

1 [Sale of General Obligation Bonds - Transportation and Road Improvement Bonds, 2014 - Not
2 to Exceed \$177,000,000]

3 **Resolution authorizing and directing the sale of not to exceed \$177,000,000 aggregate**
4 **principal amount of City and County of San Francisco General Obligation Bonds**
5 **(Transportation and Road Improvement Bonds, 2014), Series 2018B; prescribing the**
6 **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 either competitive or**
10 **negotiated sale; approving the forms of Official Notice of Sale and Notice of Intention**
11 **to Sell Bonds; directing the publication of the Notice of Intention to Sell Bonds;**
12 **approving the form of the Preliminary Official Statement and the form and execution of**
13 **the Official Statement relating to the sale of said bonds; approving the form of the**
14 **Continuing Disclosure Certificate; authorizing and approving modifications to**
15 **documents, as defined herein; declaring the City’s intent to reimburse certain**
16 **expenditures; waiving the deadline for submission of Bond Accountability Reports;**
17 **adopting findings under the California Environmental Quality Act (CEQA), CEQA**
18 **Guidelines and Chapter 31 of the Administrative Code; ratifying certain actions**
19 **previously taken as defined herein; and granting general authority to City officials to**
20 **take necessary actions in connection with the authorization, issuance, sale, and**
21 **delivery of said bonds, as defined herein.**

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24 WHEREAS, By Resolution No. 228-14 adopted by the Board of Supervisors (the
25 “Board”) of the City and County of San Francisco (the “City”) on July 8, 2014 and signed by

1 the Mayor of the City (the “Mayor”) on July 18, 2014, it was determined and declared that
2 public interest and necessity demands the acquisition, construction and improvement of
3 street, transportation and related infrastructure therein described (the “Project”); and,

4 WHEREAS, By Ordinance No. 148-14 passed by the Board on July 15, 2014, and
5 signed by the Mayor on July 24, 2014 (the “Bond Ordinance”), the Board duly called a special
6 election to be held on November 4, 2014 (the “Bond Election”), for the purpose of submitting
7 to the electors of the City a proposition to incur bonded indebtedness in the amount of
8 \$500,000,000 to finance the Project (“2014 Proposition A”) , and such proposition was
9 approved by not less than a two-thirds vote of the qualified electors of the City voting on such
10 proposition; and

11 WHEREAS, By Resolution No. 193-15 passed by the Board on June 2, 2015 and
12 signed by the Mayor on June 9, 2015 (the “Authorizing Resolution”), the City authorized the
13 issuance of not to exceed \$500 million of its General Obligation Bonds (Transportation and
14 Road Improvement Bonds, 2014) (the “Bonds”); and,

15 WHEREAS, By Resolution No. 192-15, passed by the Board of Supervisors on June 2,
16 2015, and signed by the Mayor on June 9, 2015, the City authorized the sale of the Bonds
17 (the “Series 2015B Bonds”), which Series 2015B Bonds were issued in the principal amount
18 of \$67,005,000; and

19 WHEREAS, It is now necessary and desirable to issue a second series of Bonds in
20 aggregate principal amount of not to exceed \$177,000,000 City and County of San Francisco
21 General Obligation Bonds (Transportation and Road Improvement Bonds, 2014), Series
22 2018B (the “Series 2018B Bonds”), to finance a portion of the costs of the Project; and,

23 WHEREAS, The Series 2018B Bonds are being issued pursuant to the Authorizing
24 Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the California Government
25 Code, the Charter of the City (the “Charter”), the Bond Ordinance and the Bond Election; and

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WHEREAS, The City has paid and expects to pay certain expenditures in connection with the Project to be financed by the Series 2018B Bonds prior to the issuance and sale of the Series 2018B Bonds, and the City intends to reimburse itself and to pay third parties for such prior expenditures from the proceeds of the Series 2018B Bonds; and

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

WHEREAS, The Reimbursement Regulations require that any reimbursement allocation of proceeds of the Series 2018B Bonds to be made with respect to expenditures incurred prior to the issuance of the Series 2018B Bonds will occur not later than eighteen (18) months after the later of (i) the date on which the expenditure is paid or (ii) the date on which the facilities are placed in service, but in no event later than three (3) years after the expenditure is paid; and

WHEREAS, Pursuant to the applicable provisions of the San Francisco Administrative Code, Sections 5.30-5.36, the Citizens’ General Obligation Bond Oversight Committee shall conduct an annual review of bond spending and shall provide an annual report on the management of the program to the Mayor and the Board, and, to the extent permitted by law, one-tenth of one percent (0.1%) of the gross proceeds of the Series 2018B Bonds shall be deposited in a fund established by the City Controller’s Office and appropriated by the Board at the direction of the Citizens’ General Obligation Bond Oversight Committee to cover the costs of such Committee and its review process; and

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

1 Section 1. Recitals. All of the recitals in this Resolution are true and correct.

2 Section 2. Conditions Precedent. All conditions, things and acts required by law to
3 exist, to happen and to be performed precedent to the issuance of the Series 2018B Bonds
4 and the adoption of this Resolution exist, have happened and have been performed in due
5 time, form and manner in accordance with applicable law, and the City is now authorized
6 pursuant to the Bond Election and the Charter and applicable law to incur indebtedness in the
7 manner and form provided in this Resolution.

8 Section 3. Documents. The documents presented herein to the Board are on file
9 with the Clerk of the Board of Supervisors in File No. _____.

10 Section 4. Issuance and Sale of Series 2018B Bonds; Determination of Certain
11 Terms; Designation. The Board hereby authorizes the issuance and sale of not to exceed
12 \$177,000,000 in aggregate principal amount of Bonds to be designated as “City and County of
13 San Francisco General Obligation Bonds (Transportation and Road Improvement Bonds,
14 2014), Series 2018B” (or such other designation as may be necessary or appropriate), for the
15 purposes set forth in the Bond Ordinance and in 2014 Proposition A approved by the voters at
16 the Bond Election.

17 The Director of Public Finance of the City or his or her designee (the “Director of Public
18 Finance”) is hereby authorized to determine, for the Series 2018B Bonds, the sale date, the
19 interest rates, the definitive principal amount, the maturity dates and the redemption dates, if
20 any, and the terms of any optional or mandatory redemption thereof, subject to the other
21 specific provisions of this Resolution, including the following terms and conditions: (i) the
22 Series 2018B Bonds shall not have a true interest cost in excess of 12% (as such term is
23 defined in the Official Notice of Sale (as defined in Section 13(a) hereof); and (ii) the Series
24 2018B Bonds shall not have a final maturity date after June 15, 2043. The Director of Public
25 Finance is further authorized to give the Series 2018B Bonds such additional or other series

1 designation, or to modify such series designation, as may be necessary or appropriate to
2 distinguish the Series 2018B Bonds from every other series of Bonds and from other bonds
3 issued by the City.

4 Section 5. Execution, Authentication and Registration of the Series 2018B Bonds.

5 Each of the Series 2018B Bonds shall be in fully registered form without coupons in
6 denominations of \$5,000 or any integral multiple thereof. The officers of the City are hereby
7 directed to cause the Series 2018B Bonds to be prepared in sufficient quantity for delivery to
8 or for the account of the purchaser thereof and the Controller of the City or his or her designee
9 (the "Controller") is hereby directed to cause the blanks in the Series 2018B Bonds to be
10 completed in accordance with the Authorizing Resolution and the Bond Award (as defined in
11 Section 13(c) hereof), to procure their execution by the proper officers of the City (including by
12 facsimile signature if necessary or convenient, excluding any facsimile signature for the Clerk
13 of the Board, which shall be required to be signed manually) and authentication as provided in
14 this Section, and to deliver the Series 2018B Bonds when so executed and authenticated to
15 said purchaser in exchange for the purchase price thereof, all in accordance with the
16 Authorizing Resolution.

17 The Series 2018B Bonds and the certificate of registration and authentication, to be
18 manually executed by the Treasurer of the City or designee thereof (the "City Treasurer"), and
19 the form of assignment to appear on the Series 2018B Bonds shall be substantially in the form
20 attached hereto as Exhibit A (a copy of which is on file with the Clerk of the Board of
21 Supervisors and which is hereby declared to be a part of this Resolution as if fully set forth in
22 this Resolution), with such necessary or appropriate variations, omissions and insertions as
23 permitted or required by this Resolution.

24 Only Series 2018B Bonds bearing a certificate of registration and authentication
25 executed by the City Treasurer shall be valid or obligatory for any purpose or entitled to the

1 benefits of the Authorizing Resolution and this Resolution, and such certificate of the City
2 Treasurer, executed as provided in this Resolution, shall be conclusive evidence that the
3 Series 2018B Bonds so authenticated have been duly authenticated and delivered under, and
4 are entitled to the benefits of, the Authorizing Resolution and this Resolution.

5 The Controller shall assign a distinctive letter, or number, or letter and number to each
6 Series 2018B Bond authenticated and registered by the City Treasurer and shall maintain a
7 record thereof which shall be available for inspection.

8 Section 6. Registration Books. The City Treasurer shall keep or cause to be kept, at
9 the office of the City Treasurer, or at the designated office of any registrar appointed by the
10 City Treasurer, separate and sufficient books for the registration and transfer of Series 2018B
11 Bonds, which books shall at all times be open to inspection, and upon presentation for such
12 purpose, the City Treasurer shall, under such reasonable regulations as he or she may
13 prescribe, register or transfer or cause to be registered or transferred, on said books Series
14 2018B Bonds, as provided in this Resolution. The City and the City Treasurer may treat the
15 registered owners of each Series 2018B Bond in such registration book (the “Registered
16 Owners”) as the absolute owners thereof for all purposes, and the City and the City Treasurer
17 shall not be affected by any notice to the contrary.

18 Section 7. Transfer or Exchange of Series 2018B Bonds. Any Series 2018B Bond
19 may, in accordance with its terms, be transferred upon the registration books required to be
20 kept pursuant to the provisions of Section 6 hereof, by the Registered Owner, in person or by
21 the duly authorized attorney of such person in writing, upon surrender of such Series 2018B
22 Bond for cancellation, accompanied by delivery of a duly executed written instrument of
23 transfer in a form approved by the City Treasurer.

1 Any Series 2018B Bond may be exchanged at the office of the City Treasurer for a like
2 aggregate principal amount of other authorized denominations of the same interest rate and
3 maturity.

4 Whenever any Series 2018B Bond shall be surrendered for transfer or exchange, the
5 designated City officials shall execute (as provided in Section 5 hereof) and the City Treasurer
6 shall authenticate and deliver a new Series 2018B Bond of the same interest rate and maturity
7 in a like aggregate principal amount. The City Treasurer shall require the payment by any
8 Registered Owner requesting any such transfer of any tax or other governmental charge
9 required to be paid with respect to such transfer or exchange.

10 No transfer or exchange of Series 2018B Bonds shall be required to be made by the
11 City Treasurer during the period from the Record Date (as defined in Section 8 hereof) next
12 preceding each interest payment date to such interest payment date or after a notice of
13 redemption shall have been mailed with respect to such Series 2018B Bonds.

14 Section 8. Terms of the Series 2018B Bonds; General Redemption Provisions.

15 (a) Date of the Series 2018B Bonds. The Series 2018B Bonds shall be dated the
16 date of their delivery or such other date (the "Dated Date"), as specified in the Bond Award.

17 (b) Payment of the Series 2018B Bonds. The principal of the Series 2018B Bonds
18 shall be payable in lawful money of the United States of America to the Registered Owner
19 thereof, upon the surrender thereof at maturity or earlier redemption at the office of the City
20 Treasurer. The interest on the Series 2018B Bonds shall be payable in like lawful money to
21 the Registered Owner whose name appears on the bond registration books of the City
22 Treasurer as the Registered Owner thereof as of the close of business on the last day of the
23 month immediately preceding an interest payment date (the "Record Date"), whether or not
24 such day is a Business Day (as defined below).

1 Except as may be otherwise provided in connection with any book-entry only system
2 applicable to the Series 2018B Bonds, payment of the interest on any Series 2018B Bond
3 shall be made by check mailed on the interest payment date to its Registered Owner at such
4 Owner's address as it appears on the registration books as of the Record Date; provided,
5 however, if any interest payment date occurs on a day that banks in California or New York
6 are closed for business or the New York Stock Exchange is closed for business, then such
7 payment shall be made on the next succeeding day that banks in both California and New
8 York are open for business and the New York Stock Exchange is open for business (each, a
9 "Business Day"); and provided, further, that the Registered Owner of an aggregate principal
10 amount of at least \$1,000,000 of Series 2018B Bonds may submit a written request to the City
11 Treasurer on or before a Record Date preceding an interest payment date for payment of
12 interest on the next succeeding interest payment date and thereafter by wire transfer to a
13 commercial bank located within the United States of America.

14 For so long as any Series 2018B Bonds are held in book-entry form by a securities
15 depository selected by the City pursuant to Section 11 hereof, payment of principal and
16 interest shall be made to the Registered Owner of the Series 2018B Bonds designated by
17 such securities depository by wire transfer of immediately available funds.

18 (c) Interest on the Series 2018B Bonds. The Series 2018B Bonds shall bear
19 interest at rates to be determined upon the sale of the Series 2018B Bonds, calculated on the
20 basis of a 360-day year comprised of twelve 30-day months, payable on June 15, 2018 (or
21 such other date as may be designated in the applicable Bond Award), and semiannually
22 thereafter on June 15 and December 15 of each year. Each Series 2018B Bond shall bear
23 interest from the interest payment date next preceding the date of authentication thereof
24 unless it is authenticated as of a day during the period from the Record Date next preceding
25 any interest payment date to the interest payment date, inclusive, in which event it shall bear

1 interest from such interest payment date, or unless it is authenticated on or before the first
2 Record Date, in which event it shall bear interest from the Dated Date; provided, however,
3 that if, at the time of authentication of any Series 2018B Bond, interest is in default on the
4 Series 2018B Bonds, such Series 2018B Bond shall bear interest from the interest payment
5 date to which interest has previously been paid or made available for payment on the Series
6 2018B Bonds or from the Dated Date if the first interest payment is not made.

7 (d) Optional Redemption. The Series 2018B Bonds shall be subject to optional
8 redemption prior to maturity as provided in the Official Notice of Sale or the Bond Award.

9 (e) Mandatory Redemption. The Series 2018B Bonds shall be subject to mandatory
10 redemption at par, by lot, in any year in which the purchaser thereof has designated that the
11 principal amount payable with respect to that year shall constitute a mandatory sinking fund
12 payment, as and to the extent permitted by the Official Notice of Sale. Any Series 2018B
13 Bonds subject to mandatory redemption shall be designated as such in the Official Notice of
14 Sale or the Bond Award.

15 The principal of and interest on the Series 2018B Bonds subject to mandatory
16 redemption shall be paid from the Series 2018B Bond Subaccount (as defined in Section 9
17 hereof), pursuant to Section 9 hereof. In lieu of any such mandatory redemption for the
18 Series 2018B Bonds, at any time prior to the selection of the Series 2018B Bonds for
19 mandatory redemption, the City may apply amounts on deposit in the Series 2018B Bond
20 Subaccount to purchase Series 2018B Bonds subject to such redemption, at public or private
21 sale, as and when and at such prices not in excess of the principal amount thereof (including
22 sales commission and other charges but excluding accrued interest), as the City may
23 determine.

24 (f) Selection of Series 2018B Bonds for Redemption. Whenever less than all of the
25 outstanding Series 2018B Bonds are called for redemption on any date, the City Treasurer will

1 select the maturities of the Series 2018B Bonds to be redeemed in the sole discretion of the
2 City Treasurer. Whenever less than all of the outstanding Series 2018B Bonds maturing on
3 any one date are called for redemption on any one date, the City Treasurer will select the
4 Series 2018B Bonds or portions thereof, in denominations of \$5,000 or any integral multiple
5 thereof, to be redeemed from the outstanding Series 2018B Bonds maturing on such date not
6 previously selected for redemption, by lot in any manner which the City Treasurer deems fair.
7 If the Series 2018B Bonds to be optionally redeemed are also subject to mandatory
8 redemption, the City Treasurer shall designate the mandatory sinking fund payment or
9 payments (or portions thereof) against which the principal amount of the Series 2018B Bonds
10 optionally redeemed shall be credited.

11 (g) Notice of Redemption. The date on which Series 2018B Bonds that are called
12 for redemption are to be presented for redemption is herein called the "Redemption Date."
13 The City Treasurer shall mail, or cause to be mailed, notice of any redemption of Series
14 2018B Bonds, postage prepaid, to the respective Registered Owner thereof at the addresses
15 appearing on the registration books not less than twenty (20) days nor more than sixty (60)
16 days prior to the Redemption Date. The notice of redemption shall (i) state the Redemption
17 Date; (ii) state the redemption price; (iii) state the maturity dates of the Series 2018B Bonds to
18 be redeemed and, if less than all of any such maturity is called for redemption, the distinctive
19 numbers of the Series 2018B Bonds of such maturity to be redeemed, and in the case of any
20 Series 2018B Bonds to be redeemed in part only, the respective portions of the principal
21 amount thereof to be redeemed; (iv) state the CUSIP number, if any, of each Series 2018B
22 Bond to be redeemed; (v) require that such Series 2018B Bonds be surrendered by the
23 Registered Owners at the office of the City Treasurer or his or her agent; and (vi) give notice
24 that interest on such Series 2018B Bonds or portions of such Series 2018B Bonds to be
25 redeemed will cease to accrue after the designated Redemption Date. Notice of optional

1 redemption may be conditional upon receipt of funds or other events specified in the notice of
2 redemption as provided in Section 8(j) hereof.

3 The actual receipt by the Registered Owner of any Series 2018B Bond of notice of
4 such redemption shall not be a condition precedent to redemption, and failure to receive such
5 notice, or any defect in such notice so mailed, shall not affect the validity of the proceedings
6 for the redemption of such Series 2018B Bonds or the cessation of accrual of interest on such
7 Series 2018B Bonds on the Redemption Date.

8 Notice of such redemption also shall be given, or caused to be given, by the City
9 Treasurer, by (i) registered or certified mail, postage prepaid, (ii) confirmed facsimile
10 transmission, (iii) overnight delivery service, or (iv) to the extent acceptable to the intended
11 recipient, email or similar electronic means, to (A) all organizations registered with the
12 Securities and Exchange Commission as securities depositories and (B) such other services
13 or organizations as may be required in accordance with the Continuing Disclosure Certificate
14 described in Section 19 hereof.

15 The notice or notices required for redemption shall be given by the City Treasurer, or
16 any agent appointed by the City. A certificate of the City Treasurer or such other appointed
17 agent of the City that notice of redemption has been given to the Registered Owner of any
18 Series 2018B Bond in accordance with this Resolution shall be conclusive against all parties.

19 (h) Series 2018B Redemption Account. At the time the City Treasurer determines
20 to optionally call and redeem any of the Series 2018B Bonds, the City Treasurer or his or her
21 agent shall establish a redemption account to be described or known as the "General
22 Obligation Bonds (Transportation and Road Improvement Bonds, 2014), Series 2018B
23 Redemption Account" (the "Series 2018B Redemption Account"), and prior to or on the
24 Redemption Date there must be set aside in the Series 2018B Redemption Account moneys
25 available for the purpose and sufficient to redeem, as provided in this Resolution, the Series

1 2018B Bonds designated in said notice of redemption, subject to the provisions of Section 8(j)
2 hereof. Said moneys must be set aside in the Series 2018B Redemption Account solely for
3 the purpose of, and shall be applied on or after the Redemption Date to, payment of the
4 redemption price of the Series 2018B Bonds to be redeemed upon presentation and
5 surrender of such Series 2018B Bonds. Any interest due on or prior to the Redemption Date
6 may be paid from the Series 2018B Bond Subaccount as provided in Section 9 hereof or from
7 the Series 2018B Redemption Account. Moneys held from time to time in the Series 2018B
8 Redemption Account shall be invested by the City Treasurer pursuant to the City's policies
9 and guidelines for investment of moneys in the General Fund of the City. If, after all of the
10 Series 2018B Bonds have been redeemed and canceled or paid and canceled, there are
11 moneys remaining in the Series 2018B Redemption Account, said moneys shall be
12 transferred to the General Fund of the City or to such other fund or account as required by
13 applicable law; provided, however, that if said moneys are part of the proceeds of refunding
14 bonds, said moneys shall be transferred pursuant to the resolution authorizing such refunding
15 bonds.

16 (i) Effect of Redemption. When notice of optional redemption has been given,
17 substantially as provided in this Resolution, and when the amount necessary for the
18 redemption of the Series 2018B Bonds called for redemption (principal, premium, if any, and
19 accrued interest to such Redemption Date) is set aside for that purpose in the Series 2018B
20 Redemption Account, the Series 2018B Bonds designated for redemption shall become due
21 and payable on the Redemption Date therefor, and upon presentation and surrender of said
22 Series 2018B Bonds at the place specified in the notice of redemption, such Series 2018B
23 Bonds shall be redeemed and paid at said redemption price out of the Series 2018B
24 Redemption Account. No interest will accrue on such Series 2018B Bonds called for
25 redemption after the Redemption Date and the Registered Owners of such Series 2018B

1 Bonds shall look for payment of such Series 2018B Bonds only to the Series 2018B
2 Redemption Account. All Series 2018B Bonds redeemed shall be canceled forthwith by the
3 City Treasurer and shall not be reissued.

4 (j) Conditional Notice of Optional Redemption; Rescission of Redemption. Any
5 notice of optional redemption given as provided in Section 8(g) hereof may provide that such
6 redemption is conditioned upon: (i) deposit in the Series 2018B Redemption Account of
7 sufficient moneys to redeem the Series 2018B Bonds called for optional redemption on the
8 anticipated Redemption Date, or (ii) the occurrence any other event specified in the notice of
9 redemption. If conditional notice of optional redemption has been given, substantially as
10 provided herein, and on the scheduled Redemption Date (A) sufficient moneys to redeem the
11 Series 2018B Bonds called for optional redemption on the Redemption Date have not been
12 deposited in the Series 2018B Redemption Account, or (B) any other event specified in the
13 notice of redemption as a condition to the redemption has not occurred, then (y) the Series
14 2018B Bonds for which conditional notice of redemption was given shall not be redeemed on
15 the anticipated Redemption Date and shall remain Outstanding for all purposes of this
16 Resolution, and (z) the redemption not occurring shall not constitute an event of default under
17 this Resolution or the Authorizing Resolution.

18 The City may rescind any optional redemption and notice thereof for any reason on any
19 date prior to any Redemption Date by causing written notice of the rescission to be given to
20 the Registered Owners of all Series 2018B Bonds so called for redemption. Notice of such
21 rescission of redemption shall be given in the same manner notice of redemption was
22 originally given. The actual receipt by the Registered Owner of any Series 2018B Bond of
23 notice of such rescission shall not be a condition precedent to rescission, and failure to
24 receive such notice or any defect in such notice so mailed shall not affect the validity of the
25 rescission.

1 Section 9. Series 2018B Bond Account. There is hereby established with the City
2 Treasurer a special subaccount in the General Obligation Bonds (Transportation and Road
3 Improvement Bonds, 2014) Bond Account (the “Bond Account”) created pursuant to the
4 Authorizing Resolution to be designated the “General Obligation Bonds (Transportation and
5 Road Improvement Bonds, 2014), Series 2018B Bond Subaccount” (the “Series 2018B Bond
6 Subaccount”), to be held separate and apart from all other accounts of the City. Any bid
7 premium received upon the delivery of the Series 2018B Bonds shall be deposited into the
8 Series 2018B Bond Subaccount. All interest earned on amounts on deposit in the Series
9 2018B Bond Subaccount shall be retained in the Series 2018B Bond Subaccount.

10 On or prior to the date on which any payment of principal of or interest on the Series
11 2018B Bonds is due, including any Series 2018B Bonds subject to mandatory redemption on
12 said date, the City Treasurer shall allocate to and deposit in the Series 2018B Bond
13 Subaccount, from amounts held in the Bond Account, an amount which, when added to any
14 available moneys contained in the Series 2018B Bond Subaccount, is sufficient to pay
15 principal of and interest on the Series 2018B Bonds on such date.

16 On or prior to the date on which any Series 2018B Bonds are to be redeemed at the
17 option of the City pursuant to this Resolution, the City Treasurer may allocate to and deposit
18 in the Series 2018B Redemption Account, from amounts held in the Bond Account pursuant to
19 Section 8 of the Authorizing Resolution, an amount which, when added to any available
20 moneys contained in the Series 2018B Redemption Account, is sufficient to pay principal,
21 interest and premium, if any, with respect to such Series 2018B Bonds on such date. The
22 City Treasurer may make such other provision for the payment of principal of and interest and
23 any redemption premium on the Series 2018B Bonds as is necessary or convenient to permit
24 the optional redemption of the Series 2018B Bonds.

1 Amounts in the Series 2018B Bond Subaccount may be invested in any investment of
2 the City in which moneys in the General Fund of the City are invested. The City Treasurer
3 may (i) commingle any of the moneys held in the Series 2018B Bond Subaccount with other
4 City moneys, or (ii) deposit amounts credited to the Series 2018B Bond Subaccount into a
5 separate fund or funds for investment purposes only; provided, however, that all of the
6 moneys held in the Series 2018B Bond Subaccount shall be accounted for separately
7 notwithstanding any such commingling or separate deposit by the City Treasurer.

8 Section 10. Series 2018B Project Account. There is hereby established with the City
9 Treasurer a special subaccount in the General Obligation Bonds (Transportation and Road
10 Improvement Bonds, 2014) Project Account (the "Project Account") created pursuant to the
11 Authorizing Resolution to be designated the "General Obligation Bonds (Transportation and
12 Road Improvement Bonds, 2014), Series 2018B Project Subaccount" (the "Series 2018B
13 Project Subaccount"), to be held separate and apart from all other accounts of the City. All
14 interest earned on amounts on deposit in the Series 2018B Project Subaccount shall be
15 retained in the Series 2018B Project Subaccount. Amounts in the Series 2018B Project
16 Subaccount shall be expended in accordance with the provisions of the Authorizing
17 Resolution for the acquisition, construction or reconstruction of the Project or portions thereof.

18 Amounts in the Series 2018B Project Subaccount may be invested in any investment of
19 the City in which moneys in the General Fund of the City are invested. The City Treasurer
20 may (i) commingle any of the moneys held in the Series 2018B Project Subaccount with other
21 City moneys, or (ii) deposit amounts credited to the Series 2018B Project Subaccount into a
22 separate fund or funds for investment purposes only; provided, however, that all of the
23 moneys held in the Series 2018B Project Subaccount (including interest earnings) hereunder
24 shall be accounted for separately notwithstanding any such commingling or separate deposit
25 by the City Treasurer.

1 The City Treasurer also is hereby authorized to pay or cause to be paid from the
2 proceeds of the Series 2018B Bonds on deposit in the Series 2018B Project Subaccount, on
3 behalf of the City, the costs of issuance associated with the Series 2018B Bonds. Costs of
4 issuance of the Series 2018B Bonds shall include, without limitation, bond and financial
5 printing expenses, mailing and publication expenses, rating agency fees, the fees and
6 expenses of paying agents, registrars, financial consultants, disclosure counsel and co-bond
7 counsel and the reimbursement of departmental expenses in connection with the issuance of
8 the Series 2018B Bonds.

9 Section 11. Appointment of Depositories and Other Agents. The City Treasurer is
10 authorized and directed to appoint one or more depositories as he or she may deem desirable
11 and the procedures set forth in Sections 6, 7 and 8 hereof relating to registration of ownership
12 of the Series 2018B Bonds and payments and redemption notices to owners of the Series
13 2018B Bonds may be modified to comply with the policies and procedures of such depository.
14 The City will not have any responsibility or obligation to any purchaser of a beneficial
15 ownership interest in any Series 2018B Bonds or to any participants in such depository with
16 respect to (i) the accuracy of any records maintained by such securities depository or any
17 participant therein; (ii) any notice that is permitted or required to be given to the Registered
18 Owners of such Series 2018B Bonds under this Resolution; (iii) the selection by such
19 securities depository or any participant therein of any person to receive payment in the event
20 of a partial redemption of such Series 2018B Bonds; (iv) the payment by such securities
21 depository or any participant therein of any amount with respect to the principal or redemption
22 premium, if any, or interest due with respect to such Series 2018B Bonds; (v) any consent
23 given or other action taken by such securities depository as the Registered Owner of such
24 Series 2018B Bonds; or (vi) any other matter.

1 The Depository Trust Company (“DTC”) is hereby appointed as securities depository
2 for the Series 2018B Bonds. The Series 2018B Bonds shall be initially issued only in book-
3 entry form. Upon initial issuance, the ownership of each Series 2018B Bond shall be
4 registered in the bond registration books in the name of Cede & Co., as nominee of DTC. So
5 long as each Series 2018B Bond is registered in book-entry form, each Series 2018B Bond
6 shall be registered in the name of Cede & Co. or in the name of such successor nominee as
7 may be designated from time to time by DTC or any successor as depository.

8 The City Treasurer is hereby also authorized and directed to appoint one or more
9 agents, as he or she may deem necessary or desirable. To the extent permitted by applicable
10 law and under the supervision of the City Treasurer, such agents may serve as paying agent,
11 fiscal agent, rebate calculation agent, escrow agent or registrar for the Series 2018B Bonds,
12 or may assist the City Treasurer in performing any or all of such functions and such other
13 duties as the City Treasurer shall determine. If the City Treasurer appoints one or more
14 paying agents, the procedures set forth in Sections 6 and 8 hereof relating to registration of
15 ownership of the Series 2018B Bonds and payments and redemption notices to Registered
16 Owner of the Series 2018B Bonds may be modified to comply with the policies and
17 procedures of such paying agent. Such agents shall serve under such terms and conditions
18 as the City Treasurer shall determine. The City Treasurer may remove or replace agents
19 appointed pursuant to this paragraph at any time.

20 Section 12. Defeasance Provisions. Payment of all or any portion of the Series 2018B
21 Bonds may be provided for prior to the respective stated maturities of the Series 2018B Bonds
22 by irrevocably depositing with the City Treasurer (or any commercial bank or trust company
23 designated by the City Treasurer to act as escrow agent with respect thereto):

24 (a) An amount of cash equal to the principal amount of all of such Series 2018B
25 Bonds or a portion thereof, and all unpaid interest thereon to maturity, except that in the case

1 of the Series 2018B Bonds that are to be redeemed prior to such Series 2018B Bonds'
2 respective stated maturities and in respect of which notice of such redemption shall have
3 been given as provided in Section 8 hereof or an irrevocable election to give such notice shall
4 have been made by the City, the amount to be deposited shall be the principal amount
5 thereof, all unpaid interest thereon to the Redemption Date, and premium, if any, due on such
6 Redemption Date; or

7 (b) Defeasance Securities (as defined below) not subject to call, except as provided
8 below in the definition thereof, maturing and paying interest at such times and in such
9 amounts, together with interest earnings and cash, if required, as will, without reinvestment,
10 as certified by an independent certified public accountant, be fully sufficient to pay the
11 principal and all unpaid interest to maturity, or to the Redemption Date, as the case may be,
12 and premium, if any, due on the Series 2018B Bonds to be paid or redeemed, as such
13 principal and interest come due; provided, that, in the case of such Series 2018B Bonds that
14 are to be redeemed prior to maturity, notice of such redemption shall be given as provided in
15 Section 8 hereof or an irrevocable election to give such notice shall have been made by the
16 City; then, all obligations of the City with respect to said outstanding Series 2018B Bonds shall
17 cease and terminate, except only the obligation of the City to pay or cause to be paid from the
18 funds deposited pursuant to paragraph (a) or (b) of this Section 12, to the owners of such
19 Series 2018B Bonds all sums due with respect thereto; provided, that the City shall have
20 received an opinion of nationally recognized bond counsel, that provision for the payment of
21 such Series 2018B Bonds has been made in accordance with this Section 12.

22 For purposes of this Section 12, "Defeasance Securities" shall mean any of the
23 following that at the time are legal investments under the laws of the State of California for the
24 moneys proposed to be invested therein:

25 (1) United States Obligations (as defined below); and

1 (2) Pre-refunded fixed interest rate municipal obligations meeting the following
2 conditions: (a) the municipal obligations are not subject to redemption prior to maturity, or the
3 trustee has been given irrevocable instructions concerning their calling and redemption and
4 the issuer has covenanted not to redeem such obligations other than as set forth in such
5 instructions; (b) the municipal obligations are secured by cash or United States Obligations;
6 (c) the principal of and interest on the United States Obligations (plus any cash in the escrow
7 fund or the Series 2018B Redemption Account) are sufficient to meet the liabilities of the
8 municipal obligations; (d) the United States Obligations serving as security for the municipal
9 obligations are held by a trustee or escrow agent; (e) the United States Obligations are not
10 available to satisfy any other claims, including those against the trustee or escrow agent; and
11 (f) the municipal obligations are rated (without regard to any numerical modifier, plus or minus
12 sign or other modifier), at the time of original deposit to the escrow fund, by two of the Rating
13 Agencies (as defined herein) not lower than the rating then maintained by the respective
14 Rating Agency on United States Obligations.

15 For purposes of this Section 12, "United States Obligations" shall mean (i) direct and
16 general obligations of the United States of America, or obligations that are unconditionally
17 guaranteed as to principal and interest by the United States of America, including without
18 limitation, the interest component of Resolution Funding Corporation (REFCORP) bonds that
19 have been stripped by request to the Federal Reserve Bank of New York in book-entry form
20 or (ii) any security issued by an agency or instrumentality of the United States of America that
21 is selected by the Director of Public Finance that results in the escrow fund being rated by two
22 of the Rating Agencies, at the time of the initial deposit to the escrow fund and upon any
23 substitution or subsequent deposit to the escrow fund, no lower than the rating then
24 maintained by the respective Rating Agency on United States Obligations described in (i)
25 above.

1 For purposes of this Section 12, "Rating Agencies" shall mean Moody's Investors
2 Service, Inc., Fitch Ratings, and Standard and Poor's Rating Services, or any other nationally
3 recognized bond rating agency that is the successor to any of the foregoing rating agencies or
4 that is otherwise recognized as a national rating agency after the date hereof.

5 Section 13. Sale of Series 2018B Bonds by Competitive or Negotiated Sale. The
6 Board of Supervisors authorizes the sale of the Series 2018B Bonds by solicitation of
7 competitive bids or by negotiated sale to one or more underwriters to be appointed in
8 accordance with City policies, if so determined by the Director of Public Finance. If the Series
9 2018B Bonds are sold by competitive sale such sale shall be conducted in accordance with
10 the Office Notice of Sale in Section 14 below.

11 Section 14. Official Notice of Sale; Receipt of Bids; Bond Award.

12 (a) Official Notice of Sale. The form of proposed Official Notice of Sale inviting bids
13 for the Series 2018B Bonds (the "Official Notice of Sale") submitted to the Board is hereby
14 approved and adopted as the Official Notice of Sale inviting bids for the Series 2018B Bonds,
15 with such changes, additions and modifications as may be made in accordance with Section
16 [20] hereof. The Director of Public Finance is hereby authorized and directed to cause to be
17 mailed or otherwise circulated to prospective bidders for the Series 2018B Bonds copies of
18 the Official Notice of Sale, subject to such corrections, revisions or additions as may be
19 acceptable to the Director of Public Finance.

20 (b) Receipt of Bids. Bids shall be received on the date designated by the Director of
21 Public Finance pursuant to Section 4 hereof and the Official Notice of Sale.

22 (c) Bond Award. As provided in the Official Notice of Sale, the City may reject any
23 and all bids received for any reason. The Controller is hereby authorized to award the Series
24 2018B Bonds to the responsible bidder whose bid (i) is timely received and conforms to the
25 Official Notice of Sale, except to the extent informalities and irregularities are waived by the

1 City as permitted by the Official Notice of Sale, and (ii) represents the lowest true interest cost
2 to the City in accordance with the procedures described in the Official Notice of Sale. The
3 award, if made, shall be set forth in a certificate signed by the Controller setting forth the
4 terms of the Series 2018B Bonds and the original purchasers thereof (the "Bond Award").
5 The Controller shall provide a copy of the Bond Award as soon as practicable to the Clerk of
6 the Board of Supervisors and the Director of Public Finance; provided, however, that failure to
7 provide such copies shall not affect the validity of the Bond Award.

8 Section 15. Publication of Notice of Intention to Sell Bonds. The form of proposed
9 Notice of Intention to Sell the Series 2018B Bonds (the "Notice of Intention to Sell Bonds")
10 submitted to the Board is hereby approved and adopted as the Notice of Intention to Sell the
11 Series 2018B Bonds, and the Director of Public Finance is hereby authorized and directed to
12 cause the Notice of Intention to Sell Bonds, subject to such corrections, revisions or additions
13 as may be made in accordance with Section 20 hereof, to be published once in The Bond
14 Buyer or another financial publication generally circulated throughout the State of California.

15 Section 16. Sale of Series 2018B Bonds by Negotiated Sale; Authorization to Select
16 Underwriters; Form of Purchase Contract. The Controller, in consultation with the Director of
17 Public Finance, is hereby authorized to conduct the sale of the Series 2018B Bonds by
18 negotiated sale pursuant to one or more Purchase Contracts (each, a "Purchase Contract"),
19 each by and between the City and the underwriter(s) named therein (the "Underwriters"), if the
20 Controller determines that such manner of sale is in the best financial interest of the City,
21 such determination to be conclusively evidenced by the execution and delivery of such
22 Purchase Contract as hereinafter approved. The form of such Purchase Contract as
23 presented to this Board of Supervisors, a copy of which is on file with the Clerk of the Board,
24 is hereby approved. The Controller or the Director of Public Finance is hereby authorized to
25 execute such Purchase Contract with such changes, additions and modifications as the

1 Controller or the Director of Public Finance may make or approve in accordance with Section
2 20 hereof; provided however, that the Underwriters' discount under any such Purchase
3 Contract shall not exceed 2.00% of the principal amount of the Series 2018B Bonds.

4 In order to facilitate the sale of the Series 2018B Bonds by negotiated sale, the
5 Controller or the Director of Public Finance is hereby authorized and directed to appoint one
6 or more financial institutions to act as underwriter for the Series 2018B Bonds in accordance
7 with City policies and procedures, including, but not limited to, the City's policy to provide
8 locally disadvantaged minority business enterprises and women enterprises an equal
9 opportunity to participate in the performance of all City contracts.

10 Section 17. Disposition of Proceeds of Sale. The proceeds of sale of the Series
11 2018B Bonds shall be applied by the City Treasurer as follows: (a) accrued interest, if any,
12 shall be deposited into the Series 2018B Bond Subaccount, (b) original issue premium, if any,
13 shall be deposited into the Series 2018B Bond Subaccount, and (c) remaining proceeds of
14 sale shall be deposited into the Series 2018B Project Subaccount.

15 Section 18. Official Statement. The form of proposed Preliminary Official Statement
16 describing the Series 2018B Bonds (the "Preliminary Official Statement") submitted to the
17 Board is hereby approved and adopted as the Preliminary Official Statement describing the
18 Series 2018B Bonds, with such additions, corrections and revisions as may be determined to
19 be necessary or desirable to be made in accordance with Section 20 hereof. The Controller is
20 hereby authorized to cause the distribution of a Preliminary Official Statement deemed final
21 for purposes of Securities and Exchange Commission Rule 15c2-12 promulgated under the
22 Securities Exchange Act of 1934, as amended (the "Rule"), and to sign a certificate to that
23 effect. The Director of Public Finance is hereby authorized and directed to cause to be
24 printed and mailed or electronically distributed to prospective bidders for the Series 2018B
25 Bonds copies of the Preliminary Official Statement in substantially the form of the Preliminary

1 Official Statement approved and adopted hereby, as completed, supplemented, corrected or
2 revised. The Controller is authorized and directed to approve, execute, and deliver the final
3 Official Statement with respect to the Series 2018B Bonds, which final Official Statement shall
4 be in the form of the Preliminary Official Statement, with such additions, corrections and
5 revisions as may be determined to be necessary or desirable made in accordance with
6 Section 20 hereof and as are permitted under the Rule. The Director of Public Finance is
7 hereby authorized and directed to cause to be printed and mailed or electronically distributed
8 copies of the final Official Statement to all actual initial purchasers of the Series 2018B Bonds.

9 Section 19. Tax Covenants.

10 (a) General. The City hereby covenants with the owners and holders of the Series
11 2018B Bonds that, notwithstanding any other provisions of this Resolution, it shall not take
12 any action, or fail to take any action, if any such action or failure to take action would
13 adversely affect the exclusion from gross income of interest on the Series 2018B Bonds under
14 Section 103 of the Code, and the regulations issued thereunder, as the same may be
15 amended from time to time, and any successor provisions of law. Reference to a particular
16 section of the Code shall be deemed to be a reference to any successor to any such section.
17 The City shall not, directly or indirectly, use or permit the use of proceeds of the Series 2018B
18 Bonds or any of the property financed or refinanced with proceeds of the Series 2018B
19 Bonds, or any portion thereof, by any person other than a governmental unit (as such term is
20 used in Section 141 of the Code), in such manner or to such extent as would result in the loss
21 of exclusion of interest on the Series 2018B Bonds from gross income for federal income tax
22 purposes.

23 (b) Use of Proceeds. The City shall not take any action, or fail to take any action, if
24 any such action or failure to take action would cause the Series 2018B Bonds to be “private
25 activity bonds” within the meaning of Section 141 of the Code, and in furtherance thereof,

1 shall not make any use of the proceeds of the Series 2018B Bonds or any of the property
2 financed or refinanced with proceeds of the Series 2018B Bonds, or any portion thereof, or
3 any other funds of the City, that would cause the Series 2018B Bonds to be “private activity
4 bonds” within the meaning of Section 141 of the Code. To that end, so long as any Series
5 2018B Bonds are outstanding, the City, with respect to such proceeds and property and such
6 other funds, will comply with applicable requirements of the Code and all regulations of the
7 United States Department of the Treasury issued thereunder, to the extent such requirements
8 are, at the time, applicable and in effect. The City shall establish reasonable procedures
9 necessary to ensure continued compliance with Section 141 of the Code and the continued
10 qualification of the Series 2018B Bonds as “governmental bonds.”

11 (c) Arbitrage. The City shall not, directly or indirectly, use or permit the use of any
12 proceeds of the Series 2018B Bonds, or of any property financed or refinanced by the Series
13 2018B Bonds, or other funds of the City, or take or omit to take any action, that would cause
14 the Series 2018B Bonds to be “arbitrage bonds” within the meaning of Section 148 of the
15 Code. To that end, the City shall comply with all requirements of Section 148 of the Code and
16 all regulations of the United States Department of the Treasury issued thereunder to the
17 extent such requirements are, at the time, in effect and applicable to the Series 2018B Bonds.

18 (d) Federal Guarantee. The City shall not make any use of the proceeds of the
19 Series 2018B Bonds or any other funds of the City, or take or omit to take any other action,
20 that would cause the Series 2018B Bonds to be “federally guaranteed” within the meaning of
21 Section 149(b) of the Code.

22 (e) Information Reporting. The City shall take or cause to be taken all necessary
23 action to comply with the informational reporting requirement of Section 149(e) of the Code
24 with respect to the Series 2018B Bonds.

25

1 (f) Hedge Bonds. The City shall not make any use of the proceeds of the Series
2 2018B Bonds or any other amounts or property, regardless of the source, or take any action
3 or refrain from taking any action that would cause the Series 2018B Bonds to be considered
4 “hedge bonds” within the meaning of Section 149(g) of the Code unless the City takes all
5 necessary action to assure compliance with the requirements of Section 149(g) of the Code.

6 (g) Compliance with Tax Certificate. In furtherance of the foregoing tax covenants of
7 this Section 18, the City covenants that it will comply with the provisions of the Tax Certificate
8 to be executed by the City with respect to the Series 2018B Bonds, dated the date of issuance
9 of the Series 2018B Bonds, as such Tax Certificate may be amended from time to time. This
10 covenant shall survive payment in full or defeasance of the Series 2018B Bonds.

11 Section 20. Continuing Disclosure Certificate. The form of Continuing Disclosure
12 Certificate (the “Continuing Disclosure Certificate”) to be signed by the City to permit the
13 original purchasers of the Series 2018B Bonds to comply with the Rule, submitted to the
14 Board is hereby approved and adopted as the Continuing Disclosure Certificate, with such
15 additions, corrections and revisions as may be determined to be necessary or desirable to be
16 made in accordance with Section 20 hereof. The Controller is hereby authorized and directed
17 to execute the Continuing Disclosure Certificate on behalf of the City and deliver the
18 Continuing Disclosure Certificate to the original purchasers of the Series 2018B Bonds.

19 Section 21. Modification to Documents. Any City official authorized by this Resolution
20 to execute any document is hereby further authorized, in consultation with the City Attorney
21 and co-bond counsel, to approve and make such changes, additions, amendments or
22 modifications to the document or documents such official is authorized to execute as may be
23 necessary or advisable (provided that such changes, additions, amendments or modifications
24 shall not authorize an aggregate principal amount of Series 2018B Bonds in excess of
25 \$177,000,000 or conflict with the provisions of Section 4 hereof). The approval of any change,

1 addition, amendment or modification to any of the aforementioned documents shall be
2 evidenced conclusively by the execution and delivery of the document in question.

3 Section 22. Ratification. All actions heretofore taken by officials, employees and agents
4 of the City with respect to the sale and issuance of the Series 2018B Bonds, as consistent
5 with the documents herein and the Resolution, are hereby approved, confirmed and ratified.

6 Section 23. Relationship to Authorizing Resolution. In the event of any conflict between
7 this Resolution and the Authorizing Resolution, the terms of this Resolution shall control.
8 Without limiting the foregoing and notwithstanding the provisions of the Authorizing
9 Resolution, the City is not obligated to transfer money from the General Fund of the City to the
10 Bond Account to pay the principal of or interest on the Series 2018B Bonds.

11 Section 24. Accountability Reports. The Series 2018B Bonds are subject to
12 accountability requirements under the City’s Administrative Code and the Bond Ordinance.
13 The deadline for submission of the Accountability Reports under Administrative Code Section
14 2.71(a) is hereby waived with respect to the Series 2018B Bonds.

15 Section 25. Citizens’ Oversight Committee. The Series 2018B Bonds are subject to,
16 and incorporate by reference, the applicable provisions of San Francisco Administrative Code
17 Sections 5.30-5.36 (the “Citizens’ General Obligation Bond Oversight Committee, to the
18 extent permitted by law, one-tenth of one percent (0.1%) of the gross proceeds of the Series
19 2018B Bonds shall be deposited in a fund established by the Controller’s Office and
20 appropriated by the Board at the direction of the Citizens’ General Obligation Bond Oversight
21 Committee to cover the costs of such Committee.

22 Section 26. Reimbursement. The City declares its official intent to reimburse prior
23 expenditures of the City incurred prior to the issuance and sale of the Series 2018B Bonds in
24 connection with the Project or portions thereof to be financed by the Series 2018B Bonds.
25 The Board of Supervisors declares the City’s intent to reimburse the City with the proceeds of

1 the Series 2018B Bonds for the expenditures with respect to the Project (the “Expenditures”
2 and each an “Expenditure”) made on and after that date that is no more than 60 days prior to
3 adoption of this Resolution. The City reasonably expects on the date of adoption of this
4 Resolution that it will reimburse the Expenditures with the proceeds of the Series 2018B
5 Bonds.

6 Each Expenditure was and will be either (a) of a type properly chargeable to a capital
7 account under general federal income tax principles (determined in each case as of the date
8 of the Expenditure), (b) a cost of issuance with respect to the Series 2018B Bonds, (c) a
9 nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a
10 party that is not related to or an agent of the City so long as such grant does not impose any
11 obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the
12 City. The maximum aggregate principal amount of the Series 2018B Bonds expected to be
13 issued for the Project is \$177,000,000. The City shall make a reimbursement allocation,
14 which is a written allocation by the City that evidences the City’s use of proceeds of the Series
15 2018B Bonds to reimburse an Expenditure, no later than 18 months after the later of the date
16 on which the Expenditure is paid or the Project is placed in service or abandoned, but in no
17 event more than three years after the date on which the Expenditure is paid. The City
18 recognizes that exceptions are available for certain “preliminary expenditures,” costs of
19 issuance, certain de minimis amounts, expenditures by “small issuers” (based on the year of
20 issuance and not the year of expenditure) and expenditures for construction projects of at
21 least 5 years.

22 Section 27. CEQA Determinations.

23 [(a) The Board of Supervisors hereby reaffirms and incorporates by reference the
24 CEQA findings and determinations set forth in Resolution No. 14-041, Resolution No.14-042,
25 Resolution 15-081, Resolution 16-013, Resolution 16-113, Resolution 16-128, and Resolution

1 16-132 as if set forth in full herein. The use of bond proceeds to finance any project or portion
2 of any project with bond proceeds will be subject, as necessary, to approval of the Board of
3 Supervisors upon completion of any planning and any further required environmental review
4 under CEQA for the individual facilities and projects.

5 Section 28. General Authority. The Clerk of the Board of Supervisors, the Mayor, the
6 City Treasurer, the Director of Public Finance, the City Attorney and the Controller are each
7 hereby authorized and directed in the name and on behalf of the City to take any and all steps
8 and to issue, deliver or enter into any and all certificates, requisitions, agreements, notices,
9 consents, and other documents as may be necessary to give effect to the provisions of this
10 Resolution, including but not limited to letters of representations to any depository or
11 depositories, which they or any of them might deem necessary or appropriate in order to
12 consummate the lawful issuance, sale and delivery of the Series 2018B Bonds. Any such
13 actions are solely intended to further the purposes of this Resolution, and are subject in all
14 respects to the terms of this Resolution. No such actions shall increase the risk to the City or
15 require the City to spend any resources not otherwise granted herein. Final versions of any
16 such documents shall be provided to the Clerk of the Board of Supervisors for inclusion in the
17 official file within 30 days of execution by all parties, together with a brief explanation of any
18 changes from the date of the adoption of this Resolution.

19
20 APPROVED AS TO FORM:
21 DENNIS J. HERRERA, City Attorney

22
23
24 By: _____
25 Mark D. Blake
Deputy City Attorney

EXHIBIT A

1 Unless this bond is presented by an authorized representative of The Depository Trust
2 Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer,
3 exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in
4 such other name as is requested by an authorized representative of DTC (and any payment is
5 made to Cede & Co. or to such other entity as is requested by an authorized representative of
6 DTC), any transfer, pledge, or other use of this bond for value or otherwise by or to any
7 person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest
8 herein.
9

10 Number R-____ UNITED STATES OF AMERICA Amount
11 STATE OF CALIFORNIA \$_____

12
13 CITY AND COUNTY OF SAN FRANCISCO
14 GENERAL OBLIGATION BONDS
15 (TRANSPORTATION AND ROAD IMPROVEMENT BONDS, 2014),
16 SERIES 2018B
17

18 Interest Rate Maturity Date Dated CUSIP Number
19 June 15, ____

20 REGISTERED OWNER: Cede & Co.

21 PRINCIPAL AMOUNT: DOLLARS

22 THE CITY AND COUNTY OF SAN FRANCISCO, State of California (the "City"),
23 acknowledges itself indebted to and promises to pay to the Registered Owner specified above
24 or registered assigns, on the Maturity Date specified above, the Principal Amount of this bond
25

1 specified above in lawful money of the United States of America, and to pay interest on the
2 Principal Amount in like lawful money from the interest payment date next preceding the date
3 of authentication of this bond (unless this bond is authenticated as of the day during the
4 period from the last day of the month next preceding any interest payment date (the “Record
5 Date”) to such interest payment date, inclusive, in which event it shall bear interest from such
6 interest payment date, or unless this bond is authenticated on or before May 31, 2018, in
7 which event it shall bear interest from its dated date) until payment of such Principal Amount,
8 at the Interest Rate per annum specified above calculated on the basis of a 360-day year
9 comprised of twelve 30-day months, payable on June 15, 2018, and semiannually thereafter
10 on June 15 and December 15 in each year; provided, however, if any interest payment date
11 occurs on a day that banks in California or New York are closed for business or the New York
12 Stock Exchange is closed for business, then such payment shall be made on the next
13 succeeding day that banks in both California and New York are open for business and the
14 New York Stock Exchange is open for business (a “Business Day”). The Principal Amount of
15 this bond is payable to the Registered Owner of this bond upon the surrender of this bond at
16 the office of the Treasurer of the City (the “City Treasurer”). The interest on this bond is
17 payable to the person whose name appears on the bond registration books of the City
18 Treasurer as the Registered Owner of this bond as of the close of business on the Record
19 Date immediately preceding an interest payment date, whether or not such day is a Business
20 Day, such interest to be paid by check mailed on the interest payment date to such
21 Registered Owner at such Owner’s address as it appears on such registration books;
22 provided, however, that the Registered Owner of bonds in an aggregate principal amount of at
23 least \$1,000,000 may submit a written request to the City Treasurer on or before the Record
24 Date preceding any interest payment date for payment of interest hereon by wire transfer to a
25 commercial bank located in the United States of America.

1 This bond is one of a duly authorized issue of bonds of like tenor (except for such
2 variations, if any, as may be required to designate varying numbers, denominations, interest
3 rates and maturities), in the aggregate principal amount of \$_____ (the “Series 2018B
4 Bonds”), which is part of a bond authorization in the aggregate original principal amount of
5 \$500,000,000 and is authorized by the affirmative votes of more than two-thirds of the voters
6 voting at a special election duly and legally called, held and conducted, in the City on
7 November 4, 2014 and is issued and sold by the City pursuant to and in strict conformity with
8 the provisions of the Constitution and laws of the State of California, and Charter of the City
9 and of resolutions adopted by the Board of Supervisors of the City (the “Board of
10 Supervisors”) on _____, 2017 (together with the related Certificate of Award, the
11 “Resolutions”).

12 The Series 2018B Bonds are issuable as fully registered bonds without coupons in the
13 denominations of \$5,000 or any integral multiple thereof, provided that no bond shall have
14 principal maturing on more than one principal maturity date. Subject to the limitations and
15 conditions and upon payment of the charges, if any, as provided in the Resolutions, the Series
16 2018B Bonds may be exchanged for a like aggregate principal amount of Series 2018B
17 Bonds or other authorized denominations of the same interest rate and maturity.

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

24 The City Treasurer will not be required to exchange or register the transfer of this bond
25 during the period (a) from the Record Date for an interest payment date to the opening of

1 business of such interest payment date or (b) after notice of redemption of this bond or any
2 portion of this bond has been mailed.

3 The Series 2018B Bonds maturing on or before June 15, 20__ are not subject to
4 redemption prior to maturity. The Series 2018B Bonds maturing on and after June 15, 20__
5 are subject to optional redemption, from any available funds, in whole or in part, on any date
6 on or after June 15, 20__, at redemption price equal to 100% of the principal amount
7 redeemed, together with accrued interest to the redemption date, without premium. If less
8 than all of the outstanding Series 2018B Bonds are to be redeemed, they may be redeemed
9 in any order of maturity as determined by the City. If less than all of the outstanding Series
10 2018B Bonds of a maturity are to be redeemed, the Series 2018B Bonds or portions of Series
11 2018B Bonds of such maturity to be redeemed shall be selected by the City Treasurer, in
12 authorized denominations of \$5,000 or integral multiples of that amount, from among Series
13 2018B Bonds of that maturity not previously called for redemption, by lot in any manner which
14 the City Treasurer deems fair.

15 The Series 2018B Bonds maturing on June 15, 20__, shall be subject to mandatory
16 sinking fund redemption on June 15 or each of the years 20__ through 20__, inclusive, and at
17 maturity in the respective amounts provide in the Resolutions.

18 Notice of the redemption of the Series 2018B Bonds shall be given or caused to be
19 given to the Registered Owner of each Series 2018B Bond or portion of a Series 2018B Bond
20 called for redemption not less than 20 or more than 60 days before any date established for
21 redemption of the Series 2018B Bonds, by the City Treasurer on behalf of the City, by first
22 class mail, postage prepaid, sent to the Registered Owner's last address, if any, appearing on
23 the registration books kept by the City Treasurer.

24 Any notice of optional redemption may provide that such redemption is conditional
25 upon occurrence of a specified event, as provided in the Resolutions. In the event that such

1 conditional notice of optional redemption has been given, and on the scheduled Redemption
2 Date such condition has not been satisfied, the Series 2018B Bonds for which notice of
3 conditional optional redemption was given shall not be redeemed and shall remain
4 Outstanding for all purposes of the Resolutions and the redemption not occurring shall not
5 constitute an event of default under the Resolutions.

6 In addition, the City may rescind any optional redemption and notice thereof for any
7 reason on any date prior to any Redemption Date by causing written notice of the rescission
8 to be given to the Registered Owners of the Series 2018B Bonds so called for redemption.
9 Notice of such rescission of redemption shall be given in the same manner notice of
10 redemption was originally given. The actual receipt by the Registered Owner of any Series
11 2018B Bond of notice of such rescission shall not be a condition precedent to rescission, and
12 failure to receive such notice or any defect in such notice so mailed shall not affect the validity
13 of the rescission.

14 Official notice of redemption having been given as aforesaid, the Series 2018B Bonds
15 or portions of Series 2018B Bonds so to be redeemed shall, on the redemption date, become
16 due and payable at the redemption price therein specified, and from and after such date
17 (unless such redemption and notice of it shall have been rescinded or unless the City shall
18 default in the payment of the redemption price), such Series 2018B Bonds or portions of
19 Series 2018B Bonds shall cease to bear interest. Neither the failure to mail such redemption
20 notice, nor any defect in any notice so mailed, to any particular Registered Owner, shall effect
21 the sufficiency of such notice with respect to the other Series 2018B Bonds.

22 Notice of redemption, or notice of rescission of an optional redemption, having been
23 properly given, failure of a Registered Owner to receive such notice shall not be deemed to
24 invalidate, limit or delay the effect of the notice or redemption action described in the notice.
25

1 The City and the City Treasurer may treat the Registered Owner of this bond as the
2 absolute owner of this bond for all purposes, and the City and the City Treasurer shall not be
3 affected by any notice to the contrary.

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

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

14 This Series 2018B Bond shall not be entitled to any benefit under the Resolutions, or
15 become valid or obligatory for any purpose, until the Certificate of Registration and
16 Authentication hereon endorsed shall have been signed by the City Treasurer.

1 ASSIGNMENT

2 FOR VALUE RECEIVED the undersigned do(es) hereby sell, assign and transfer unto

3 _____

4 (Name, Address, and Tax Identification or Social Security Number of Assignee)

5
6 the within-mentioned registered bond and hereby irrevocably constitute(s) and
7 appoint(s) _____ attorney, to transfer the same
8 on the books of the paying agent with full power of substitution in the premises.

9 Dated: _____

10 NOTE: The signature to this
11 assignment must correspond
12 with the name as written on
13 the face of the within bond in
every particular, without
enlargement or any change
whatsoever.

14 Signature Guaranty: _____

15 NOTE: Signature must be approved by a qualified guarantor.

16
17 _____ Tax ID Number: _____