

1 [Resolution approving Tefra Hearing for On Lok Community Housing Project]

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3 **Resolution approving the issuance and sale of revenue bonds by the ABAG Finance**
4 **Authority for Nonprofit Corporations in an aggregate principal amount not to exceed**
5 **\$30,000,000 to finance and refinance the acquisition, construction, equipping and**
6 **furnishing of facilities that will provide access to affordable health care and other**
7 **support services for low income, frail older adults by On Lok Senior Health Services**
8 **and On Lok Community Housing, Inc.**

9 WHEREAS, The ABAG Finance Authority for Nonprofit Corporations (the "Authority") is
10 authorized pursuant to the provisions of California Government Code Section 6500 et seq.
11 and the terms of an ABAG Finance Authority for Nonprofit Corporations Joint Powers
12 Agreement, dated as of April 1, 1990, revised as of September 18, 1990 and June 9, 1992 (as
13 so revised, the "Agreement"), among certain public agencies throughout the State of
14 California, to issue revenue bonds and other forms of indebtedness to assist nonprofit
15 corporations to obtain tax-exempt financing for appropriate projects and purposes; and,

16 WHEREAS, On Lok Senior Health Services and On Lok Community Housing, Inc.,
17 both of which are California nonprofit public benefit corporations (collectively, the "Borrower"),
18 and organizations described in Section 501(c)(3) of the Internal Revenue Code ("Code"), has
19 requested that the Authority issue revenue bonds in a maximum aggregate principal amount
20 of \$30,000,000 (the "Bonds") to: (i) finance and refinance the costs of the acquisition,
21 construction, equipping and furnishing of facilities that provide access to affordable health
22 care and other support services for low income, frail older adults, (ii) fund certain funded
23 interest, and (iii) pay certain expenses incurred in connection with the issuance of the Bonds
24 (the "Project"); and,

1 WHEREAS, A portion of the Project, located at 1333 Bush Street (formerly 1145 Larkin
2 Street), 1441 Powell Street and 1000-1010 Montgomery Street, is or will be located within the
3 City and County of San Francisco (the "City"), a member of the Authority; and, WHEREAS, A
4 portion of the Project, located at 1333 Bush Street (formerly 1145 Larkin Street), 1441 Powell
5 Street and 1000-1010 Montgomery Street, is or will be located within the City and County of
6 San Francisco (the "City"), a member of the Authority; and,

7 WHEREAS, Pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the
8 "Code"), the issuance of the Bonds by the Authority may qualify for tax exemption under
9 Section 103 of the Code only if the Bonds are approved both by the "applicable elected
10 representative" of the governmental unit issuing such bonds and by a governmental unit
11 having jurisdiction over the area in which any facility financed by the Bonds is to be located,
12 after a public hearing held following reasonable public notice; and,

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

15 WHEREAS, The Authority has request the Board of Supervisors of the City and County
16 of San Francisco (the "Board") to approve the issuance and sale of the Bonds, the Board
17 being the applicable elected representatives of the City where a portion of the Project is
18 located within the meaning of Section 147(f) of the Code; and,

19 WHEREAS, The Authority has requested the Board to approve the issuance and sale
20 of the Bonds in order to satisfy the public approval requirements of Section 147(f) of the Code;
21 and,

22 WHEREAS, On June 16, 2008, the City caused a notice to appear in the *San*
23 *Francisco Chronicle*, which is a newspaper of general circulation in the City, stating that a
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1 public hearing with respect to the issuance of the Bonds would be held by the Office of Public
2 Finance on June 30, 2008; and,

3 WHEREAS, The Office of Public Finance held the public hearing describe above on
4 June 30, 2008, and an opportunity was provided for persons to comment on the issuance and
5 sale of the Bonds and the plan of financing of the Project; and,

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

10 WHEREAS, It is intended that this resolution shall constitute the approval of the
11 issuance of the Bonds required by Section 147(f) of the Code; now, therefore, be it

12 RESOLVED, That the Board of Supervisors of the City And County Of San Francisco
13 hereby finds, determines, declares and resolves as follows:

- 14 1. All of the recitals above set forth are true and correct, and the Board of
15 Supervisors hereby so finds and determines.
- 16 2. The Board of Supervisors hereby approves the issuance of the Bonds by the
17 Authority. It is the purpose and intent of the Board of Supervisors that this resolution
18 constitutes approval of the Bonds by the applicable elected representatives of the City for the
19 purposes of Section 147(f) of the Code.
- 20 3. That the approval of the issuance and sale of the Bonds by the City is neither an
21 approval of the underlying credit issues of the proposed Project nor an approval of the
22 financial structure of the Bonds, and that the adoption of this Resolution shall not obligate (i)
23 the City to provide financing to the Borrower for the acquisition, construction, equipping and
24 furnishing of the Project or to issue the Bonds for purposes of such financing; or (ii) the City,

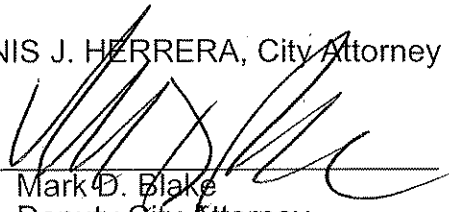
1 or any department of the City, to approve any application or request for, or take any other
2 action in connection with any environmental, General Plan, zoning or any other permit or other
3 action necessary for the acquisition, construction equipping and furnishing of the Project.

4 4. This Resolution shall take effect from and after its adoption and approval.

5
6 APPROVED AS TO FORM:

7 DENNIS J. HERRERA, City Attorney

8
9 By


Mark D. Blake
Deputy City Attorney



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails Resolution

File Number: 080966

Date Passed:

Resolution approving the issuance and sale of revenue bonds by the ABAG Finance Authority for Nonprofit Corporations in an aggregate principal amount not to exceed \$30,000,000 to finance and refinance the acquisition, construction, equipping and furnishing of facilities that will provide access to affordable health care and other support services for low income, frail older adults by On Lok Senior Health Services and On Lok Community Housing, Inc.

July 16, 2008 Board of Supervisors — ADOPTED

Ayes: 10 - Alioto-Pier, Chu, Daly, Dufty, Elsbernd, Maxwell, McGoldrick,
Mirkarimi, Peskin, Sandoval

Absent: 1 - Ammiano

File No. 080966

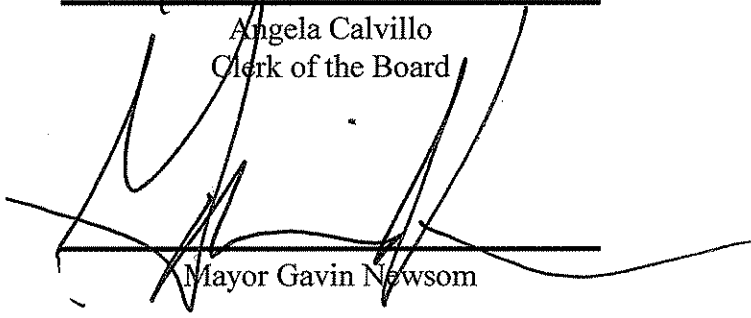
I hereby certify that the foregoing Resolution was ADOPTED on July 16, 2008 by the Board of Supervisors of the City and County of San Francisco.

7/18/2008

Date Approved



Angela Calvillo
Clerk of the Board



Mayor Gavin Newsom