

FILE NO.

RESOLUTION NO.

1 [Earthquake Safety and Emergency Response General Obligation Bonds, 2014, Series
2 2016D - Not to Exceed \$111,060,000]

3 **Resolution authorizing and directing the sale of not to exceed \$111,060,000 aggregate**
4 **principal amount of City and County of San Francisco General Obligation Bonds**
5 **(Earthquake Safety and Emergency Response Bonds, 2014), Series 2016D; prescribing**
6 **the form and terms of said bonds; authorizing the execution, authentication, and**
7 **registration of said bonds; providing for the appointment of depositories and other**
8 **agents for said bonds; providing for the establishment of accounts related to said**
9 **bonds; providing for the manner of sale of said bonds by competitive sale; approving**
10 **the forms of Official Notice of Sale and Notice of Intention to Sell Bonds; directing the**
11 **publication of the Notice of Intention to Sell Bonds; approving the form of the**
12 **Preliminary Official Statement and the form and execution of the Official Statement**
13 **relating to the sale of said bonds; approving the form of the Continuing Disclosure**
14 **Certificate; authorizing and approving modifications to documents; declaring the City’s**
15 **intent to reimburse certain expenditures; ratifying certain actions previously taken; and**
16 **granting general authority to City officials to take necessary actions in connection with**
17 **the authorization, issuance, sale, and delivery of said bonds.**

18
19 WHEREAS, By Resolution No. 34-14, adopted by the Board of Supervisors (the “Board
20 of Supervisors”) of the City and County of San Francisco (the “City”) on February 4, 2014, and
21 signed by the Mayor of the City (the “Mayor”) on February 14, 2014, it was determined that
22 public interest and necessity demands the construction, acquisition, improvement, and
23 retrofitting of earthquake safety and emergency responsiveness facilities and infrastructure
24 therein described (the “Project”); and
25

1 WHEREAS, By Ordinance No. 16-14, passed by the Board of Supervisors on
2 February 14, 2014 (the "Bond Ordinance"), the Board of Supervisors duly called a special
3 election to be held on June 3, 2014 (the "Bond Election"), for the purpose of submitting to the
4 electors of the City a proposition to incur bonded indebtedness in the amount of \$400,000,000
5 to finance the Project, and such proposition was approved by not less than a two-thirds vote of
6 the qualified electors of the City voting on such proposition; and

7 WHEREAS, By Resolution No. 313-14, adopted by the Board of Supervisors on
8 July 29, 2014, and signed by the Mayor on August 7, 2014 (the "Authorizing Resolution"),
9 the City was authorized to issue its General Obligation Bonds (Earthquake Safety and
10 Emergency Response Bonds, 2014) (the "Bonds"); and

11 WHEREAS, By Resolution No. 308-14, adopted by the Board of Supervisors on
12 July 29, 2014, and signed by the Mayor on August 7, 2014, the City was authorized to issue
13 its General Obligation Bonds (Earthquake Safety and Emergency Response Bonds, 2014),
14 Series 2014D in an aggregate principal amount not to exceed \$106,095,000, which Series
15 2014D Bonds were subsequently issued in the aggregate principal amount of \$100,670,000;
16 and

17 WHEREAS, The City has issued and sold, to date, a total of \$100,670,000 of the
18 Bonds; and there remains \$299,330,000 of authorized and unissued Bonds; and

19 WHEREAS, It is necessary and desirable to issue an aggregate principal amount of the
20 Bonds not to exceed \$111,060,000 (the "Series 2016D Bonds"), to finance a portion of the
21 costs of the Project (as defined in the Authorizing Resolution); and

22 WHEREAS, The Series 2016D Bonds are being issued pursuant to the Authorizing
23 Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the California Government
24 Code, the Charter of the City (the "Charter"), the Bond Ordinance and the Bond Election; and
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1 WHEREAS, The City has paid and expects to pay certain expenditures in connection
2 with the Project to be financed by the Series 2016D Bonds prior to the issuance and sale of
3 the Series 2016D Bonds, and the City intends to reimburse itself and to pay third parties for
4 such prior expenditures from the proceeds of the Series 2016D Bonds; and

5 WHEREAS, Section 1.150-2 of the Treasury Regulations promulgated under the
6 Internal Revenue Code of 1986 (the "Reimbursement Regulations") requires the City to
7 declare its reasonable official intent to reimburse prior expenditures with the proceeds of a
8 subsequent borrowing; and

9 WHEREAS, The Reimbursement Regulations require that any reimbursement
10 allocation of proceeds of the Series 2016D Bonds to be made with respect to expenditures
11 incurred prior to the issuance of the Series 2016D Bonds will occur not later than eighteen
12 (18) months after the later of (i) the date on which the expenditure is paid or (ii) the date on
13 which the facilities are placed in service, but in no event later than three (3) years after the
14 expenditure is paid; and

15 WHEREAS, The Citizens' General Obligation Bond Oversight Committee shall conduct
16 an annual review of bond spending and shall provide an annual report on the management of
17 the program to the Mayor and the Board, and, to the extent permitted by law, one-tenth of one
18 percent (0.1%) of the gross proceeds of the Series 2016D Bonds shall be deposited in a fund
19 established by the Controller's Office and appropriated by the Board at the direction of the
20 Citizens' General Obligation Bond Oversight Committee to cover the costs of such Committee
21 and its review process; and

22 NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the City and
23 County of San Francisco, as follows:

24 Section 1. Recitals. All of the recitals in this Resolution are true and correct.
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1 Section 2. Conditions Precedent. All conditions, things and acts required by law to
2 exist, to happen and to be performed precedent to and in connection with the issuance of
3 the Series 2016D Bonds exist, have happened and have been performed in due time,
4 form and manner in accordance with applicable law, and the City is now authorized
5 pursuant to the Bond Election, the Charter and applicable law to incur indebtedness in
6 the manner and form provided in this Resolution.

7 Section 3. Documents. The documents presented to the Board and on file with the
8 Clerk of the Board of Supervisors or his or her designee (the "Clerk of the Board of
9 Supervisors") are contained in File No. _____.

10 Section 4. Issuance and Sale of Series 2016D Bonds: Determination of Certain Terms:
11 Designation. The Board authorizes the issuance and sale of not to exceed \$111,060,000 in
12 aggregate principal amount of Bonds to be designated as "City and County of San Francisco
13 General Obligation Bonds (Earthquake Safety and Emergency Response Bonds, 2014),
14 Series 2016D," for the purposes set forth in the Bond Election Ordinance and Proposition A
15 approved by the voters at the Bond Election.

16 The Director of Public Finance of the City or designee thereof (the "Director of Public
17 Finance") is authorized to determine, for the Series 2016D Bonds, the sale date, the interest
18 rates, the definitive principal amount, the maturity dates and the redemption dates, if any, and
19 the terms of any optional or mandatory redemption, subject to the other specific provisions of
20 this Resolution, including the following terms and conditions: (i) the Series 2016D Bonds shall
21 not have a true interest cost in excess of 12% as such term is defined in the Official Notice of
22 Sale (as defined in Section 17)); and (ii) the Series 2016D Bonds shall not have a final
23 maturity date after June 15, 2035. The Director of Public Finance is further authorized to give
24 the Series 2016D Bonds such additional or other series designation, or to modify such series
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1 designation, as may be necessary or appropriate to distinguish the Series 2016D Bonds from
2 every other series of Bonds and from other bonds issued by the City.

3 Section 5. Execution. Authentication and Registration of the Series 2016D Bonds.

4 Each of the Series 2016D Bonds shall be in fully registered form without coupons in
5 denominations of \$5,000 or any integral multiple of that amount. The officers of the City are
6 directed to cause the Series 2016D Bonds to be prepared in sufficient quantity for delivery to
7 or for the account of their purchaser and the Controller of the City or designee thereof (the
8 “Controller”) is directed to cause the blanks in the Series 2016D Bonds to be completed in
9 accordance with the Authorizing Resolution and the Bond Award (as defined in Section 13), to
10 procure their execution by the proper officers of the City (including by facsimile signature if
11 necessary or convenient) and authentication as provided in this Section, and to deliver the
12 Series 2016D Bonds when so executed and authenticated to said purchaser in exchange for
13 their purchase price, all in accordance with the Authorizing Resolution.

14 The Series 2016D Bonds and the certificate of authentication and registration, to be
15 manually executed by the Treasurer of the City or designee thereof (the “City Treasurer”), and
16 the form of assignment to appear on the Series 2016D Bonds shall be substantially in the form
17 attached as Exhibit A (a copy of which is on file with the Clerk of the Board of Supervisors and
18 which is declared to be a part of this Resolution as if fully set forth in this Resolution), with
19 necessary or appropriate variations, omissions and insertions as permitted or required by this
20 Resolution.

21 Only Series 2016D Bonds bearing a certificate of authentication and registration
22 executed by the City Treasurer shall be valid or obligatory for any purpose or entitled to the
23 benefits of the Authorizing Resolution and this Resolution, and such certificate of the City
24 Treasurer, executed as provided in this Resolution, shall be conclusive evidence that the
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1 Series 2016D Bonds so authenticated have been duly authenticated and delivered under, and
2 are entitled to the benefits of, the Authorizing Resolution and this Resolution.

3 The Controller shall assign a distinctive letter, or number, or letter and number to each
4 Series 2016D Bond authenticated and registered by the City Treasurer and shall maintain a
5 record thereof which shall be available for inspection.

6 Section 6. Registration Books. The City Treasurer shall keep or cause to be kept, at
7 the office of the City Treasurer or at the designated office of any registrar appointed by the
8 City Treasurer, separate and sufficient books for the registration and transfer of Series
9 2016D Bonds, which books shall at all times be open to inspection, and upon presentation
10 for such purpose, the City Treasurer shall, under such reasonable regulations as he or she
11 may prescribe, register or transfer or cause to be registered or transferred, on said books,
12 Series 2016D Bonds as provided in this Resolution. The City and the City Treasurer may
13 treat the registered owner of each Series 2016D Bond as its absolute owner for all
14 purposes, and the City and the City Treasurer shall not be affected by any notice to the
15 contrary.

16 Section 7. Transfer or Exchange of Series 2016D Bonds. Any Series 2016D Bond may,
17 in accordance with its terms, be transferred upon the books required to be kept pursuant to
18 the provisions of Section 6, by the person in whose name it is registered, in person or by the
19 duly authorized attorney of such person in writing, upon surrender of such Series 2016D Bond
20 for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a
21 form approved by the City Treasurer.

22 Any Series 2016D Bond may be exchanged at the office of the City Treasurer for a like
23 aggregate principal amount of other authorized denominations of the same interest rate and
24 maturity.
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1 Whenever any Series 2016D Bond shall be surrendered for transfer or exchange, the
2 designated City officials shall execute (as provided in Section 5) and the City Treasurer shall
3 authenticate and deliver a new Series 2016D Bond of the same interest rate and maturity in a
4 like aggregate principal amount. The City Treasurer shall require the payment by any bond
5 owner requesting any such transfer of any tax or other governmental charge required to be
6 paid with respect to such transfer or exchange.

7 No transfer or exchange of Series 2016D Bonds shall be required to be made by the
8 City Treasurer during the period from the Record Date (as defined in Section B(b)) next
9 preceding each interest payment date to such interest payment date or after a notice of
10 redemption shall have been mailed with respect to such Series 2016D Bonds.

11 Section 8. Terms of the Series 2016D Bonds; General Redemption Provisions.

12 (a) Date of the Series 2016D Bonds. The Series 2016D Bonds shall be dated the
13 date of their delivery or such other date (the "Dated Date") as is specified in the Bond Award.

14 (b) Payment of the Series 2016D Bonds. The principal of the Series 2016D Bonds
15 shall be payable in lawful money of the United States of America to their owners, upon
16 surrender at maturity or earlier redemption at the office of the City Treasurer. The interest on
17 the Series 2016D Bonds shall be payable in like lawful money to the person whose name
18 appears on the bond registration books of the City Treasurer as the owner as of the close of
19 business on the last day of the month immediately preceding an interest payment date (the
20 "Record Date"), whether or not such day is a Business Day (as defined below).

21 Except as may be otherwise provided in connection with any book-entry only system
22 applicable to the Series 2016D Bonds, payment of the interest on any Series 2016D Bond
23 shall be made by check mailed on the interest payment date to such owner at such owner's
24 address as it appears on the registration books as of the Record Date; provided, that if any
25 interest payment date occurs on a day that banks in California or New York are closed for

1 business or the New York Stock Exchange is closed for business, then such payment shall be
2 made on the next succeeding day that banks in both California and New York are open for
3 business and the New York Stock Exchange is open for business (each, a "Business Day");
4 and provided, further, that the registered owner of an aggregate principal amount of at least
5 \$1,000,000 of Series 2016D Bonds may submit a written request to the City Treasurer on or
6 before a Record Date preceding an interest payment date for payment of interest on the next
7 succeeding interest payment date and thereafter by wire transfer to a commercial bank
8 located within the United States of America.

9 For so long as any Series 2016D Bonds are held in book-entry form by a securities
10 depository selected by the City pursuant to Section 11, payment shall be made to the
11 registered owner of the Series 2016D Bonds designated by such securities depository by wire
12 transfer of immediately available funds.

13 (c) Interest on the Series 2016D Bonds. The Series 2016D Bonds shall bear
14 interest at rates to be determined upon the sale of the Series 2016D Bonds, calculated on the
15 basis of a 360-day year comprised of twelve 30-day months, payable on June 15, 2016 (or
16 such other date as may be designated in the Bond Award), and semiannually thereafter on
17 December 15 and June 15 of each year. Each Series 2016D Bond shall bear interest from the
18 interest payment date next preceding the date of its authentication unless it is authenticated
19 as of a day during the period from the Record Date next preceding any interest payment date
20 to the interest payment date, inclusive, in which event it shall bear interest from such interest
21 payment date, or unless it is authenticated on or before the first Record Date, in which event it
22 shall bear interest from the Dated Date; provided, that if, at the time of authentication of any
23 Series 2016D Bond, interest is in default on the Series 2016D Bonds, such Series 2016D
24 Bond shall bear interest from the interest payment date to which interest has previously been
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1 paid or made available for payment on the Series 2016D Bonds or from the Dated Date if the
2 first interest payment is not made.

3 (d) Optional Redemption. The Series 2016D Bonds shall be subject to optional
4 redemption prior to maturity as provided in the Official Notice of Sale or the Bond Award.

5 (e) Mandatory Redemption. The Series 2016D Bonds shall be subject to mandatory
6 redemption at par, by lot, in any year in which the purchaser has designated that the principal
7 amount payable with respect to that year shall constitute a mandatory sinking fund payment
8 as permitted by the Official Notice of Sale. Any Series 2016D Bonds subject to mandatory
9 redemption shall be designated as such in the Official Notice of Sale or the Bond Award.

10 The principal of and interest on the Series 2016D Bonds subject to mandatory
11 redemption shall be paid from the Series 2016D Bond Account (as defined in Section 9),
12 pursuant to Section 9. In lieu of any such mandatory redemption for Series 2016D Bonds, at
13 any time prior to the selection of Series 2016D Bonds for mandatory redemption, the City may
14 apply amounts on deposit in the Series 2016D Bond Account to make such payment to the
15 purchase, at public or private sale, of Series 2016D Bonds subject to such mandatory
16 redemption, and when and at such prices not in excess of the principal amount thereof
17 (including sales commission and other charges but excluding accrued interest), as the City
18 may determine.

19 (f) Selection of Series 2016D Bonds for Redemption. Whenever less than all of the
20 outstanding Series 2016D Bonds are called for redemption on any date, the City Treasurer will
21 select the maturities of the Series 2016D Bonds to be redeemed in the sole discretion of the
22 City Treasurer. Whenever less than all of the outstanding Series 2016D Bonds maturing on
23 any one date are called for redemption on any one date, the City Treasurer will select the
24 Series 2016D Bonds or portions thereof, in denominations of \$5,000 or any integral multiple
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1 thereof, to be redeemed from the outstanding Series 2016D Bonds maturing on such date not
2 previously selected for redemption, by lot, in any manner which the City Treasurer deems fair.

3 (g) Notice of Redemption. The date on which Series 2016D Bonds that are called
4 for redemption are to be presented for redemption is called the "Redemption Date." The
5 City Treasurer shall mail, or cause to be mailed, notice of any redemption of Series 2016D
6 Bonds, postage prepaid, to the respective registered owners at the addresses appearing
7 on the bond registration books not less than twenty (20) nor more than sixty (60) days prior
8 to the Redemption Date. The notice of redemption shall (a) state the Redemption Date; (b)
9 state the redemption price; (c) state the maturity dates of the Series 2016D Bonds to be
10 redeemed and, if less than all of any such maturity is called for redemption, the distinctive
11 numbers of the Series 2016D Bonds of such maturity to be redeemed, and in the case of
12 any Series 2016D Bonds to be redeemed in part only, the respective portions of the
13 principal amount to be redeemed; (d) state the CUSIP number, if any, of each Series
14 2016D Bond to be redeemed; (e) require that such Series 2016D Bonds be surrendered by
15 the owners at the office of the City Treasurer or his or her agent; and (f) give notice that
16 interest on such Series 2016D Bonds or portions of Series 2016D Bonds to be redeemed
17 will cease to accrue after the Redemption Date. Notice of optional redemption may be
18 conditional upon receipt of funds or other event specified in the notice of redemption as
19 provided in subsection (j) of this Section 8.

20 The actual receipt by the owner of any Series 2016D Bond of notice of such
21 redemption shall not be a condition precedent to redemption, and failure to receive such
22 notice, or any defect in such notice so mailed, shall not affect the validity of the proceedings
23 for the redemption of such Series 2016D Bonds or the cessation of accrual of interest on such
24 Series 2016D Bonds on the Redemption Date.

1 Notice of redemption also shall be given, or caused to be given by the City Treasurer, by
2 (i) registered or certified mail, postage prepaid, (ii) confirmed facsimile transmission,
3 (iii) overnight delivery service, or (iv) to the extent acceptable to the intended recipient, email
4 or similar electronic means, to (a) all organizations registered with the Securities and
5 Exchange Commission as securities depositories and (b) such other services or organizations
6 as may be required in accordance with the Continuing Disclosure Certificate described in
7 Section 19.

8 The notice or notices required for redemption shall be given by the City Treasurer or
9 any agent appointed by the City. A certificate of the City Treasurer or such other appointed
10 agent of the City that notice of redemption has been given to the owner of any Series 2016D
11 Bond to be redeemed in accordance with this Resolution shall be conclusive against all
12 parties.

13 (h) Series 2016D Redemption Account. At the time the City Treasurer or the
14 Controller determines to optionally call and redeem any of the Series 2016D Bonds, the City
15 Treasurer or his or her agent shall establish a redemption account to be described or known
16 as the "General Obligation Bonds, Series 2016D Redemption Account" (the "Series 2016D
17 Redemption Account"), and prior to or on the Redemption Date there must be set aside in the
18 Series 2016D Redemption Account moneys available for the purpose and sufficient to
19 redeem, as provided in this Resolution, the Series 2016D Bonds designated in said notice of
20 redemption, subject to the provisions of subsection (j) of this Section. Said moneys must be
21 set aside in the Series 2016D Redemption Account solely for the purpose of, and shall be
22 applied on or after the Redemption Date to, payment of the redemption price of the Series
23 2016D Bonds to be redeemed upon presentation and surrender of such Series 2016D Bonds.
24 Any interest due on or prior to the Redemption Date may be paid from the Series 2016D Bond
25 Account as provided in Section 9 or from the Series 2016D Redemption Account. Moneys

1 held from time to time in the Series 2016D Redemption Account shall be invested by the City
2 Treasurer pursuant to the City's policies and guidelines for investment of moneys in the
3 General Fund of the City. If, after all of the Series 2016D Bonds have been redeemed and
4 canceled or paid and canceled, there are moneys remaining in the Series 2016D Redemption
5 Account, said moneys shall be transferred to the General Fund of the City or to such other
6 fund or account as required by applicable law; provided, that if said moneys are part of the
7 proceeds of refunding bonds, said moneys shall be transferred pursuant to the resolution
8 authorizing such refunding bonds.

9 (i) Effect of Redemption. When notice of optional redemption has been given
10 substantially as provided in this Resolution, and when the amount necessary for the
11 redemption of the Series 2016D Bonds called for redemption (principal, premium, if any, and
12 accrued interest to such Redemption Date) is set aside for that purpose in the Series 2016D
13 Redemption Account, the Series 2016D Bonds designated for redemption shall become due
14 and payable on the Redemption Date, and upon presentation and surrender of said Series
15 2016D Bonds at the place specified in the notice of redemption, such Series 2016D Bonds
16 shall be redeemed and paid at said redemption price out of said Series 2016D Redemption
17 Account. No interest will accrue on such Series 2016D Bonds called for redemption after the
18 Redemption Date and the registered owners of such Series 2016D Bonds shall look for
19 payment of such Series 2016D Bonds only to the Series 2016D Redemption Account. All
20 Series 2016D Bonds redeemed shall be canceled immediately by the City Treasurer and shall
21 not be reissued.

22 (j) Conditional Notice of Redemption; Rescission of Redemption. Any notice of
23 optional redemption given as provided in Section 8(g) may provide that such redemption is
24 conditioned upon: (i) deposit in the Series 2016D Redemption Account of sufficient moneys to
25 redeem the Series 2016D Bonds called for optional redemption on the anticipated

1 Redemption Date, or (ii) the occurrence of any other event specified in the notice of
2 redemption. If conditional notice of redemption has been given substantially as provided in this
3 subsection (j), and on the scheduled Redemption Date (i) sufficient moneys to redeem the
4 Series 2016D Bonds called for optional redemption on the Redemption Date have not been
5 deposited in the Series 2016D Redemption Account, or (ii) any other event specified in the
6 notice of redemption as a condition to the redemption has not occurred, then (y) the Series
7 2016D Bonds for which conditional notice of redemption was given shall not be redeemed on
8 the anticipated Redemption Date and shall remain Outstanding for all purposes of this
9 Resolution, and (z) the redemption not occurring shall not constitute a default under this
10 Resolution or the Authorizing Resolution.

11 The City may rescind any optional redemption and notice of it for any reason on
12 any date prior to any Redemption Date by causing written notice of the rescission to be
13 given to the owners of all Series 2016D Bonds so called for redemption. Notice of any
14 such rescission of redemption shall be given in the same manner notice of redemption
15 was originally given.

16 The actual receipt by the owner of any Series 2016D Bond of notice of such rescission
17 shall not be a condition precedent to rescission, and failure to receive such notice or any
18 defect in such notice so mailed shall not affect the validity of the rescission.

19 Section 9. Series 2016D Bond Account. There is established with the City Treasurer a
20 special subaccount in the General Obligation Bonds (Earthquake Safety and Emergency
21 Response General Obligation Bonds, 2014) Bond Account (the "Bond Account") created
22 pursuant to the Authorizing Resolution to be designated the "General Obligation Bonds,
23 Series 2016D Bond Subaccount" (the "Series 2016D Bond Account"), to be held separate and
24 apart from all other accounts of the City. All interest earned on amounts on deposit in the
25 Series 2016D Bond Account shall be retained in the Series 2016D Bond Account.

1 On or prior to the date on which any payment of principal of or interest on the Series
2 2016D Bonds is due, including any Series 2016D Bonds subject to mandatory redemption on
3 said date, the City Treasurer shall allocate to and deposit in the Series 2016D Bond Account,
4 from amounts held in the Bond Account, an amount which, when added to any available
5 moneys contained in the Series 2016D Bond Account, is sufficient to pay principal of and
6 interest on the Series 2016D Bonds on such date.

7 On or prior to the date on which any Series 2016D Bonds are to be redeemed at the
8 option of the City pursuant to this Resolution, the City Treasurer may allocate to and deposit in
9 the Series 2016D Redemption Account, from amounts held in the Bond Account pursuant to
10 Section 8 of the Authorizing Resolution, an amount which, when added to any available
11 moneys contained in the Series 2016D Redemption Account, is sufficient to pay principal,
12 interest and premium, if any, with respect to such Series 2016D Bonds on such date. The City
13 Treasurer may make such other provision for the payment of principal of and interest and any
14 redemption premium on the Series 2016D Bonds as is necessary or convenient to permit the
15 optional redemption of the Series 2016D Bonds.

16 Amounts in the Series 2016D Bond Account may be invested in any investment of the
17 City in which moneys in the General Fund of the City are invested. The City Treasurer may (i)
18 commingle any of the moneys held in the Series 2016D Bond Account with other City moneys
19 or (ii) deposit amounts credited to the Series 2016D Bond Account into a separate fund or
20 funds for investment purposes only; provided, that all of the moneys held in the Series 2016D
21 Bond Account shall be accounted for separately notwithstanding any such commingling or
22 separate deposit by the City Treasurer.

23 Section 10. Series 2016D Project Account. There is established with the City Treasurer
24 a special subaccount in the General Obligation Bonds (Earthquake Safety and Emergency
25 Response General Obligation Bonds, 2014) Project Account (the "Project Account") created

1 pursuant to the Authorizing Resolution to be designated the “General Obligation Bonds,
2 Series 2016D Project Subaccount” (the “Series 2016D Project Account”), to be held separate
3 and apart from all other accounts of the City. All interest earned on amounts on deposit in the
4 Series 2016D Project Account shall be retained in the Series 2016D Project Account.
5 Amounts in the Series 2016D Project Account shall be expended in accordance with the
6 provisions of the Authorizing Resolution for the acquisition, construction or reconstruction of
7 the Project (as defined in the Authorizing Resolution).

8 Amounts in the Series 2016D Project Account may be invested in any investment of the
9 City in which moneys in the General Fund of the City are invested. The City Treasurer may (i)
10 commingle any of the moneys held in the Series 2016D Project Account with other City
11 moneys or (ii) deposit amounts credited to the Series 2016D Project Account into a separate
12 fund or funds for investment purposes only; provided, that all of the moneys held in the Series
13 2016D Project Account (including interest earnings) shall be accounted for separately
14 notwithstanding any such comingling or separate deposit by the City Treasurer.

15 The City Treasurer is authorized to pay or cause to be paid from the proceeds of the
16 Series 2016D Bonds, on behalf of the City, the costs of issuance associated with the Series
17 2016D Bonds. Costs of issuance of the Series 2016D Bonds shall include, without limitation,
18 bond and financial printing expenses, mailing and publication expenses, rating agency fees,
19 the fees and expenses of paying agents, registrars, financial consultants, disclosure counsel
20 and co-bond counsel, and the reimbursement of departmental expenses in connection with
21 the issuance of the Series 2016D Bonds.

22 Section 11. Appointment of Depositories and Other Agents. The City Treasurer is
23 authorized and directed to appoint one or more depositories as he or she may deem desirable
24 and the procedures set forth in Section 6, Section 7 and Section 8 relating to registration of
25 ownership of the Series 2016D Bonds and payments and redemption notices to owners of the

1 Series 2016D Bonds may be modified to comply with the policies and procedures of such
2 depository. The City will not have any responsibility or obligation to any purchaser of a
3 beneficial ownership interest in any Series 2016D Bonds or to any participants in such a
4 depository with respect to (i) the accuracy of any records maintained by such securities
5 depository or any participant therein; (ii) any notice that is permitted or required to be given to
6 the owners of Series 2016D Bonds under this Resolution; (iii) the selection by such securities
7 depository or any participant therein of any person to receive payment in the event of a partial
8 redemption of Series 2016D Bonds; (iv) the payment by such securities depository or any
9 participant therein of any amount with respect to the principal or redemption premium, if any,
10 or interest due with respect to Series 2016D Bonds; (v) any consent given or other action
11 taken by such securities depository as the owner of Series 2016D Bonds; or (vi) any other
12 matter.

13 The Depository Trust Company ("DTC") is appointed as depository for the Series
14 2016D Bonds. The Series 2016D Bonds shall be initially issued in book-entry form. Upon
15 initial issuance, the ownership of each Series 2016D Bond shall be registered in the bond
16 register in the name of Cede & Co., as nominee of DTC. So long as each Series 2016D Bond
17 is registered in book-entry form, each Series 2016D Bond shall be registered in the name of
18 Cede & Co. or in the name of such successor nominee as may be designated from time to
19 time by DTC or any successor as depository.

20 The City Treasurer is also authorized and directed to appoint one or more agents as he
21 or she may deem necessary or desirable. To the extent permitted by applicable law and under
22 the supervision of the City Treasurer, such agents may serve as paying agent, fiscal agent,
23 rebate calculation agent, escrow agent or registrar for the Series 2016D Bonds or may assist
24 the City Treasurer in performing any or all of such functions and such other duties as the City
25 Treasurer shall determine. Such agents shall serve under such terms and conditions as the

1 City Treasurer shall determine. The City Treasurer may remove or replace agents appointed
2 pursuant to this paragraph at any time.

3 Section 12. Defeasance Provisions. Payment of all or any portion of the Series 2016D
4 Bonds may be provided for prior to such Series 2016D Bonds' respective stated maturities by
5 irrevocably depositing with the City Treasurer (or any commercial bank or trust company
6 designated by the City Treasurer to act as escrow agent with respect thereto):

7 (a) An amount of cash equal to the principal amount of all of such Series 2016D
8 Bonds or a portion thereof, and all unpaid interest thereon to maturity, except that in the case
9 of Series 2016D Bonds which are to be redeemed prior to such Series 2016D Bonds'
10 respective stated maturities and in respect of which notice of such redemption shall have been
11 given as provided in Section 8 hereof or an irrevocable election to give such notice shall have
12 been made by the City, the amount to be deposited shall be the principal amount thereof, all
13 unpaid interest thereon to the redemption date, and any premium due on such redemption
14 date; or

15 (b) Defeasance Securities (as herein defined) not subject to call, except as provided
16 below in the definition thereof, maturing and paying interest at such times and in such
17 amounts; together with interest earnings and cash, if required, as will, without reinvestment,
18 as certified by an independent certified public accountant, be fully sufficient to pay the
19 principal and all unpaid interest to maturity, or to the redemption date, as the case may be,
20 and any premium due on the Series 2016D Bonds to be paid or redeemed, as such principal
21 and interest come due; provided, that, in the case of the Series 2016D Bonds which are to be
22 redeemed prior to maturity, notice of such redemption shall be given as provided in Section 8
23 hereof or an irrevocable election to give such notice shall have been made by the City; then,
24 all obligations of the City with respect to said outstanding Series 2016D Bonds shall cease
25 and terminate, except only the obligation of the City to pay or cause to be paid from the funds

1 deposited pursuant to paragraphs (a) or (b) of this Section 12, to the owners of said Series
2 2016D Bonds all sums due with respect thereto; provided, that the City shall have received an
3 opinion of nationally recognized bond counsel, that provision for the payment of said Series
4 2016D Bonds has been made in accordance with this Section 12.

5 For purpose of this Section 12, "Defeasance Securities" shall mean any of the following
6 which at the time are legal investments under the laws of the State of California for the
7 moneys proposed to be invested therein:

- 8 (1) United States Obligations (as defined below); and
- 9 (2) Pre-refunded fixed interest rate municipal obligations meeting the following
10 conditions: (a) the municipal obligations are not subject to redemption prior to maturity, or the
11 trustee has been given irrevocable instructions concerning their calling and redemption and
12 the issuer has covenanted not to redeem such obligations other than as set forth in such
13 instructions; (b) the municipal obligations are secured by cash and/or United States
14 Obligations; (c) the principal of and interest on the United States Obligations (plus any cash in
15 the escrow fund or the redemption account) are sufficient to meet the liabilities of the
16 municipal obligations; (d) the United States Obligations serving as security for the municipal
17 obligations are held by an escrow agent or trustee; (e) the United States Obligations are not
18 available to satisfy any other claims, including those against the trustee or escrow agent; and
19 (f) the municipal obligations are rated (without regard to any numerical modifier, plus or minus
20 sign or other modifier), at the time of original deposit to the escrow fund, by any two of the
21 three Rating Agencies (as defined herein) not lower than the rating then maintained by the
22 respective Rating Agency on United States Obligations.

23 For purposes of this Section 12, "United States Obligations" shall mean (i) direct and
24 general obligations of the United States of America, or obligations that are unconditionally
25 guaranteed as to principal and interest by the United States of America, including without

1 limitation, the interest component of Resolution Funding Corporation (REFCORP) bonds
2 which have been stripped by request to the Federal Reserve Bank of New York in book-entry
3 form or (ii) any security issued by an agency or instrumentality of the United States of America
4 which is selected by the Director of Public Finance that results in the escrow fund being rated
5 by any two of the three Rating Agencies (as defined herein), at the time of the initial deposit to
6 the escrow fund and upon any substitution or subsequent deposit to the escrow fund, no lower
7 than the rating then maintained by the respective Rating Agency on United States Obligations
8 described in (i) herein.

9 For purposes of this Section 12, "Rating Agencies" shall mean Moody's Investors
10 Service Inc. ("Moody's"), Fitch Ratings ("Fitch"), and Standard and Poor's Rating Services, a
11 division of The McGraw-Hill Companies, Inc. ("S&P"), or any other nationally-recognized bond
12 rating agency which is the successor to any of the foregoing rating agencies or that is
13 otherwise established after the date hereof.

14 Section 13. Official Notice of Sale: Receipt of Bids: Bond Award.

15 (a) Official Notice of Sale. The form of proposed Official Notice of Sale inviting bids
16 for the Series 2016D Bonds (the "Official Notice of Sale") submitted to the Board is approved
17 and adopted as the Official Notice of Sale inviting bids for the Series 2016D Bonds, with such
18 changes, additions and modifications as may be made in accordance with Section 20. The
19 Director of Public Finance is authorized and directed to cause to be mailed or otherwise
20 circulated to prospective bidders for the Series 2016D Bonds copies of the Official Notice of
21 Sale, subject to such corrections, revisions or additions as may be acceptable to the Director
22 of Public Finance.

23 (b) Receipt of Bids. Bids shall be received on the date designated by the Director of
24 Public Finance pursuant to Section 4.

1 (c) Bond Award. As provided in the Official Notice of Sale, the City may reject any
2 and all bids received for any reason. The Controller is authorized to award the Series 2016D
3 Bonds to the responsible bidder whose bid (a) is timely received and conforms to the Official
4 Notice of Sale, except to the extent informalities and irregularities are waived by the City as
5 permitted by the Official Notice of Sale, and (b) represents the lowest true interest cost to the
6 City in accordance with the procedures described in the Official Notice of Sale. The award, if
7 made, shall be set forth in a certificate signed by the Controller setting forth the terms of the
8 Series 2016D Bonds and the original purchasers (the "Bond Award"). The Controller shall
9 provide a copy of the Bond Award as soon as practicable to the Clerk of the Board of
10 Supervisors and the Director of Public Finance; provided, that failure to provide such copy
11 shall not affect the validity of the Bond Award.

12 Section 14. Publication of Notice of Intention to Sell Bonds. The form of proposed
13 Notice of Intention to Sell the Series 2016D Bonds (the "Notice of Intention to Sell Bonds")
14 submitted to the Board is approved and adopted as the Notice of Intention to Sell the Series
15 2016D Bonds, and the Director of Public Finance is authorized and directed to cause the
16 Notice of Intention to Sell Bonds, subject to such corrections, revisions or additions as may be
17 made in accordance with Section 20, to be published once in *The Bond Buyer* or another
18 financial publication generally circulated throughout the State of California.

19 Section 15. Sale of Series 2016D Bonds: Solicitation of Competitive Bids. The Board
20 authorizes the sale of the Series 2016D Bonds by solicitation of competitive bids for the
21 purchase of the Series 2016D Bonds on the date and at the place determined in accordance
22 with the Official Notice of Sale and Section 4.

23 Section 16. Disposition of Proceeds of Sale. The proceeds of sale of the Series 2016D
24 Bonds shall be applied by the City Treasurer as follows: (a) accrued interest, if any, shall be
25 deposited into the Series 2016D Bond Account; (b) premium, if any, shall be deposited into

1 the Series 2016D Bond Account; and (iii) remaining proceeds of sale shall be deposited into
2 the Series 2016D Project Account.

3 Section 17. Official Statement. The form of proposed Preliminary Official Statement
4 describing the Series 2016D Bonds (the "Preliminary Official Statement") submitted to the
5 Board is approved and adopted as the Preliminary Official Statement describing the Series
6 2016D Bonds, with such additions, corrections and revisions as may be determined to be
7 necessary or desirable made in accordance with Section 20. The Controller is authorized
8 to cause the distribution of a Preliminary Official Statement deemed final for purposes of
9 Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities
10 Exchange Act of 1934, as amended (the "Rule"), and to sign a certificate to that effect.
11 The Director of Public Finance is authorized and directed to cause to be printed and
12 mailed or electronically distributed to prospective bidders for the Series 2016D Bonds the
13 Preliminary Official Statement in substantially the form of the Preliminary Official
14 Statement approved and adopted by this Resolution, as completed, supplemented,
15 corrected or revised. The Controller is authorized and directed to approve, execute, and
16 deliver the final Official Statement with respect to the Series 2016D Bonds, which final
17 Official Statement shall be in the form of the Preliminary Official Statement, with such
18 additions, corrections and revisions as may be determined to be necessary or desirable
19 made in accordance with Section 20 and as are permitted under the Rule. The Director of
20 Public Finance is authorized and directed to cause to be printed and mailed or
21 electronically distributed the final Official Statement to all actual initial purchasers of the
22 Series 2016D Bonds.

23 Section 18. Tax Covenants.

24 (a) General. The City covenants with the holders of the Series 2016D Bonds that,
25 notwithstanding any other provisions of this Resolution, it shall not take any action, or fail to

1 take any action, if any such action or failure to take action would adversely affect the exclusion
2 from gross income of interest on the Series 2016D Bonds under Section 103 of the Code, and
3 the regulations issued thereunder, as the same may be amended from time to time, and any
4 successor provisions of law. Reference to a particular section of the Code shall be deemed to
5 be a reference to any successor to any such section. The City shall not, directly or indirectly,
6 use or permit the use of proceeds of the Series 2016D Bonds or any of the property financed
7 or refinanced with proceeds of the Series 2016D Bonds, or any portion thereof, by any person
8 other than a governmental unit (as such term is used in Section 141 of the Code), in such
9 manner or to such extent as would result in the loss of exclusion of interest on the Series
10 2016D Bonds from gross income for federal income tax purposes.

11 (b) Use of Proceeds. The City shall not take any action, or fail to take any action, if
12 any such action or failure to take action would cause the Series 2016D Bonds to be “private
13 activity bonds” within the meaning of Section 141 of the Code, and in furtherance thereof,
14 shall not make any use of the proceeds of the Series 2016D Bonds or any of the property
15 financed or refinanced with proceeds of the Series 2016D Bonds, or any portion thereof, or
16 any other funds of the City, that would cause the Series 2016D Bonds to be “private activity
17 bonds” within the meaning of Section 141 of the Code. To that end, so long as any Series
18 2016D Bonds are outstanding, the City, with respect to such proceeds and property and such
19 other funds, will comply with applicable requirements of the Code and all regulations of the
20 United States Department of the Treasury issued thereunder, to the extent such requirements
21 are, at the time, applicable and in effect. The City shall establish reasonable procedures
22 necessary to ensure continued compliance with Section 141 of the Code and the continued
23 qualification of the Series 2016D Bonds as “governmental bonds.”

24 (c) Arbitrage. The City shall not, directly or indirectly, use or permit the use of any
25 proceeds of the Series 2016D Bonds, or of any property financed or refinanced by the Series

1 2016D Bonds, or other funds of the City, or take or omit to take any action, that would cause
2 the Series 2016D Bonds to be “arbitrage bonds” within the meaning of Section 148 of the
3 Code. To that end, the City shall comply with all requirements of Section 148 of the Code and
4 all regulations of the United States Department of the Treasury issued thereunder to the
5 extent such requirements are, at the time, in effect and applicable to the Series 2016D Bonds.

6 (d) Federal Guarantee. The City shall not make any use of the proceeds of the
7 Series 2016D Bonds or any other funds of the City, or take or omit to take any other action,
8 that would cause the Series 2016D Bonds to be “federally guaranteed” within the meaning of
9 Section 149(b) of the Code.

10 (e) Information Reporting. The City shall take or cause to be taken all necessary
11 action to comply with the information reporting requirement of Section 149(e) of the Code with
12 respect to the Series 2016D Bonds.

13 (f) Hedge Bonds. The City shall not make any use of the proceeds of the Series
14 2016D Bonds or any other amounts or property, regardless of the source, or take any action
15 or refrain from taking any action that would cause the Series 2016D Bonds to be considered
16 “hedge bonds” within the meaning of Section 149(g) of the Code unless the City takes all
17 necessary action to assure compliance with the requirements of Section 149(g) of the Code.

18 (g) Compliance with Tax Certificate. In furtherance of the foregoing tax covenants
19 of this Section 18, the City covenants that it will comply with the provisions of the Tax
20 Certificate to be executed by the City with respect to the Series 2016D Bonds, dated the date
21 of issuance of the Series 2016D Bonds, as such Tax Certificate may be amended from time to
22 time. This covenant shall survive payment in full or defeasance of the Series 2016D Bonds.

23 Section 19. Continuing Disclosure Certificate. The form of Continuing Disclosure
24 Certificate (the “Continuing Disclosure Certificate”), to be signed by the City to permit the
25 original purchasers of the Series 2016D Bonds to comply with the Rule, submitted to the

1 Board is approved and adopted as the Continuing Disclosure Certificate, with such additions,
2 corrections and revisions as may be determined to be necessary or desirable made in
3 accordance with Section 20. The Controller is authorized and directed to execute the
4 Continuing Disclosure Certificate on behalf of the City and deliver the Continuing Disclosure
5 Certificate to the original purchasers of the Series 2016D Bonds.

6 Section 20. Modification to Documents. Any City official authorized by this Resolution to
7 execute any document is further authorized, in consultation with the City Attorney and co-bond
8 counsel, to approve and make such changes, additions, amendments or modifications to the
9 document or documents such official is authorized to execute as may be necessary or
10 advisable (provided, that such changes, additions, amendments or modifications shall not
11 authorize an aggregate principal amount of Series 2016D Bonds in excess of \$111,060,000 or
12 conflict with the provisions of Section 4). The approval of any change, addition, amendment or
13 modification to any of the aforementioned documents shall be evidenced conclusively by the
14 execution and delivery of the document in question.

15 Section 21. Ratification. All actions previously taken by officials, employees and agents
16 of the City with respect to the sale and issuance of the Series 2016D Bonds are approved,
17 confirmed and ratified.

18 Section 22. Relationship to Authorizing Resolution. In the event of any conflict between
19 this Resolution and the Authorizing Resolution, the terms of this Resolution shall control.
20 Without limiting the foregoing and notwithstanding the provisions of the Authorizing
21 Resolution, the City is not obligated to transfer money from the General Fund of the City to the
22 Bond Account to pay the principal of or interest on the Series 2016D Bonds.

23 Section 23. Reimbursement. The City declares its official intent to reimburse prior
24 expenditures of the City incurred prior to the issuance and sale of the Series 2016D Bonds in
25 connection with the Project or portions thereof to be financed by the Series 2016D Bonds. The

1 Board declares the City's intent to reimburse the City with the proceeds of the Series 2016D
2 Bonds for the expenditures with respect to the Project (the "Expenditures" and each an
3 "Expenditure") made on and after that date that is no more than 60 days prior to adoption of
4 this Resolution. The City reasonably expects on the date of adoption of this Resolution that it
5 will reimburse the Expenditures with the proceeds of the Series 2016D Bonds.

6 Each Expenditure was and will be either (a) of a type properly chargeable to a
7 capital account under general federal income tax principles (determined in each case as of
8 the date of the Expenditure), (b) a cost of issuance with respect to the Series 2016D
9 Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d)
10 a grant to a party that is not related to or an agent of the City so long as such grant does
11 not impose any obligation or condition (directly or indirectly) to repay any amount to or for
12 the benefit of the City. The maximum aggregate principal amount of the Series 2016D
13 Bonds expected to be issued for the Project is \$111,060,000. The City shall make a
14 reimbursement allocation, which is a written allocation by the City that evidences the City's
15 use of proceeds of the Series 2016D Bonds to reimburse an Expenditure, no later than 18
16 months after the later of the date on which the Expenditure is paid or the Project is placed
17 in service or abandoned, but in no event more than three years after the date on which the
18 Expenditure is paid. The City recognizes that exceptions are available for certain
19 "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by
20 "small issuers" (based on the year of issuance and not the year of expenditure) and
21 expenditures for construction projects of at least 5 years.

22 Section 24. Accountability Reports. The Series 2016D Bonds are subject to
23 accountability requirements under the City's Administrative Code and the Bond Election
24 Ordinance. Accountability report with respect to the Series 2016D Bonds is on file with the
25 Clerk of the Board of Supervisors.

1 Section 25. Citizens' Oversight Committee. The Series 2016D Bonds are subject to,
2 and incorporate by reference, the applicable provisions of the San Francisco Administrative
3 Code Sections 5.30-5.36 (the "Citizens' General Obligation Bond Oversight Committee"), and,
4 to the extent permitted by law, one tenth of one percent (0.1%) of the gross proceeds of the
5 Series 2016D Bonds shall be deposited into a fund established by the Controller's Office and
6 appropriated by the Board at the direction of the Citizens' General Obligation Bond Oversight
7 Committee to cover the costs of such committee.

8 Section 26. CEQA Determination. The Board hereby reaffirms and incorporates by
9 reference the CEQA findings and determinations set forth in Ordinance 40-10 as if set forth in
10 full herein. The use of bond proceeds to finance any identified project or portion of any
11 identified project will be subject, as necessary, to approval of the Board upon completion of
12 planning and any further required environmental review under CEQA for the individual
13 facilities and projects.

14 Section 27. General Authority. The Clerk of the Board of Supervisors, the Mayor, the
15 City Treasurer, the Director of Public Finance, the City Attorney and the Controller are each
16 authorized and directed in the name and on behalf of the City to take any and all steps and to
17 issue, deliver or enter into any and all certificates, requisitions, agreements, notices,
18 consents, and other documents as may be necessary to give effect to the provisions of this
19 Resolution, including but not limited to letters of representations to any depository or
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1 depositories, which they or any of them might deem necessary or appropriate in order to
2 consummate the lawful issuance, sale and delivery of the Series 2016D Bonds.

3
4 APPROVED AS TO FORM:
5 DENNIS J. HERRERA City Attorney

6
7 By: _____
8 Mark D. Blake
9 Deputy City Attorney

1 **Exhibit A**

2 Unless this bond is presented by an authorized representative of The Depository Trust
3 Company, a New York corporation (“DTC”), to City or its agent for registration of transfer,
4 exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in
5 such other name as is requested by an authorized representative of DTC (and any payment is
6 made to Cede & Co. or to such other entity as is requested by an authorized representative of
7 DTC), Any Transfer, Pledge, or Other Use of this Bond for Value or Otherwise by or to Any
8 Person Is Wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest
9 herein.

10 Number R-___ UNITED STATES OF AMERICA Amount
11
12 STATE OF CALIFORNIA
13 CITY AND COUNTY OF SAN FRANCISCO
14 GENERAL OBLIGATION BONDS
15
16 (EARTHQUAKE SAFETY AND EMERGENCY RESPONSE BONDS, 2014),
17 SERIES 2016D

18
19 Interest Rate Maturity Date Dated Date CUSIP Number
20 ___% June 15, 20___ _____, 20___ _____

21 REGISTERED OWNER: Cede & Co.

22 PRINCIPAL AMOUNT: _____ Dollars
23

24 The City and County of San Francisco, State of California (the “City”), acknowledges
25 itself indebted to and promises to pay to the Registered Owner specified above or registered

1 assigns, on the Maturity Date specified above, the Principal Amount of this bond specified
2 above in lawful money of the United States of America, and to pay interest on the Principal
3 Amount in like lawful money from the interest payment date next preceding the date of
4 authentication of this bond (unless this bond is authenticated as of the day during the period
5 from the last day of the month next preceding any interest payment date (the "**Record Date**")
6 to such interest payment date, inclusive, in which event it shall bear from such interest
7 payment date, or unless this bond is authenticated on or before May 30, 2016, in which event
8 it shall bear interest from its dated date) until payment of such Principal Amount, at the
9 Interest Rate per year specified above calculated on the basis of a 360-day year comprised of
10 twelve 30-day months, payable on June 15, 2016 and semiannually thereafter on December
11 15 and June 15 in each year; *provided*, that if any interest payment date occurs on a day that
12 banks in California or New York are closed for business or the New York Stock Exchange is
13 closed for business, then such payment shall be made on the next succeeding day that banks
14 in both California and New York are open for business and the New York Stock Exchange is
15 open for business (a "**Business Day**"). The principal of this bond is payable to the Registered
16 Owner of this bond upon the surrender of this bond at the office of the Treasurer of the City
17 (the "**City Treasurer**"). The interest on this bond is payable to the person whose name
18 appears on the bond registration books of the City Treasurer as the Registered Owner of this
19 bond as of the close of business on the Record Date immediately preceding an interest
20 payment date, whether or not such day is a Business Day, such interest to be paid by check
21 mailed on the interest payment date to such Registered Owner at the owner's address as it
22 appears on such registration books; *provided*, that the Registered Owner of bonds in an
23 aggregate principal amount of at least \$1,000,000 may submit a written request to the City
24 Treasurer on or before the Record Date preceding any interest payment date for payment of
25 interest by wire transfer to a commercial bank located in the United States of America.

1 This bond is one of a duly authorized issue of bonds (the “**Bonds**”) of like tenor (except
2 for such variations, if any, as may be required to designate varying numbers, denominations,
3 interest rates and maturities), in the aggregate principal amount of \$111,060,000, which is part
4 of a bond authorization in the aggregate original principal amount of \$400,000,000 authorized
5 by the affirmative votes of more than two-thirds of the voters voting at a special election duly
6 and legally called, held and conducted in the City on June 3, 2014, and is issued and sold by
7 the City pursuant to and in strict conformity with the provisions of the Constitution and laws of
8 the State of California, the Charter of the City and Resolution No. 313-14 adopted by the
9 Board of Supervisors of the City (the “**Board of Supervisors**”) on July 29, 2014 and signed by
10 the Mayor of the City on August 7, 2014 and Resolution No. ____-16, adopted by the Board of
11 Supervisors on _____, 2016 and signed by the Mayor on _____, 2016 (collectively,
12 together with the related Bond Award, the “**Resolutions**”).

13 The Bonds are issuable as fully registered bonds without coupons in the denominations
14 of \$5,000 or any integral multiple of such amount, *provided* that no bond shall have principal
15 maturing on more than one principal maturity date. Subject to the limitations and conditions
16 and upon payment of the charges, if any, provided in the Resolutions, the Bonds may be
17 exchanged for a like aggregate principal amount of Bonds of other authorized denominations
18 of the same interest rate and maturity.

19 This bond is transferable by its registered owner, in person or by its attorney duly
20 authorized in writing, at the office of the City Treasurer, but only in the manner, subject to the
21 limitations and upon payment of the charges provided in the Resolutions, and upon surrender
22 and cancellation of this bond. Upon such transfer, a new bond or bonds of authorized
23 denomination or denominations for the same interest rate and same aggregate principal
24 amount will be issued to the transferee in exchange for this bond.
25

1 The City Treasurer will not be required to exchange or register the transfer of this bond
2 during the period (a) from the Record Date for an interest payment date to the opening of
3 business on such interest payment date or (b) after notice of redemption of this bond or any
4 portion of this bond has been mailed.

5 Bonds maturing on and before June 15, 20__, are not redeemable prior to their maturity.

6 Bonds maturing on and after June 15, 20__, are subject to optional redemption from
7 any available funds, in whole or in part, on any date on or after June 15, 20__, at a price
8 equal to their principal amount plus in each case accrued interest to the date of
9 redemption, without redemption premium. If less than all of the outstanding Bonds are to
10 be redeemed, they may be redeemed in any order of maturity as determined by the City. If
11 less than all of the outstanding Bonds of a maturity are to be redeemed, the Bonds or
12 portions of Bonds of such maturity to be redeemed shall be selected by the City
13 Treasurer, in authorized denominations of \$5,000 or integral multiples of that amount,
14 from among Bonds of that maturity not previously called for redemption, by lot, in any
15 manner which the City Treasurer deems fair.

16 Bonds maturing on June 15, 20__, are subject to mandatory sinking fund redemption on
17 June 15 of each of the years 20_ through 20_, inclusive, and at maturity in the respective
18 amounts provided in the Resolutions.

19 Bonds maturing on June 15, 20__, are subject to mandatory sinking fund redemption on
20 June 15 of each of the years 20_ through 20_, inclusive, and at maturity in the respective
21 amounts provided in the Resolutions.

22 Notice of the redemption of Bonds which by their terms shall have become subject to
23 redemption shall be given or caused to be given to the registered owner of each bond or
24 portion of a bond called for redemption not less than 20 or more than 60 days before any date
25 established for redemption of Bonds, by the City Treasurer on behalf of the City, first class

1 mail, postage prepaid, sent to the registered owner's last address, if any, appearing on the
2 registration books kept by the City Treasurer. Official notices of redemption will contain the
3 information specified in the Resolutions.

4 On or prior to any redemption date, the City is required to deposit an amount of money
5 sufficient to pay the redemption price of all of the Bonds or portions of Bonds which are to be
6 redeemed on that date or, in the case of optional redemptions only, the optional redemption
7 and notice of it will be rescinded and the City's failure to deposit such amount will not be a
8 default. In addition, the City may at its option rescind any optional redemption and notice of it
9 for any reason on any date prior to the applicable redemption date. Notice of rescission of an
10 optional redemption shall be given in the same manner as notice of redemption was originally
11 given.

12 Official notice of redemption having been given as aforesaid, the Bonds or portions of
13 Bonds so to be redeemed shall, on the redemption date, become due and payable at the
14 redemption price therein specified, and from and after such date (unless such redemption and
15 notice of it shall have been rescinded or unless the City shall default in the payment of the
16 redemption price), such Bonds or portions of Bonds shall cease to bear interest. Neither the
17 failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular
18 registered owner, shall affect the sufficiency of such notice with respect to other Bonds.

19 Notice of redemption, or notice of rescission of an optional redemption, having been
20 properly given, failure of a registered owner to receive such notice shall not be deemed to
21 invalidate, limit or delay the effect of the notice or redemption action described in the notice.

22 The City and the City Treasurer may treat the registered owner of this bond as the
23 absolute owner of this bond for all purposes, and the City and the City Treasurer shall not be
24 affected by any notice to the contrary.

1 The City Treasurer may appoint agents to serve as bond registrar or paying agent, as
2 provided in the Resolutions.

3 The Board of Supervisors certifies, recites and declares that the total amount of
4 indebtedness of the City, including the amount of this bond, is within the limit provided by law,
5 that all acts, conditions and things required by law to be done or performed precedent to and
6 in the issuance of this bond have been done and performed in strict conformity with the laws
7 authorizing the issuance of this bond, that this bond is in the form prescribed by order of the
8 Board of Supervisors duly made and entered on its minutes, and the money for the payment
9 of principal of this bond, and the payment of interest thereon, shall be raised by taxation upon
10 the taxable property of the City as provided in the Resolutions.

11 This bond shall not be entitled to any benefit under the Resolutions, or become valid or
12 obligatory for any purpose, until the certificate of authentication and registration on this bond
13 shall have been signed by the City Treasurer.

1 IN WITNESS WHEREOF the Board of Supervisors has caused this bond to be
2 executed by the Mayor of the City and to be countersigned by the Clerk of the Board of
3 Supervisors, all as of the Dated Date set forth above.

4
5
6 Countersigned:

Mayor of the City and
County of San Francisco

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8
9 _____
10 Clerk of the Board of Supervisors
 of the City and County of San Francisco

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CERTIFICATE OF REGISTRATION AND AUTHENTICATION

This is one of the bonds described in the within-mentioned Resolutions, which has been authenticated on the date set forth below.

Date of Authentication: _____, 2016

Treasurer of the City and
County of San Francisco

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ASSIGNMENT

The following abbreviations, when used in the inscription on this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

Unif Gift Min Act - _____ Custodian _____
(Cust) (Minor)
under Uniform Gifts to Minors Act _____
(State)

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not
as tenants in common

(Name and Address of Assignee)

the within Bond and does irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

/s/ _____

Dated:

Signature guaranteed:

Notice: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Notice: The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in approved Signature Guarantee Medallion Program).