

1 [Issuance of Bonds - California Statewide Communities Development Authority - Front Porch
2 Communities and Services, a California Not for Profit - Not to Exceed \$450,000,000]

3 **Resolution approving for the purposes of Internal Revenue Code of 1986,**
4 **Section 147(f), as amended, the issuance of obligations pursuant to a plan of finance**
5 **by the California Statewide Communities Development Authority in an aggregate**
6 **principal amount not to exceed \$450,000,000 for the purpose of financing and/or**
7 **refinancing the acquisition, construction, equipping, improvement, renovation,**
8 **rehabilitation and/or remodeling of senior living and related facilities by Front Porch**
9 **Communities and Services; and certain other matters relating thereto, as defined**
10 **herein.**

11
12 WHEREAS, Front Porch Communities and Services, a California nonprofit public
13 benefit corporation (“Borrower”), has requested that the California Statewide Communities
14 Development Authority (“Issuer”) provide for the issuance of one or more series of revenue
15 bonds from time to time pursuant to a plan of finance in an aggregate principal amount not to
16 exceed \$450,000,000 (“Bonds”); and

17 WHEREAS, Proceeds of the Bonds in an amount not to exceed \$45,000,000 will be
18 used, among other things, to finance and/or refinance the acquisition, construction, equipping,
19 improvement, renovation, rehabilitation and/or remodeling of senior living and related facilities
20 known as San Francisco Towers and located generally at 1661 Pine Street, San Francisco,
21 CA 94109 (“Project”), which are all owned and operated by Covia Communities, the sole
22 corporate member of which is the Borrower; and

23 WHEREAS, The Project is located within the City and County of San Francisco; and

24 WHEREAS, The remainder of the proceeds of the Bonds will be used by the Borrower
25 to finance and/or refinance the acquisition, construction, equipping, improvement, renovation,

1 rehabilitation and/or remodeling of other senior living and related facilities owned and
2 operated by the Borrower or Covia Communities, which are located outside the City and
3 County of San Francisco; and

4 WHEREAS, Pursuant to Section 147(f) of the Internal Revenue Code of 1986, as
5 amended (“Code”), the issuance of the Bonds by the Issuer must be approved by the City and
6 County of San Francisco because the Project is located within the territorial limits of the City
7 and County of San Francisco; and

8 WHEREAS, The Board of Supervisors of the City and County of San Francisco
9 (“Board”) is the elected legislative body of the County and is the applicable elected
10 representative under Section 147(f) of the Code; and

11 WHEREAS, The Issuer has requested that the Board approve the issuance of the
12 Bonds by the Issuer in order to satisfy the public approval requirement of Section 147(f) of the
13 Code and the requirements of Section 9 of the Amended and Restated Joint Exercise of
14 Powers Agreement, dated as of June 1, 1988 (“Agreement”), among certain local agencies,
15 including the City and County of San Francisco; and

16 WHEREAS, The Issuer is also requesting that the Board approve the issuance of any
17 refunding bonds hereafter issued by the Issuer for the purpose of refinancing the Bonds which
18 financed and/or refinanced the Project (“Refunding Bonds”), but only in such cases where
19 federal tax laws would not require additional consideration or approval by the Board; and

20 WHEREAS, Pursuant to Section 147(f) of the Code, the Board has, through the City
21 and County of San Francisco Controller’s Office of Public Finance, following notice duly given,
22 held a public hearing regarding the issuance of the Bonds, and now desires to approve the
23 issuance of the Bonds by the Issuer; and

1 WHEREAS, On May 12, 2021, the City caused a notice to appear on its website stating
2 that a public hearing with respect to the issuance of the Obligations would be held by the
3 Office of Public Finance on May 21, 2021, at 11:00 a.m.; and

4 WHEREAS, The Office of Public Finance held the public hearing described above on
5 May 21, 2021, at 11:00 a.m., and an opportunity was provided for persons to comment on the
6 issuance and sale of the Obligations and the plan of financing and/or refinancing; and

7 WHEREAS, The Board understands that its actions in holding this public hearing and in
8 approving this Resolution do not obligate the Board in any manner for payment of the
9 principal, interest, fees or any other costs associated with the issuance of the Bonds or
10 Refunding Bonds, and said Board expressly conditions its approval of this Resolution on that
11 understanding; now, therefore, be it

12 RESOLVED, That this Board finds that all of the recitals set forth above are true and
13 correct; and, be it

14 FURTHER RESOLVED, That the Board hereby approves the issuance by the Issuer of
15 the Bonds and the Refunding Bonds for the purposes of financing and/or refinancing the
16 Project, and that this Resolution shall constitute approval of (a) the issuance of the Bonds by
17 the Issuer for the purposes of Section 147(f) of the Code by the applicable elected
18 representative of the governmental unit having jurisdiction over the area in which the Project
19 is located, and (b) the issuance of the Bonds and Refunding Bonds for the purposes of
20 Section 9 of the Agreement; and, be it

21 FURTHER RESOLVED, That the Bonds shall not constitute a debt or obligation in any
22 respect of the City, and the payment of the principal, prepayment premium, if any, and interest
23 on the Bonds shall be solely the responsibility of the Borrower; and, be it

24 FURTHER RESOLVED, That the approval by the Board of the issuance and sale of the
25 Bonds is neither an approval of the underlying credit issues of the Project nor an approval of

1 the financial structure of the Bonds, and that the adoption of this Resolution shall not obligate
2 (i) the City to provide financing to the Borrower for the acquisition, construction, renovation,
3 rehabilitation, improvement and/or equipping of the Project, or to issue the Bonds for
4 purposes of such financing or (ii) the City, or any department of the City, to approve any
5 application or request for, or take any other action in connection with any environmental,
6 General Plan, zoning or any other permit or other action necessary for the construction,
7 renovation, rehabilitation, improvement and/or equipping of the Project; and, be it

8 FURTHER RESOLVED, That the Controller and the Director of the Office of Public
9 Finance and any other proper officers of the City are hereby authorized and directed to
10 execute such other agreements, documents and certificates, and to perform such other acts
11 as may be necessary or advisable to effect the purposes of this Resolution; and, be it

12 FURTHER RESOLVED, That this Resolution shall take effect from and after its
13 adoption and approval.

14 APPROVED AS TO FORM:
15 DENNIS J. HERRERA, City Attorney

16 By: /s/MARK D. BLAKE
17 MARK D. BLAKE
18 Deputy City Attorney

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