

1 [Public Hearing Approval.]

2 **Resolution approving the issuance and sale of revenue bonds by the ABAG Finance**  
3 **Authority for Nonprofit Corporations in an aggregate principal amount not to exceed**  
4 **\$13,500,000 for On Lok Health Services and On Lok Community Housing, Inc.**

5  
6 WHEREAS, The ABAG Finance Authority for Nonprofit Corporations, a joint exercise of  
7 powers agency established pursuant to the laws of the State of California (the "Authority"),  
8 has proposed to issue and sell its revenue bonds (the "Bonds") in an aggregate principal  
9 amount not to exceed \$13,500,000 for the purpose of making a loan to On Lok Health  
10 Services and On Lok Community Housing, Inc., California nonprofit public benefit corporations  
11 (the "Corporations"); and,

12 WHEREAS, The City and County of San Francisco (the "City") is a member of the  
13 Authority; and,

14 WHEREAS, The project to be financed with the proceeds of the Bonds includes:  
15 (1) the refunding of existing indebtedness of On Lok Health Services and On Lok Community  
16 Housing, Inc.; and (2) the acquisition of capital improvements and construction of a health  
17 facility (collectively, the "Project"), to be owned by On Lok, Inc.; and,

18 WHEREAS, The Project is located at 1333 Bush Street in San Francisco, California;  
19 and,

20 WHEREAS, The interest of the Bonds may qualify for tax exemption under Section 103  
21 of the Internal revenue Code of 1986, as amended (the "Code") only if the Bonds are  
22 approved in accordance with Section 147(f) of the Code; and,

23 WHEREAS, The Board of Supervisors of the City (the "Board") is the elected legislative  
24 body of the City and is the applicable elected representative required to approve the issue  
25 within the meaning of Section 147(f) of the Code; and,

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

4           WHEREAS, On November 22, 2003, the City caused a notice stating that a public  
5 hearing with respect to the issuance of Bonds would be held by the Mayor's Office of Public  
6 Finance and Business Affairs on December 9, 2003, to appear in the *Independent* which is a  
7 newspaper of general circulation in the City; and,

8           WHEREAS, The Mayor's Office of Public Finance and Business Affairs has held the  
9 public hearing described above on December 9, 2003, and an opportunity was provided for  
10 persons to comment on the issuance and sale of the Bonds and the Project; now, therefore be  
11 it,

12           RESOLVED, That this Board hereby finds and declares the above recitals are true and  
13 correct; and, be it

14           FURTHER RESOLVED, That this Board hereby approves the issuance and sale of the  
15 Bonds by the Authority. It is the purpose and intent of this Board that this Resolution  
16 constitute approval of the Bonds by the applicable elected representative of the governmental  
17 unit having jurisdiction over the area in which the Project is located in accordance with Section  
18 147(f) of the Code; and, be it

19           FURTHER RESOLVED, That the approval of the issuance and sale of the Bonds by  
20 the City is neither an approval of the underlying credit quality of the proposed Project nor an  
21 approval of the financial structure of the Bonds.

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