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# Agenda

Tuesday, September 29, 2015

**Place:** County Board of Supervisors Chambers  
Kings County Government Center, Hanford, CA

**Time:** 11:00 a.m.

1. **CALL TO ORDER**

**ROLL CALL – Clerk to the Board**

2. **APPROVAL OF MINUTES**

Approval of the minutes from the September 15, 2015 regular meeting.

3. **CONSENT CALENDAR**

A. Consideration of approving an inducement resolution 15-03I for Pacific Aviation Development, LLC, City of Los Angeles, County of Los Angeles; up to \$40 million of tax-exempt revenue bonds. (Staff – Scott Carper)

4. **NEW BUSINESS ACTION ITEMS**

A. Consider approving resolution 15-02A for Mark Day School, City of San Rafael, County of Marin; up to \$8,000,000 of tax exempt obligations. (Staff – Scott Carper)

5. **PUBLIC COMMENT**

*Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.*

6. **ADJOURNMENT**

*Adjourn as the California Public Finance Authority.*



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2. **APPROVAL OF MINUTES**

Consideration of the Minutes of the September 15<sup>th</sup>, 2015 Regular Meeting.



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## *Action Summary*

Tuesday, September 15, 2015

**Place:** County Board of Supervisors Chambers  
Kings County Government Center, Hanford, CA

**Time:** 11:00 a.m.

1.    **B 1**    **CALL TO ORDER**  
**ROLL CALL – Clerk to the Board**  
**ALL MEMBERS PRESENT**
  
2.    **B 2**    **APPROVAL OF MINUTES**  
Approval of the minutes from the September 1, 2015 regular meeting.  
**ACTION: APPROVED AS PRESENTED (JN/CP/RV/DV/RF-Aye)**
  
3.    **B 3**    **NEW BUSINESS ACTION ITEMS**  
**A.** Consider approving resolution 15-01A for Marin Montessori School, City of Corte Madera, County of Marin; up to \$8,400,000 of revenue bonds. (Staff – Scott Carper)  
**ACTION: APPROVED AS PRESENTED (DV/JN/RV/CP/RF-Aye)**
  
4.    **B 4**    **PUBLIC COMMENT**  
*Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.*  
**None**
  
5.    **B 5**    **ADJOURNMENT**  
*The meeting was adjourned at 11:17 a.m.*



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**3. CONSENT CALENDAR**

Consideration of approving an inducement resolution 15-03I for Pacific Aviation Development, LLC, City of Los Angeles, County of Los Angeles; up to \$40 million of tax-exempt revenue bonds. (Staff – Scott Carper)

**RESOLUTION AUTHORIZING THE FINANCING  
OF AN AIRPORT FACILITY PROJECT IN VAN  
NUYS, CALIFORNIA, AND AUTHORIZING THE  
ISSUANCE OF NOT EXCEEDING \$40,000,000 OF  
THE CALIFORNIA PUBLIC FINANCE  
AUTHORITY AIRPORT FACILITY REVENUE  
BONDS**

**BE IT RESOLVED** by The California Public Finance Authority (the “Authority”) as follows:

Section 1. The request by Pacific Aviation Development LLC, a limited liability company authorized to transact business in California (the “Borrower”), or an assignee, to have the Authority assist the Borrower in financing (i) all or a portion of the costs of the acquisition, construction and equipping of financing all or a portion of the costs of a limited service general aviation FBO including, hangar, aircraft tie-down parking, aircraft storage, and aircraft maintenance for the exclusive use of propeller aircraft of less than 12,500 lbs, gross take-off weight and/or military aircraft built prior to 1950, as defined in the Van Nuys Airport Plan, Aviation Area-Propeller land use category, buildings and structures together with equipment therefor and appurtenant facilities to be located in Van Nuys Airport and to be used by the Borrower as a facility for flight schools, offices, classrooms, meetings rooms, support buildings, lounges, and a restaurant having an area no greater than 3,000 square feet unless approved by the Executive Director in his or her sole discretion (the “Project”), and constituting an “airport facility” pursuant to Section 142(a) of the Internal Revenue Code, as amended (the “Code”), is hereby approved, and the Chairman or Vice Chairman of the Authority and the Secretary of the Authority are hereby authorized to execute and deliver the Authority’s airport facility revenue bonds for the Project.

Section 2. The Authority hereby agrees to issue, its airport facility revenue bonds in an aggregate principal amount not to exceed \$40,000,000 to pay all or a portion of the costs of the Project.

Section 3. This resolution shall take effect upon its passage.

As of September 29, 2015

Authorized Signatory

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California Public Finance Authority



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**4. NEW BUSINESS ACTION ITEMS**

Consider approving resolution 15-02A for Mark Day School, City of San Rafael, County of Marin; up to \$8,000,000 of tax exempt obligations. (Staff – Scott Carper)



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<b>DATE:</b>	SEPTEMBER 29, 2015
<b>APPLICANT:</b>	MARK DAY SCHOOL
<b>AMOUNT:</b>	UP TO \$8 MILLION OF TAX-EXEMPT OBLIGATIONS
<b>PURPOSE:</b>	FINANCING CAPITAL IMPROVEMENTS
<b>PRIMARY ACTIVITY:</b>	K-8 SCHOOL
<b>LEGAL STRUCTURE:</b>	NONPROFIT PUBLIC BENEFIT CORPORATION

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**Background:**

Mark Day School (the "School") is a fully accredited, independent, nonreligious school for students in grades kindergarten through 8. The School first opened for classes as Saint Mark's School in September 1980 with the guiding philosophy to provide high-quality education in an atmosphere of love and care in which each member of the community was responsible for the well-being of the others. In 1991, the School moved to its current site located at 39 Trellis Drive in San Rafael, California (the "Campus"). The School currently serves approximately 383 students and supports 68 faculty and staff.

The School was accredited in 1984 by the Western Association of Schools and Colleges (WASC) and was given full membership in the National Association of Independent Schools (NAIS) and the California Association of Independent Schools (CAIS). Recognized for its robust curricular programs in technology and media literacy, the school was named a Leading Edge Technology School by NAIS in 2005.

Development of good character has been at the heart of the School since inception. In 1997, the community formally adopted Seven Pillars of Character, which set foundational values for all students and staff. The Seven Pillars include: caring, courage, citizenship, respect, responsibility, honesty, and fairness. The School's Mission is to discover and nurture what is finest in each child in a vibrant, inclusive learning community. Innovative and full of heart, the School strives to develop well-rounded critical thinkers in a challenging program that fosters academic excellence and responsible world citizenship.

**Description of Proposed Project:**

The School's plan is to enhance the 50-year-old campus by creating a Learning Commons (or school library) and Creativity Lab that will replace the existing administrative building at the front of the school. The new, 11,270 square foot building will serve as a 21st century learning center for students, as well as replace office space for staff. This project is to enable students to learn the skills they need in today's world: to create, to collaborate, to access information and resources in depth, to filter the massive amounts of information available and transform it into meaningful knowledge, to use technology effectively and seamlessly, and more.





The school has requested CalPFA to issue \$8,000,000 in tax-exempt obligations to pay for the costs of demolition of an existing building and construction and equipping of the new learning center.

**TEFRA Information:**

A TEFRA hearing was held by the County of Marin on August 25, 2015 and the Board of Supervisors unanimously approved the proposed financing. Kings County held a TEFRA hearing on September 15, 2015.

**Financing Structure:**

The Bonds will mature in no more than 27 years and bear interest at a fixed 3.75%. The Bonds will be purchased at closing by the Bank. The proposed financing is in accordance with the Authority's issuance guidelines.

**Estimated Sources and Uses:**

Sources:

Tax-Exempt Bond Proceeds	\$	<u>8,000,000</u>
Total Sources:	\$	8,000,000

Uses:

Construction or remodel	\$	7,800,000
Cost of Issuance	\$	137,000
Capitalized Interest	\$	<u>63,000</u>
Total Uses:	\$	8,000,000

**Recommendations:**

Based on the overall Project public benefit and finance related considerations detailed on Attachment 1, it is recommended that the Board of Directors approve the Resolution as submitted to the Board, which:

1. Approves the issuance of an obligation;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Board or authorized signatory to sign all necessary documents.



## Attachment 1

### **Public Benefit:**

With more than 40% of students coming from San Rafael, the School has a deep connection with the community. The School has been located in San Rafael since it was founded in 1980 and has been a part of the Terra Linda neighborhood for more than 25 years. The School has created many longstanding reciprocal partnerships with local nonprofits and community organizations, such as the Canal Alliance, the Marin County Open Space District, Dixie Terra Linda Little League, and Dixie Youth Soccer. The school also maintains a Safe Route to School for the Vallecito School and an electric car station open to the public.

### **Diversity**

The School believes that joy, enrichment, and compassion spring from honoring the diversity of the human community. Learning about the families, cultures, traditions, and beliefs of others, as well as learning to respect a range of perspectives and opinions, is not only enriching, it is essential for academic excellence and responsible world citizenship. When choosing Mark Day School, families and employees become part of a socially responsible community striving to become conscious of, and teach about, all aspects of diversity and inclusiveness. The following principles are in keeping with the school's Seven Pillars of Character and reflect its identity and mission.

### **Financial Aid**

The School is committed to keeping education accessible to families from a variety of socioeconomic backgrounds. 24% of the student body receives some form of tuition assistance, with \$1.6 million in financial aid provided last year to families.

### **Community Engagement**

Partnerships, both within the school and with a variety of organizations, offers students opportunities to reach beyond their own experience and develop habits that both promote personal growth and contribute to the common good. In the context of cross-cultural and cross-generational relationships, students develop skills in communicating and working with people from many backgrounds. This ultimately empowers them to form meaningful, long-term relationships. At the heart of the School's partnerships lies the idea of reciprocity: Everyone involved has something to learn and something to give.

Relationships with local organizations afford students rewarding experiences in working with people of different ages and from all walks of life. Students in grades K through 8 engage with, contribute to, and learn from agencies in the Marin community at an age-appropriate level. For example, 2nd graders regularly visit the Aldersly senior residence and 6th graders spend time reading and playing with preschoolers at Head Start schools in the Canal district of San Rafael. Upper Division students spend a full day volunteering at the Cedars of Marin, which provides supportive housing and services for developmentally challenged adults. The 7th graders participate in a joint leadership program with students from the Canal Alliance, a nonprofit that serves low-income, Spanish-speaking immigrant families in Marin. The students offer reciprocal tutoring and cultural exchange to each other and participate in programs to improve technology, public-speaking, interviewing and empirical research.

**RESOLUTION NO. \_\_\_\_**

**CALIFORNIA PUBLIC FINANCE AUTHORITY**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF AN OBLIGATION IN A PRINCIPAL AMOUNT NOT TO EXCEED \$8,000,000, FOR THE PURPOSE OF FINANCING OR REFINANCING CAPITAL IMPROVEMENTS TO CERTAIN FACILITIES AND CERTAIN OTHER MATTERS RELATING THERETO, TO BENEFIT MARK DAY SCHOOL**

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the "Act"), Kings County and the Housing Authority of Kings County (the "Members") entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Public Finance Authority (the "Authority") was organized;

WHEREAS, the Authority is authorized by its Agreement and under the Act to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing of certain projects;

WHEREAS, Mark Day School, a California nonprofit corporation (the "Corporation") has requested that the Authority participate in issuing one or more tax-exempt obligations (the "Obligation") in an aggregate principal amount not to exceed \$8,000,000, for the purpose of making a loan to the Corporation to finance and refinance (1) the costs of demolition of an existing building and construction and equipping of an approximately 11,270 sq. ft. new building to be used for educational purposes and administrative office space located at 39 Trellis Drive, San Rafael, California 94903 (the "Facilities"), (2) miscellaneous construction, renovation, and improvements to and equipping of the Facilities, and (3) various costs of issuance and other related costs with respect to the Loan (collectively, the "Project");

WHEREAS, the Corporation is requesting the assistance of the Authority in financing and/or refinancing the Project;

WHEREAS, pursuant to a Master Loan Agreement to be executed by First Republic Bank (the "Lender"), the Authority and the Corporation (the "Master Loan Agreement"), the Authority will make a tax-exempt loan to the Corporation in a principal amount not exceeding \$8,000,000, for the purpose of financing and/or refinancing the Project;

WHEREAS, the Project is used and operated by the Corporation and is located within the County of Marin;

WHEREAS, the County of Marin is an Additional Member of the Authority;

WHEREAS, the Board of Supervisors of the County of Kings (the "Kings Board of Supervisors") is the elected legislative body of the County of Kings and is the applicable

elected representative under Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and pursuant to Section 147(f) of the Code, the Kings Board of Supervisors has, following notice duly given, held a public hearing regarding the issuance of the Bonds by the Authority, and will approve the issuance of the Bonds by the Authority;

WHEREAS, pursuant to the policies of the Authority, the Obligation may only be assigned to Qualified Institutional Buyers (as defined in the Master Loan Agreement) and the Lender will sign an investor letter confirming that it is a Qualified Institutional Buyer and certain other related matters;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Public Finance Authority, as follows:

**Section 1.** Pursuant to the Act and the Master Loan Agreement, the Authority is hereby authorized to issue the Obligation in an aggregate principal amount not to exceed Eight Million Dollars (\$8,000,000). The Obligation shall be issued and secured in accordance with the terms of the Master Loan Agreement.

**Section 2.** The proposed form of Master Loan Agreement, as made available to the Board of Directors, is hereby approved. Any member of the Board of Directors of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 15-01C of the Authority, adopted on July 14, 2015 (each, an "Authorized Signatory") is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Master Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates, methods of determining rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption, tender provisions, and other terms of the Obligation shall be as provided in the Master Loan Agreement, as finally executed.

**Section 3.** The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Obligation, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

**Section 4.** All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Obligation are hereby approved, confirmed and ratified.

**Section 5.** It is the purpose and intent of the Board of Directors that this Resolution constitute approval of the issuance of the Bonds by the Authority for the purpose of Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Authority is located.

**Section 6.** This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 29th day of September, 2015.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called meeting of the Board of Directors of the Authority held in accordance with law on September 29, 2015.

By: \_\_\_\_\_  
Authorized Signatory  
California Public Finance Authority