

1 [Sale of Taxable General Obligation Bonds (Affordable Housing, 2015), Series 2018D -
2 Not to Exceed \$146,000,000

3
4 **Resolution authorizing the issuance and sale of not to exceed \$146,000,000**
5 **aggregate principal amount of City and County of San Francisco Taxable General**
6 **Obligation Bonds (Affordable Housing, 2015), Series 2018D; prescribing the form**
7 **and terms of such bonds; providing for the appointment of depositories and**
8 **other agents for such bonds; providing for the establishment of accounts and/or**
9 **subaccounts related to such bonds; authorizing the sale of such bonds by**
10 **competitive or negotiated sale; approving the forms of Official Notice of Sale and**
11 **Notice of Intention to Sell Bonds and directing the publication of the Notice of**
12 **Intention to Sell Bonds; approving the form of the Bond Purchase Contract;**
13 **approving the form of the Preliminary Official Statement and the execution of the**
14 **Official Statement relating to the sale of such bonds; approving the form of the**
15 **Continuing Disclosure Certificate; authorizing and approving modifications to**
16 **such documents; ratifying certain actions previously taken, as defined herein;**
17 **and granting general authority to City Officials to take necessary actions in**
18 **connection with the authorization, issuance, sale, and delivery of such bonds, as**
19 **defined herein.**

20 WHEREAS, by Resolution No. 258-15 adopted by the Board of Supervisors (the
21 "Board of Supervisors") of the City and County of San Francisco (the "City") on July 7,
22 2015, approved by the Mayor of the City (the "Mayor") on July 14, 2015, it was
23 determined and declared that public interest and necessity demand the construction,
24 development, acquisition, and preservation of affordable housing in the City for low- and
25 middle-income households, and the payment of related costs necessary or convenient
26 for such purposes; and

1 WHEREAS, by Ordinance No. 121-15 adopted by the Board of Supervisors on
2 July 21, 2015, and approved by the Mayor on July 22, 2015 (the "Bond Ordinance"), the
3 Board of Supervisors duly called a special election to be held on November 3, 2015, for
4 the purpose of submitting to the qualified voters of the City a proposition to incur bonded
5 indebtedness of the City in the amount of \$310,000,000 to finance the construction,
6 acquisition, improvement, rehabilitation, preservation and repair of affordable housing
7 improvements, and related costs necessary or convenient for the foregoing purposes,
8 as therein described (the "Project"); and

9 WHEREAS, a special election was held in the City on November 3, 2015 (the
10 "Bond Election"), for the purpose of submitting to the qualified voters of the City such
11 proposition and such proposition was approved by two-thirds of the qualified voters of
12 the City voting on such proposition, and declaration of such Bond Election results was
13 made by the Board of Supervisors pursuant to Resolution No. 435-15, adopted by the
14 Board of Supervisors of the City on December 1, 2015, and approved by the Mayor on
15 December 8, 2015; and

16 WHEREAS, by Resolution No. 407-16 (the "Authorizing Resolution"), adopted by
17 the Board of Supervisors on September 20, 2016, and approved by the Mayor on
18 September 29, 2016, the City authorized the issuance of the City and County of San
19 Francisco Taxable and Tax-Exempt General Obligation Bonds (Affordable Housing,
20 2015) (the "Bonds") in the amount of \$310,000,000; and

21 WHEREAS, by Resolution No. 408-16, adopted by the Board of Supervisors on
22 September 20, 2016, and approved by the Mayor on September 29, 2016, the City was
23 authorized to issue the first series of the Bonds, its Taxable General Obligation Bonds
24 (Affordable Housing, 2015), Series 2016F in an aggregate principal amount not to

1 exceed \$77,000,000, which Series 2016F Bonds were subsequently issued in the
2 aggregate principal amount of \$75,130,000; and

3 WHEREAS, the City has issued and sold, to date, a total of \$75,130,000 of the
4 Bonds, and there remains \$234,870,000 of authorized and unissued Bonds; and

5 WHEREAS, it is necessary and desirable to issue the second series of the
6 Bonds, an aggregate principal amount of the Bonds in an amount not to exceed
7 \$146,000,000 (the "Series 2018D Bonds"), to finance a portion of the costs of the
8 Project (as defined in the Authorizing Resolution); and

9 WHEREAS, the Series 2018D Bonds are being issued pursuant to the
10 Authorizing Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the
11 California Government Code (the "Government Code"), the Charter of the City (the
12 "Charter"), the Bond Ordinance and the Bond Election; and

13 WHEREAS, pursuant to the applicable provisions of the San Francisco
14 Administrative Code (the "Administrative Code") Sections 5.30-5.36, the Citizens'
15 General Obligation Bond Oversight Committee shall conduct an annual review of bond
16 spending and shall provide an annual report on the management of the program to the
17 Mayor and the Board of Supervisors, and, to the extent permitted by law, one-tenth of
18 one percent (0.1%) of the gross proceeds of the Series 2018D Bonds shall be deposited
19 in a fund established by the Office of the City Controller (the "Controller") and
20 appropriated by the Board of Supervisors at the direction of the Citizens' General
21 Obligation Bond Oversight Committee to cover the costs of such committee and its
22 review process; and

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

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

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

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

10 Section 4. Issuance and Sale of Series 2018D Bonds; Determination of Certain
11 Terms; Designation. The Board of Supervisors authorizes the issuance and sale of not
12 to exceed \$146,000,000 in aggregate principal amount of Bonds to be designated as
13 "City and County of San Francisco Taxable General Obligation Bonds (Affordable
14 Housing, 2015), Series 2018D," for the purposes set forth in the Bond Ordinance and
15 Proposition A approved by the voters at the Bond Election.

16 The Director of Public Finance of the City or a designee thereof (the "Director of
17 Public Finance") is authorized to determine, for the Series 2018D Bonds, the sale date,
18 the interest rates, the definitive principal amount, the maturity dates and the redemption
19 dates, if any, and the terms of any optional or mandatory redemption, subject to the
20 other specific provisions of this Resolution, including the following terms and conditions:

21 (a) the Series 2018D Bonds shall not have a true interest cost (as such term is defined
22 in the Official Notice of Sale (as defined in Section 14) for the Series 2018D Bonds) in
23 excess of 12%; and (b) the Series 2018D Bonds shall not have a final maturity date
24 more than 30 years from their date of issuance. The Director of Public Finance is
25 further authorized to give the Series 2018D Bonds such additional or other series

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

4 Section 5. Authentication and Registration of the Series 2018D Bonds. Each of
5 the Series 2018D Bonds shall be in fully registered form without coupons in
6 denominations of \$5,000 or any integral multiple of that amount. The officers of the City
7 are directed to cause the Series 2018D Bonds to be prepared in sufficient quantity for
8 delivery to or for the account of their purchaser and the Director of Public Finance is
9 directed to cause the blanks in the Series 2018D Bonds to be completed in accordance
10 with the Authorizing Resolution, this Resolution and the Bond Award or Bond Purchase
11 Contract (as defined below), to procure their execution by the proper officers of the City
12 (including by facsimile signature if necessary or convenient, except that any signature of
13 the Clerk of the Board of Supervisors shall be by manual signature) and authentication
14 as provided in this Section, and to deliver the Series 2018D Bonds when so executed
15 and authenticated to the purchaser in exchange for the purchase price, all in
16 accordance with the Authorizing Resolution.

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

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

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

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

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

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

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

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

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

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

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

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

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

15 For so long as any Series 2018D Bonds are held in book-entry form by a
16 securities depository selected by the City pursuant to Section 11, payment shall be
17 made to the registered owner of the Series 2018D Bonds designated by such securities
18 depository by wire transfer of immediately available funds.

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

1 authenticated as of a day during the period from the Record Date next preceding any
2 interest payment date to the interest payment date, inclusive, in which event it shall bear
3 interest from such interest payment date, or unless it is authenticated on or before the
4 first Record Date, in which event it shall bear interest from the Dated Date; provided,
5 that if, at the time of authentication of any Series 2018D Bond, interest is in default on
6 the Series 2018D Bonds, such Series 2018D Bond shall bear interest from the interest
7 payment date to which interest has previously been paid or made available for payment
8 on the Series 2018D Bonds or from the Dated Date if the first interest payment is not
9 made.

10 (d) Optional Redemption. The Series 2018D Bonds shall be subject to
11 optional redemption prior to maturity as shall be provided in the Official Notice of Sale or
12 the Bond Purchase Contract, as applicable.

13 (e) Mandatory Redemption. The Series 2018D Bonds shall be subject
14 to mandatory redemption as shall be designated by the purchaser pursuant to the terms
15 of the Official Notice of Sale or as designated in the Bond Purchase Contract, as
16 applicable.

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

1 (f) Selection of Series 2018D Bonds for Redemption. Whenever less
2 than all of the outstanding Series 2018D Bonds are called for redemption on any date,
3 the Director of Public Finance will select the maturities of the Series 2018D Bonds to be
4 redeemed in the sole discretion of the Director of Public Finance. Whenever less than
5 all of the outstanding Series 2018D Bonds maturing on any one date are called for
6 redemption, the manner of selection of the portion of such Series 2018D Bonds called
7 for redemption shall be as specified in the Official Statement for the Series 2018D
8 Bonds.

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

1 funds or other event specified in the notice of redemption as provided in Section 8(j)
2 below.

3 The actual receipt by the owner of any Series 2018D Bond of notice of such
4 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
6 proceedings for the redemption of such Series 2018D Bonds or the cessation of accrual
7 of interest on such Series 2018D Bonds on the Redemption Date.

8 Notice of 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
11 intended recipient, email or similar electronic means, to (A) all organizations registered
12 with the Securities and Exchange Commission as securities depositories, and (B) such
13 other services or organizations as may be required in accordance with the Continuing
14 Disclosure Certificate described in Section 19.

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

20 (h) Series 2018D Redemption Account. At the time the Director of
21 Public Finance determines to optionally call and redeem any of the Series 2018D
22 Bonds, the Controller or his or her agent shall establish a redemption account to be
23 described or known as the "General Obligation Bonds, Series 2018D Redemption
24 Account" (the "Series 2018D Redemption Account"), and prior to or on the Redemption
25 Date there must be set aside in the Series 2018D Redemption Account moneys

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

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

1 on such Series 2018D Bonds called for redemption after the Redemption Date and the
2 registered owners of such Series 2018D Bonds shall look for payment of such Series
3 2018D Bonds only to the Series 2018D Redemption Account. All Series 2018D Bonds
4 redeemed shall be canceled immediately by the City Treasurer and shall not be
5 reissued.

6 (j) Conditional Notice of Redemption; Rescission of Redemption. Any
7 notice of optional redemption given as provided in Section 8(g) may provide that such
8 redemption is conditioned upon: (i) deposit in the Series 2018D Redemption Account of
9 sufficient moneys to redeem the Series 2018D Bonds called for optional redemption on
10 the anticipated Redemption Date, or (ii) the occurrence of any other event specified in
11 the notice of redemption. If conditional notice of redemption has been given
12 substantially as provided in this clause, and on the scheduled Redemption Date (A)
13 sufficient moneys to redeem the Series 2018D Bonds called for optional redemption on
14 the Redemption Date have not been deposited in the Series 2018D Redemption
15 Account, or (B) any other event specified in the notice of redemption as a condition to
16 the redemption has not occurred, then (1) the Series 2018D Bonds for which conditional
17 notice of redemption was given shall not be redeemed on the anticipated Redemption
18 Date and shall remain outstanding for all purposes of this Resolution, and (2) the
19 redemption not occurring shall not constitute a default under this Resolution or the
20 Authorizing Resolution.

21 The City may rescind any optional redemption and notice of it for any reason on
22 any date prior to any Redemption Date by causing written notice of the rescission to be
23 given to the owners of all Series 2018D Bonds so called for redemption. Notice of any
24 such rescission of redemption shall be given in the same manner notice of redemption
25 was originally given. The actual receipt by the owner of any Series 2018D Bond of

1 notice of such rescission shall not be a condition precedent to rescission, and failure to
2 receive such notice or any defect in such notice so mailed shall not affect the validity of
3 the rescission.

4 Section 9. Series 2018D Bond Subaccount. There is established with the City
5 Treasurer a special subaccount in the General Obligation Bonds (Affordable Housing,
6 2015) Bond Account (the "Bond Account") created pursuant to the Authorizing
7 Resolution to be designated as the "General Obligation Bonds, Series 2018D Bond
8 Subaccount" (the "Series 2018D Bond Subaccount"), to be held separate and apart
9 from all other accounts of the City. All interest earned on amounts on deposit in the
10 Series 2018D Bond Subaccount shall be retained in the Series 2018D Bond
11 Subaccount.

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

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

1 Bonds as is necessary or convenient to permit the optional redemption of the
2 Series 2018D Bonds.

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

11 Section 10. Series 2018D Project Subaccount. There is established with the
12 City Treasurer a special subaccount in the General Obligation Bonds (Affordable
13 Housing, 2015) Project Account (the "Project Account") created pursuant to the
14 Authorizing Resolution to be designated the "General Obligation Bonds, Series 2018D
15 Project Subaccount" (the "Series 2018D Project Subaccount"), to be held separate and
16 apart from all other accounts of the City. All interest earned on amounts on deposit in
17 the Series 2018D Project Subaccount shall be retained in the Series 2018D Project
18 Subaccount. Amounts in the Series 2018D Project Subaccount shall be expended in
19 accordance with the provisions of the Authorizing Resolution for the acquisition,
20 construction or reconstruction of the Project (as defined in the Authorizing Resolution).

21 Amounts in the Series 2018D Project Subaccount may be invested in any
22 investment of the City in which moneys in the General Fund of the City are invested.
23 The City Treasurer may (a) commingle any of the moneys held in the Series 2018D
24 Project Subaccount with other City moneys, or (b) deposit amounts credited to the
25 Series 2018D Project Subaccount into a separate fund or funds for investment purposes

1 only; provided, that all of the moneys held in the Series 2018D Project Subaccount
2 (including interest earnings) shall be accounted for separately notwithstanding any such
3 comingling or separate deposit by the City Treasurer.

4 The City Treasurer is authorized to pay or cause to be paid from the proceeds of
5 the Series 2018D Bonds, on behalf of the City, the costs of issuance associated with the
6 Series 2018D Bonds. Costs of issuance of the Series 2018D Bonds shall include,
7 without limitation, bond and financial printing expenses, mailing and publication
8 expenses, rating agency fees, the fees and expenses of paying agents, registrars,
9 municipal and other consultants, disclosure counsel and co-bond counsel, and the
10 reimbursement of departmental expenses in connection with the issuance of the Series
11 2018D Bonds.

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

1 due with respect to Series 2018D Bonds; (e) any consent given or other action taken by
2 such securities depository as the owner of Series 2018D Bonds; or (f) any other matter.

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

10 The City Treasurer is also authorized and directed to appoint one or more agents
11 as he or she may deem necessary or desirable, to the extent permitted by applicable
12 law and under the supervision of the City Treasurer, such agents may serve as paying
13 agent, fiscal agent, rebate calculation agent, escrow agent or registrar for the Series
14 2018D Bonds or may assist the City Treasurer in performing any or all of such functions
15 and such other duties as the City Treasurer shall determine. Such agents shall serve
16 under such terms and conditions as the City Treasurer shall determine. The City
17 Treasurer may remove or replace agents appointed pursuant to this paragraph at any
18 time.

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

24 (a) an amount of cash equal to the principal amount of all of such
25 Series 2018D Bonds or a portion thereof, and all unpaid interest thereon to maturity,

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

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

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

1 (i) United States Obligations (as defined below); and
2 (ii) Pre-refunded fixed interest rate municipal obligations
3 meeting the following conditions: (A) the municipal obligations are not subject to
4 redemption prior to maturity, or the trustee or paying agent has been given irrevocable
5 instructions concerning their calling and redemption and the issuer has covenanted not
6 to redeem such obligations other than as set forth in such instructions; (B) the municipal
7 obligations are secured by cash and/or United States Obligations; (C) the principal of
8 and interest on the United States Obligations (plus any cash in the escrow fund or the
9 redemption account) are sufficient to meet the liabilities of the municipal obligations; (D)
10 the United States Obligations serving as security for the municipal obligations are held
11 by an escrow agent or trustee; (E) the United States Obligations are not available to
12 satisfy any other claims, including those against the trustee or escrow agent; and (F) the
13 municipal obligations are rated (without regard to any numerical modifier, plus or minus
14 sign or other modifier), at the time of original deposit to the escrow fund, by any two
15 Rating Agencies (as defined below) not lower than the rating then maintained by such
16 Rating Agencies on such United States Obligations.

17 For purposes of this Section 12, "United States Obligations" means (i) direct and
18 general obligations of the United States of America, or obligations that are
19 unconditionally guaranteed as to principal and interest by the United States of America,
20 including, without limitation, the interest component of Resolution Funding Corporation
21 ("REFCORP") bonds that have been stripped by request to the Federal Reserve Bank
22 of New York in book-entry form; or (ii) any security issued by an agency or
23 instrumentality of the United States of America that is selected by the Director of Public
24 Finance that results in the escrow fund being rated by any two Rating Agencies, at the
25 time of the initial deposit to the escrow fund and upon any substitution or subsequent

1 deposit to the escrow fund, not lower than the rating then maintained by the respective
2 Rating Agency on United States Obligations described in clause (i) above.

3 For purposes of this Section 12, "Rating Agencies" means Moody's Investors
4 Service, Fitch Ratings, and S&P Global Ratings, or any other nationally recognized
5 bond rating agency that is the successor to any of the foregoing rating agencies or that
6 is otherwise established after the date hereof.

7 Section 13. Sale of Series 2018D Bonds by Competitive or Negotiated Sale.

8 The Board of Supervisors authorizes the sale of the Series 2018D Bonds by solicitation
9 of competitive bids or by negotiated sale to one or more underwriters to be appointed in
10 accordance with City policies, if so determined by the Director of Public Finance.

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

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

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

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

9 Section 15. Publication of Notice of Intention to Sell Bonds. The form of
10 proposed Notice of Intention to Sell the Series 2018D Bonds (the "Notice of Intention to
11 Sell Bonds") submitted to the Board of Supervisors is approved and adopted as the
12 Notice of Intention to Sell the Series 2018D Bonds, and the Director of Public Finance is
13 authorized and directed to cause the Notice of Intention to Sell Bonds, subject to such
14 corrections, revisions or additions as may be made in accordance with Section 20, to be
15 published once in *The Bond Buyer* or another financial publication generally circulated
16 throughout the State of California meeting the requirements of Section 53692 of the
17 Government Code at least five (5) days prior to the date fixed for receipt of sealed
18 proposals for the Series 2018D Bonds, or as otherwise set forth in Section 53692 of the
19 Government Code.

20 Section 16. Authorization of Negotiated Sale; Authorization to Select
21 Underwriters; Form of Bond Purchase Contract Approval. The Controller, in
22 consultation with the Director of Public Finance, is hereby authorized to conduct the
23 sale of the Series 2018D Bonds by negotiated sale pursuant to one or more Bond
24 Purchase Contracts (each, a "Bond Purchase Contract"), each by and between the City
25 and the underwriter(s) named therein (the "Underwriters"), if the Controller determines

1 that such manner of sale is in the best financial interest of the City, such determination
2 to be conclusively evidenced by the execution and delivery of such Bond Purchase
3 Contract as hereinafter approved. The form of such Bond Purchase Contract as
4 presented to this Board of Supervisors, a copy of which is on file with the Clerk of the
5 Board of Supervisors, is hereby approved. The Controller or the Director of Public
6 Finance is hereby authorized to execute such Bond Purchase Contract with such
7 changes, additions and modifications as the Controller or the Director of Public Finance
8 may make or approve in accordance with Section 20 hereof; provided however, that the
9 Underwriters' discount under any such Bond Purchase Contract shall not exceed 1.00%
10 of the principal amount of the Series 2018D Bonds.

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

17 Section 17. Disposition of Proceeds of Sale. The proceeds of sale of the Series
18 2018D Bonds shall be applied by the City Treasurer as follows: (a) accrued interest, if
19 any, shall be deposited into the Series 2018D Bond Subaccount; (b) premium, if any,
20 shall be deposited into the Series 2018D Bond Subaccount; and (c) remaining proceeds
21 of sale shall be deposited into the Series 2018D Project Subaccount.

22 Section 18. Preliminary Official Statement and Official Statement. The form of
23 proposed Preliminary Official Statement describing the Series 2018D Bonds (the
24 "Preliminary Official Statement") submitted to the Board of Supervisors is approved and
25 adopted as the Preliminary Official Statement describing the Series 2018D Bonds, with

1 such additions, corrections and revisions as may be determined to be necessary or
2 desirable made in accordance with Section 20. The Controller is authorized to cause
3 the distribution of a Preliminary Official Statement deemed final for purposes of
4 Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities
5 Exchange Act of 1934, as amended (the "Rule"), and to sign a certificate to that effect.
6 The Director of Public Finance is authorized and directed to cause to be printed and
7 mailed or electronically distributed to prospective bidders for the Series 2018D Bonds
8 the Preliminary Official Statement in substantially the form of the Preliminary Official
9 Statement approved and adopted by this Resolution, as completed, supplemented,
10 corrected or revised. The Controller is authorized and directed to approve, execute,
11 and deliver the final Official Statement with respect to the Series 2018D Bonds, which
12 final Official Statement shall be in the form of the Preliminary Official Statement, with
13 such additions, corrections and revisions as may be determined to be necessary or
14 desirable made in accordance with Section 20 and as are permitted under the Rule.
15 The Director of Public Finance is authorized and directed to cause to be printed and
16 mailed or electronically distributed the final Official Statement to all actual initial
17 purchasers of the Series 2018D Bonds.

18 Section 19. Continuing Disclosure Certificate. The form of Continuing
19 Disclosure Certificate (the "Continuing Disclosure Certificate"), to be signed by the City
20 to permit the original purchasers of the Series 2018D Bonds to comply with the Rule,
21 submitted to the Board of Supervisors is approved and adopted as the Continuing
22 Disclosure Certificate, with such additions, corrections and revisions as may be
23 determined to be necessary or desirable made in accordance with Section 20. The
24 Controller is authorized and directed to execute the Continuing Disclosure Certificate on

1 behalf of the City and deliver the Continuing Disclosure Certificate to the original
2 purchasers of the Series 2018D Bonds.

3 Section 20. Modification to Documents. Any City official authorized by this
4 Resolution to execute any document is further authorized, in consultation with the City
5 Attorney and co-bond counsel, to approve and make such changes, additions,
6 amendments or modifications to the document or documents such official is authorized
7 to execute as may be necessary or advisable (provided, that such changes, additions,
8 amendments or modifications shall not authorize an aggregate principal amount of
9 Series 2018D Bonds in excess of \$146,000,000 or conflict with the provisions of
10 Section 4). The approval of any change, addition, amendment or modification to any of
11 the aforementioned documents shall be evidenced conclusively by the execution and
12 delivery of the document in question.

13 Section 21. Ratification. All actions previously taken by officials, employees and
14 agents of the City with respect to the sale and issuance of the Series 2018D Bonds,
15 consistent with any documents presented and this Resolution, are approved, confirmed
16 and ratified.

17 Section 22. Relationship to Authorizing Resolution. In the event of any conflict
18 between this Resolution and the Authorizing Resolution, the terms of this Resolution
19 shall control. Without limiting the foregoing and notwithstanding the provisions of the
20 Authorizing Resolution, the City is not obligated to transfer money from the General
21 Fund of the City to the Bond Account to pay the principal of or interest on the Series
22 2018D Bonds.

23 Section 23. Accountability Reports. The Series 2018D Bonds are subject to
24 accountability requirements under the Administrative Code and the Bond Ordinance.
25 The deadline for submission of the Accountability report(s) under Administrative Code

1 Sections 2.71(a) and 2.71(b) are hereby waived with respect to the Series 2018D
2 Bonds. Accountability report(s) with respect to the Series 2018D Bonds shall be
3 submitted in all other respects in the manner required by the Administrative Code and
4 the Bond Ordinance.

5 Section 24. Citizens' Oversight Committee. The Series 2018D Bonds are
6 subject to, and incorporate by reference, the applicable provisions of the San Francisco
7 Administrative Code Sections 5.30-5.36 (the "Citizens' General Obligation Bond
8 Oversight Committee"), and, to the extent permitted by law, one-tenth of one percent
9 (0.1%) of the gross proceeds of the Series 2018D Bonds shall be deposited into a fund
10 established by the Controller's Office and appropriated by the Board of Supervisors at
11 the direction of the Citizens' General Obligation Bond Oversight Committee to cover the
12 costs of such committee.

13 Section 25. CEQA Determination. The Board of Supervisors hereby reaffirms
14 and incorporates by reference the CEQA findings and determinations set forth in the
15 Bond Ordinance as if set forth in full herein. The use of bond proceeds to finance any
16 identified project or portion of any identified project with bond proceeds will be subject,
17 as necessary, to approval of the Board of Supervisors upon completion of any planning
18 and any further required environmental review under CEQA for the individual facilities
19 and projects.

20 Section 26. General Authority. The Clerk of the Board of Supervisors, the
21 Mayor, the City Treasurer, the Director of Public Finance, the City Attorney and the
22 Controller are each authorized and directed in the name and on behalf of the City to
23 take any and all steps and to issue, deliver or enter into any and all certificates,
24 requisitions, agreements, notices, consents, and other documents as may be necessary
25 to give effect to the provisions of this Resolution, including but not limited to letters of

1 representations to any depository or depositories, which they or any of them might
2 deem necessary or appropriate in order to consummate the lawful issuance, sale and
3 delivery of the Series 2018D Bonds. Any such actions are solely intended to further the
4 purposes of this Resolution, and are subject in all respects to the terms of this
5 Resolution. No such actions shall increase the risk to the City or require the City to
6 spend any resources not otherwise granted herein. Final versions of any such
7 documents shall be provided to the Clerk of the Board of Supervisors for inclusion in the
8 official file within 30 days (or as soon thereafter as final documents are available) of
9 execution by all parties.

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FILE NO. _____

RESOLUTION NO. _____

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APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By _____

KENNETH D. ROUX

Deputy City Attorney

EXHIBIT A
FORM OF BOND

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to City or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE OF THIS BOND FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

<u>Number</u>		<u>Principal Amount</u>
R-__	UNITED STATES OF AMERICA	\$ _____
	STATE OF CALIFORNIA	
	CITY AND COUNTY OF SAN FRANCISCO	
	TAXABLE GENERAL OBLIGATION BONDS	
	(PUBLIC HEALTH AND SAFETY, 2016)	
	SERIES 2018E	

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>CUSIP Number</u>
_____	_____	_____	_____

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: _____

The City and County of San Francisco, State of California (the "City"), acknowledges 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 (as defined below) next
4 preceding the date of authentication of this Bond (unless this Bond is authenticated as of
5 the day during the period from the last day of the month immediately preceding any
6 Interest Payment Date (the "Record Date") to such Interest Payment Date, inclusive, in
7 which event it shall bear from such Interest Payment Date, or unless this Bond is
8 authenticated on or before _____, ____, in which event it shall bear interest from its
9 Dated Date (specified above) until payment of such Principal Amount, at the Interest Rate
10 per year specified above calculated on the basis of a 360-day year comprised of twelve
11 30-day months, payable on December 15, 2018 and semiannually thereafter on June 15
12 and December 15 in each year (each, an "Interest Payment Date"); *provided*, that if any
13 Interest Payment Date occurs on a day that banks in California or New York are closed
14 for business or the New York Stock Exchange is closed for business, then such payment
15 shall be made on the next succeeding day that banks in both California and New York
16 are open for business and the New York Stock Exchange is open for business (a
17 "Business Day"). The Principal Amount of this Bond is payable to the Registered Owner
18 of this Bond upon the surrender of this Bond at the office of the Treasurer of the City (the
19 "City Treasurer") in San Francisco, California. The interest on this Bond is payable to the
20 person whose name appears on the Bond registration books of the City Treasurer as the
21 Registered Owner of this Bond as of the close of business on the Record Date
22 immediately preceding an Interest Payment Date, whether or not such day is a Business
23 Day, such interest to be paid by check mailed on the Interest Payment Date to such
24 Registered Owner at the owner's address as it appears on such registration books;
25 *provided*, that the Registered Owner of Bonds in an aggregate principal amount of at least
26 \$1,000,000 may submit a written request to the City Treasurer on or before the Record
27 Date preceding any Interest Payment Date for payment of interest by wire transfer to a
28 commercial bank located in the United States of America.

29 This Bond is one of a duly authorized issue of Bonds (the "Bonds") of like tenor
30 (except to such variations, if any, as may be required to designate varying numbers,

1 denominations, interest rates and maturities), in the aggregate principal amount of
2 \$_____, which is part of a bond authorization in the aggregate original principal
3 amount of \$310,000,000 authorized by the affirmative votes of more than two-thirds of
4 the voters voting at a special election duly and legally called, held and conducted in the
5 City on November 3, 2015 and is issued and sold by the City pursuant to and in strict
6 conformity with the provisions of the Constitution and laws of the State of California, the
7 Charter of the City and Resolution No. 407-16, adopted by the Board of Supervisors of
8 the City (the "Board of Supervisors") on September 20, 2016, and duly approved by the
9 Mayor of the City on September 29, 2016, and Resolution No. _____, adopted by the Board
10 of Supervisors on _____, and duly approved by the Mayor of the City on _____
11 (together with the related Certificate Awarding the Bonds and Fixing Definitive Interest
12 Rates for the Bonds, dated _____, 2018, the "Resolutions").

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

25 No transfer or exchange of the Bonds shall be required to be made by the City
26 Treasurer during the period from the Record Date next preceding each Interest Payment
27 Date to such Interest Payment Date or after a notice of redemption shall have been mailed
28 with respect to such Bonds.

29 Bonds maturing on and before June 15, 20___, will not be subject to optional
30 redemption prior to their respective maturity dates. The Bonds maturing on or after June

1 15, 20__ will be subject to optional redemption prior to their respective stated maturity
2 dates, at the option of the City, from any source of available funds, as a whole or in part
3 on any date (with the maturities to be redeemed to be determined by the City and by lot
4 within a maturity), on or after June 15, 20__, at the redemption price equal to the principal
5 amount of the Bonds redeemed, together with accrued interest to the date fixed for
6 redemption, without premium. If less than all of the outstanding Bonds are to be
7 redeemed, they may be redeemed in any order of maturity as determined by the Director
8 of Finance. If less than all of the outstanding Bonds of a maturity are to be redeemed,
9 the Bonds or portions of Bonds of such maturity to be redeemed shall be selected Director
10 of Public Finance, in authorized denominations of \$5,000 or integral multiples of that
11 amount, from among Bonds of that maturity not previously called for redemption, by lot,
12 in any manner which the Director of Public Finance deems fair.

13 Bonds maturing on June 15, 20__, are subject to mandatory sinking fund
14 redemption on June 15 of each of the years 20__ through 20__, inclusive, and at maturity
15 in the respective amount provided in the [Official Notice of Sale/the Bond Purchase
16 Contract] for the Bonds.

17 Bonds maturing on June 15, 20__, are subject to mandatory sinking fund
18 redemption on June 15 of each of the years 20__ through 20__, inclusive, and at maturity
19 in the respective amount provided in the [Official Notice of Sale/the Bond Purchase
20 Contract] for the Bonds.

21 Notice of the redemption of Bonds which by their terms shall have become subject
22 to redemption shall be given or caused to be given to the Registered Owner of each Bond
23 or portion of a Bond called for redemption not less than 20 or more than 60 days before
24 any date established for redemption of Bonds, by the City Treasurer on behalf of the City,
25 first class mail, postage prepaid, sent to the Registered Owner's last address, if any,
26 appearing on the registration books kept by the City Treasurer. Official notices of
27 redemption will contain the information specified in the Resolutions.

28 Official notice of redemption having been given as aforesaid, the Bonds or portions
29 of Bonds so to be redeemed shall, on the date fixed for redemption, become due and
30 payable at the redemption price therein specified, and from and after such date (unless

1 such redemption and notice of it shall have been rescinded or unless the City shall default
2 in the payment of the redemption price), such Bonds or portions of Bonds shall cease to
3 bear interest. Neither the failure to mail such redemption notice, nor any defect in any
4 notice so mailed, to any particular Registered Owner, shall affect the sufficiency of such
5 notice with respect to other Bonds.

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

10 Any notice of optional redemption may provide that such redemption is conditional
11 upon occurrence of a specified event, as provided in the Resolutions. In the event that
12 such conditional notice of optional redemption has been given, and on the date fixed for
13 redemption such condition has not been satisfied, the Bonds for which notice of
14 conditional optional redemption was given shall not be redeemed and shall remain
15 Outstanding for all purposes of the Resolutions and the redemption not occurring shall
16 not constitute an event of default under the Resolutions.

17 The City may rescind any optional redemption and notice of it for any reason on
18 any date prior to any Redemption Date by causing written notice of the rescission to be
19 given to the owners of all Bonds so called for redemption. Notice of any such rescission
20 of redemption shall be given in the same manner notice of redemption was originally
21 given.

22 The actual receipt by the owner of any Bond of notice of such rescission shall not
23 be a condition precedent to rescission, and failure to receive such notice or any defect in
24 such notice so mailed shall not affect the validity of the rescission.

25 The City and the City Treasurer may treat the Registered Owner of this Bond as
26 the absolute owner of this Bond for all purposes, and the City and the City Treasurer shall
27 not be affected by any notice to the contrary.

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

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

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

13

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 _____.

4 _____

5 Mayor of the City and

6 County of San Francisco

7 Countersigned:

8 _____

9 Clerk of the Board of Supervisors

10

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: _____

Treasurer of the
City and County of San Francisco

1 **ASSIGNMENT**

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

4 _____
5 _____
6 **(Please print or typewrite Name, Address, and Tax Identification or Social
7 Security Number of Assignee/Transferee)**

8 the within-mentioned registered bond and all rights thereunder and hereby irrevocably
9 constitute(s) and appoint(s) _____ attorney
10 to transfer the same on the books of the paying agent with full power of substitution in
11 the premises.

12 Dated: _____

13 NOTICE: The signature to this
14 assignment must correspond with the
15 name as it appears upon the face of the
16 within bond in every particular, without
17 altercation or enlargement or any
18 change whatsoever.

19 Signature Guaranteed:
20 _____

21 Signature(s) must be guaranteed by a national
22 bank or trust company or by a brokerage firm
23 having a membership in one of the major stock

1 exchanges and who is a member of a

2 Medallion Signature Program.

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