

**From:** [Trivedi, Vishal \(CON\)](#)  
**To:** [Wong, Linda \(BOS\)](#); [RivamonteMesa, Abigail \(BOS\)](#)  
**Subject:** Budget & Finance Presentation for File #210693  
**Date:** Wednesday, July 14, 2021 11:50:15 AM

---

I apologize for the sudden and unexpected technical difficulties I had. I had no troubles until right when my item came up, so I didn't know that was going to happen. Here is the text of the report I was intending to give, for the record. Thanks for your patience and understanding:

The Tax Equity and Fiscal Responsibility Act is called "TEFRA" for short, and it allows for certain types of debt to be issued on a tax-exempt basis by non-profit organizations through joint powers authorities. In this case, the proposed financing is to be issued on behalf Front Porch Communities and Services, which is a California nonprofit public benefit corporation and a federal 501c3 organization. The debt will be issued through CSCDA, a joint powers authority to which the City and County of San Francisco is a participating member. CSCDA is authorized to issue bonds and other forms of indebtedness, as well as refunding previously issued debt. This resolution is before you today because federal tax law requires that the governing body of the jurisdiction in which the Project is located approve the financing and the Project after providing the opportunity for a duly-noticed public hearing before the Bonds may be issued on a tax-exempt basis. The jurisdiction, which is the City and County of San Francisco, is not obligated for payment on the bonds. Per federal TEFRA regulations, a hearing notice was published in the City's Public Notices website on May 12, 2021. The public hearing was by the Office of Public Finance via toll-free teleconference on May 21, 2021. No comments from any members of the public were heard or received through the public hearing process.

Front Porch Communities and Services is a not-for-profit support system formed in 1999 that serves more than 4,500 individuals and families through full-service retirement, active adult and affordable housing communities. There is more detail regarding their history and operation in the letter from our office which is in the file.

The proceeds from the sale of the Bonds will be loaned to Front Porch (the "Borrower"), in a total amount not to exceed \$450,000,000 for senior living and related facilities, in one or more series from time to time pursuant to a plan of finance. However, the San Francisco portion of the financing is in an amount not to exceed \$45,000,000, to finance and/or refinance the acquisition, construction, equipping, improvement, renovation, rehabilitation and/or remodeling of the senior living and related facilities known as San Francisco Towers and located generally at 1661 Pine Street, San Francisco, CA 94109. The remainder of the proceeds of the Bonds are expected to be used by the Borrower to finance and/or refinance the acquisition, construction, equipping, improvement, renovation, rehabilitation and/or remodeling of other senior living and related facilities owned and operated by the Borrower or the affiliated organization Covia Communities, which are located outside the City and County of San Francisco.

Approval of this legislation will have no fiscal impact to the City & County of San Francisco. The San Francisco portion of the project is located in District 2 and the legislation is being sponsored by Sup. Stefani.

**Vishal Trivedi** | Financial Analyst  
Office of Public Finance | City & County of San Francisco  
Email | [vishal.trivedi@sfgov.org](mailto:vishal.trivedi@sfgov.org)