in the aggregate principal amount of $744,250,000 (the “Election of 2016 Bonds”), and more than 55% of the votes cast were in favor of the issuance of the Election of 2016 Bonds; and

WHEREAS, The District has heretofore issued, or caused the City and County of San Francisco (the “City”) to issue on the District’s behalf the “San Francisco Unified School District General Obligation Bonds, Election of 2016, Series A” (the “Series A Bonds”) in the original principal amount of $180,000,000 for authorized school purposes; and

WHEREAS, Section 15140(b) of the Education Code of the State of California (the “Education Code”) authorizes a county board of supervisors to allow school districts over which the county superintendent of schools has jurisdiction to issue and sell school bonds directly without further action by the board of supervisors or officers of the county if said school district has not received a qualified or negative certification in its most recent interim report; and

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WHEREAS, The Board of Education of the District adopted on April 28, 2020, a resolution (the “District Resolution”) providing for the issuance and sale of its “San Francisco Unified School District General Obligation Bonds, Election of 2016, Series B,” in an aggregate principal amount not to exceed $280,000,000 (the “Bonds”); and

WHEREAS, By said District Resolution, the District requests that this Board of Supervisors of the City (the “Board”) authorize the District to issue and sell the Bonds on its own behalf, and provides for a competitive or negotiated sale process, all subject to the Education Code, the Government Code of the State (the “Government Code”) and applicable law; and

WHEREAS, The District has represented and warranted to the City that it has not received a qualified or negative certification in its most recent interim report; now, therefore, be it

RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as follows:

Section 1. Recitals. All of the recitals in this Resolution are true and correct.

Section 2. Authorization of Issuance. The Board hereby authorizes the issuance of the Bonds by the District on its own behalf, pursuant Section 15140(b) of the Education Code. This authorization shall only apply to the Bonds authorized to be issued by said District Resolution.

Section 3. Purpose. The purpose of this action is to permit the District to sell its Bonds in the manner that the District determines to be in its best interests and the best interests of its taxpayers, as provided in the District Resolution.

Section 4. No Qualified or Negative Certification. If the District shall have received, at a time prior to the issuance of the Bonds, a qualified or negative certification in its most recent interim report (as defined in Section 42131 of the Education Code) the District shall not
be entitled to issue the Bonds pursuant to the authority granted by this Resolution.

Section 5. **District Responsibilities.** The District shall provide notice to the City, through the Controller’s office of Public Finance, of its intent to sell or issue any future series of Bonds not less than forty-five (45) days prior to the anticipated sale or issuance of any such Bonds, which notice shall be acknowledged in writing by the Controller’s Office of Public Finance within fifteen (15) days of receipt of such notice. Furthermore, the City, through the Controller’s Office of Public Finance, shall receive (i) a copy of the certified resolution of the District Board of Education approving the issuance of any future series of Bonds; (ii) a copy of the debt service schedule within fifteen (15) days of the issuance of any future series of Bonds; and (iii) all minutes approved by the independent citizens’ oversight committee formed pursuant to the Education Code when such minutes are available. Failure of the City or the District to provide any such notice, acknowledgement, resolution, debt service schedule or minutes required by this Resolution shall not affect the validity of any Bonds issued or sold by the District, or the requirement of the City to levy the tax pursuant to Section 15252 of the Education Code.

Section 6. **City Responsibilities.**

(a) The City, including the officers thereof and this Board of Supervisors, takes no responsibility for any act or omission that is in any way related to the Bonds issued or sold by the District pursuant to the authority granted in this Resolution, including but not limited to any proceedings for the sale and issuance of the Bonds, the validity of the Bonds, or any disclosure issues related to the Bonds.

(b) The City shall levy and collect taxes, pay principal and interest on the Bonds when due, and hold and invest the bond proceeds and tax funds for the Bonds duly issued and sold by the District pursuant to the authority granted by this Resolution, and as otherwise required by law. The Bonds shall not constitute a debt of the City and the City shall have no
obligations regarding the use or application of the proceeds of the Bonds.

(c) The City, including the officers, officials and employees thereof and this Board of Supervisors, takes no responsibility for establishing a tax rate for any new issue of bonds in any year in which the information required by Section 5 hereof to be delivered to the City officers is delivered later than the deadline established by such officers in order to permit compliance with Section 29100 et seq. of the Government Code.

(d) Except as otherwise provided by this Resolution and by law, none of the City, this Board or any officers, nor officials or employees of the City shall have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby and the Bonds shall be payable solely from tax proceeds and any other moneys of the District available therefor as set forth in this Section 6.

Section 7. Other Actions. Officers, officials and staff of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they may deem necessary or advisable in order to enable the District to proceed with the issuance of the Bonds, and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

Section 8. Paying Agent. The City confirms that it will, through the office of the City Treasurer, serve as the paying agent for the Bonds (the “Paying Agent”) pursuant to a Paying Agent Agreement (“Paying Agent Agreement”), by and between the District and the City.

Section 9. Delivery of Resolution. The Clerk of the Board of Supervisors is hereby directed to deliver a copy of this Resolution to the Superintendent of the District.

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Section 10. **Effective Date.** This Resolution shall take effect from and after its adoption.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: /s/ KENNETH D. ROUX
KENNETH D. ROUX
Deputy City Attorney

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Resolution authorizing the San Francisco Unified School District to issue and sell on its own behalf its general obligation bonds, Election of 2016, Series B in an aggregate principal amount not to exceed $280,000,000 without further action of the City and County of San Francisco.

July 15, 2020 Budget and Finance Committee - RECOMMENDED

July 21, 2020 Board of Supervisors - ADOPTED
Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 7/21/2020 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved
7-31-20