



**CITY AND COUNTY OF SAN FRANCISCO**  
**OFFICE OF THE CONTROLLER**

**Ben Rosenfield**  
**Controller**

**Todd Rydstrom**  
**Deputy Controller**

**Nadia Sesay**  
**Director**  
**Office of Public Finance**

October 17, 2016

Supervisor John Avalos  
City Hall, Room 244  
City and County of San Francisco Board of Supervisors  
1 Dr. Carlton B. Goodlett Place  
San Francisco CA 94102

Dear Supervisor Avalos:

Thank you for agreeing to introduce the Board of Supervisors resolution approving, for the purposes of the Internal Revenue Code, the issuance of revenue obligations (the "Bonds") by the California Statewide Communities Development Authority (the "Authority") on behalf of Jewish Home of San Francisco, a California nonprofit public benefit corporation (the "Borrower"), to finance and/or refinance facilities owned by the Borrower as summarized below. I respectfully request introduction of the resolution at the meeting of the Board of Supervisors on Tuesday, October 18, 2016.

Pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA), to facilitate the tax exemption of interest on the Bonds the City is required to conduct a public hearing and to approve the financing by the Authority. The Office of Public Finance held such hearing on Tuesday, October 11, 2016, notice of which was published in the *San Francisco Examiner* on September 27, 2016. No comments were heard or received from the TEFRA public hearing. The action by the Board acknowledges that the hearing was duly held and that the financing is proceeding.

The Bonds will be issued in an aggregate principal amount not to exceed \$150 million. I have performed a limited due diligence review of information pertaining to the project and proposed financing that I have summarized below.

The Borrower

Jewish Home of San Francisco traces its roots to 1871, when the Pacific Hebrew Orphan Asylum and Home society was incorporated "to found and maintain an asylum for orphan children" and "to establish and support a Home for aged and infirm Israelites." Over the years it has evolved and expanded to provide modern state-of-the-art facilities and medical clinics, and a geriatric research center to provide high standards for quality care and services for its residents. Its

mission is to become a regional resource as an integral part of a continuum of care throughout the Bay Area that provides senior adults with a variety of life enriching programs and services that are accessible, promote individual dignity, encourage independence, connect them to their community, and reflect the social, cultural, and spiritual values of Jewish tradition.

#### The Project

The proceeds from the sale of the Bonds will be loaned to the Borrower for the following purposes: (i) finance the costs of or reimbursement for the acquisition, construction, renovation, equipping and furnishing of facilities owned and managed by the Borrower that provide senior residential and care services and (ii) pay certain expenses incurred in connection with the issuance of the Bonds (collectively, the "Project").

#### Financing Information

Assuming all required approvals are obtained, the Authority expects to issue the Bonds in an amount not to exceed \$150 million. Bond Counsel on the transaction is Orrick, Herrington, and Sutcliffe LLP.

#### Public Approval Process

The City and County of San Francisco is a participating member of the Authority, a joint powers authority. The Authority is authorized to issue bonds, notes, certificates of participation, or other forms of indebtedness, including refunding previously issued debt. As noted above, 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.

Your assistance with this matter is greatly appreciated. Please contact me at (415) 554-4862, if you any questions or require additional information. Thank you.

Sincerely,

Vishal Trivedi  
Bond Analyst