

1 [Sale of Tax-Exempt General Obligation Bonds (Embarcadero Seawall Earthquake
2 Safety, 2018), Series 2019B - Not to Exceed \$50,000,000]

3

4 **Resolution authorizing the issuance and sale of not to exceed \$50,000,000**
5 **aggregate principal amount of City and County of San Francisco Tax-Exempt**
6 **General Obligation Bonds (Embarcadero Seawall Earthquake Safety, 2018) Series**
7 **2019B; prescribing the form and terms of such bonds; providing for the**
8 **appointment of depositories and other agents for such bonds; providing for the**
9 **establishment of accounts and/or subaccounts related to such bonds;**
10 **authorizing the sale of such bonds by competitive or negotiated sale; approving**
11 **the forms of the Official Notice of Sale and Notice of Intention to Sell Bonds and**
12 **directing the publication of the Notice of Intention to Sell Bonds; approving the**
13 **form of the Purchase Contract; approving the form of the Preliminary Official**
14 **Statement and the execution of the Official Statement relating to the sale of such**
15 **bonds; approving the form of the Continuing Disclosure Certificate; authorizing**
16 **and approving modifications to such documents; ratifying certain actions**
17 **previously taken, as defined herein; and granting general authority to City**
18 **Officials to take necessary actions in connection with the authorization, issuance,**
19 **sale, and delivery of such bonds, as defined herein.**

20 WHEREAS, by Resolution No. 183-18, adopted by the Board of Supervisors (the
21 "Board of Supervisors") of the City and County of San Francisco (the "City") on June 12,
22 2018, and signed by the Mayor (the "Mayor") on June 20, 2018, it was determined and
23 declared that public interest and necessity demand the construction, reconstruction,
24 acquisition, improvement, demolition, seismic strengthening and repair of the Seawall
25 and other critical infrastructure, as further therein described (the "Project"); and

1 WHEREAS, by Ordinance No. 146-18 passed by the Board of Supervisors on
2 June 26, 2018, and signed by the Mayor on June 28, 2018 and Ordinance No. 178-18,
3 (the "Bond Ordinances"), passed by the Board of Supervisors and signed by the Mayor
4 on July 28, 2018 duly called a special election to be held on November 6, 2018 (the
5 "Bond Election"), for the purpose of submitting to the qualified voters of the City such
6 proposition to incur bonded indebtedness of the City in the amount of \$425,000,000 to
7 finance the Project, and such proposition was approved by two-thirds of the qualified
8 voters of the City voting on such proposition, and declaration of such Bond Election
9 results was made by the Board of Supervisors pursuant to Resolution No. 420-18
10 declared by the Board of Supervisors of the City on December 4, 2018, and approved
11 by the Mayor on December 12, 2018; and

12 WHEREAS, by Resolution No._____, adopted by the Board of Supervisors on ____
13 _____, 2019 and approved by the Mayor on _____ , 2019 (the "Authorizing
14 Resolution"), the City was authorized to issue its General Obligation Bonds
15 (Embarcadero Seawall Earthquake Safety, 2018) (the "Bonds") in the amount of
16 \$425,000,000; and

17 WHEREAS, it is necessary and desirable to issue the first series of the Bonds, in
18 an aggregate principal amount of the Bonds not to exceed \$50,000,000 (the "Series
19 2019B Bonds"), to finance a portion of the costs of the Project (as defined in the
20 Authorizing Resolution); and

21 WHEREAS, the Series 2019B Bonds are being issued pursuant to the
22 Authorizing Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the
23 California Government Code (the "Government Code"), the Charter of the City (the
24 "Charter"), the Bond Ordinance and the Bond Election; and

1 WHEREAS, pursuant to the applicable provisions of the San Francisco
2 Administrative Code (the "Administrative Code") Sections 5.30-5.36, the Citizens'
3 General Obligation Bond Oversight Committee shall conduct an annual review of bond
4 spending and shall provide an annual report on the management of the program to the
5 Mayor and the Board of Supervisors, and, to the extent permitted by law, one tenth of
6 one percent (0.1%) of the gross proceeds of the Series 2019B Bonds shall be deposited
7 in a fund established by the Office of the City Controller (the "Controller") and
8 appropriated by the Board of Supervisors at the direction of the Citizens' General
9 Obligation Bond Oversight Committee to cover the costs of such committee and its
10 review process; and

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

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

14 Section 2. Conditions Precedent. All conditions, things and acts required by law
15 to exist, to happen and to be performed precedent to and in connection with the
16 issuance of the Series 2019B Bonds exist, have happened and have been performed in
17 due time, form and manner in accordance with applicable law, and the City is now
18 authorized pursuant to the Bond Election, the Authorizing Resolution, the Charter and
19 applicable law to incur indebtedness in the manner and form provided in this Resolution.

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

23 Section 4. Issuance and Sale of Series 2019B Bonds; Determination of Certain
24 Terms; Designation. The Board of Supervisors authorizes the issuance and sale of not
25 to exceed \$50,000,000 in aggregate principal amount of Bonds to be designated as

1 “City and County of San Francisco Tax-Exempt General Obligation Bonds
2 (Embarcadero Seawall Earthquake Safety, Series 2019B),” for the purposes set forth in
3 the Bond Ordinance and Proposition A approved by the voters at the Bond Election.

4 The Director of Public Finance of the City or a designee thereof (the “Director of
5 Public Finance”) is authorized to determine, for the Series 2019B Bonds, the sale date,
6 the interest rates, the definitive principal amount, the maturity dates and the redemption
7 dates, if any, and the terms of any optional or mandatory redemption, subject to the
8 other specific provisions of this Resolution, including the following terms and conditions:

9 (a) the Series 2019B Bonds shall not have a true interest cost (as such term is defined
10 in the Official Notice of Sale (as defined in Section 14) for the Series 2019B Bonds) in
11 excess of 12%; and (b) the Series 2019B Bonds shall not have a final maturity date
12 more than 30 years from their date of issuance. The Director of Public Finance is
13 further authorized to give the Series 2019B Bonds such additional or other series
14 designation, or to modify such series designation, as may be necessary or appropriate
15 to distinguish the Series 2019B Bonds from every other series of Bonds and from other
16 bonds issued by the City.

17 Section 5. Authentication and Registration of the Series 2019B Bonds. Each of
18 the Series 2019B Bonds shall be in fully registered form without coupons in
19 denominations of \$5,000 or any integral multiple of that amount. The officers of the City
20 are directed to cause the Series 2019B Bonds to be prepared in sufficient quantity for
21 delivery to or for the account of their purchaser and the Director, Controller’s Office of
22 Public Finance is directed to cause the blanks in the Series 2019B Bonds to be
23 completed in accordance with the Authorizing Resolution, this Resolution, and the Bond
24 Award or Purchase Contract (as defined below), to procure their execution by the
25 proper officers of the City (including by facsimile signature if necessary or convenient,

1 except that any signature for the Clerk of the Board of Supervisors shall be required to
2 be by manual signature) and authentication as provided in this Section, and to deliver
3 the Series 2019B Bonds when so executed and authenticated to the purchaser in
4 exchange for the purchase price, all in accordance with the Authorizing Resolution.

5 The Series 2019B Bonds and the certificate of authentication and registration, to
6 be manually executed by the Treasurer of the City or designee thereof (the "City
7 Treasurer"), and the form of assignment to appear on the Series 2019B Bonds shall be
8 substantially in the form attached as Exhibit A (a copy of which is on file with the Clerk
9 of the Board of Supervisors and which is declared to be a part of this Resolution as if
10 fully set forth in this Resolution), with necessary or appropriate variations, omissions
11 and insertions as permitted or required by this Resolution.

12 Only Series 2019B Bonds bearing a certificate of authentication and registration
13 executed by the City Treasurer shall be valid or obligatory for any purpose or entitled to
14 the benefits of the Authorizing Resolution and this Resolution, and such certificate of the
15 City Treasurer, executed as provided in this Resolution, shall be conclusive evidence
16 that the Series 2019B Bonds so authenticated have been duly authenticated and
17 delivered under, and are entitled to the benefits of, the Authorizing Resolution and this
18 Resolution.

19 The Controller shall assign a distinctive letter, or number, or letter and number to
20 each Series 2019B Bond authenticated and registered by the City Treasurer and shall
21 maintain a record thereof which shall be available for inspection.

22 Section 6. Registration Books. The City Treasurer shall keep or cause to be
23 kept, at the office of the City Treasurer or at the designated office of any registrar
24 appointed by the City Treasurer, separate and sufficient books for the registration and
25 transfer of Series 2019B Bonds, which books shall at all times be open to inspection,

1 and upon presentation for such purpose, the City Treasurer shall, under such
2 reasonable regulations as he or she may prescribe, register or transfer or cause to be
3 registered or transferred, on such books, Series 2019B Bonds as provided in this
4 Resolution. The City and the City Treasurer may treat the registered owner of each
5 Series 2019B Bond as its absolute owner for all purposes, and the City and the City
6 Treasurer shall not be affected by any notice to the contrary.

7 Section 7. Transfer or Exchange of Series 2019B Bonds. Any Series 2019B
8 Bond may, in accordance with its terms, be transferred upon the books required to be
9 kept pursuant to the provisions of Section 6, by the person in whose name it is
10 registered, in person or by the duly authorized attorney of such person in writing, upon
11 surrender of such Series 2019B Bond for cancellation, accompanied by delivery of a
12 duly executed written instrument of transfer in a form approved by the City Treasurer.

13 Any Series 2019B Bond may be exchanged at the office of the City Treasurer for
14 a like aggregate principal amount of other authorized denominations of the same
15 interest rate and maturity.

16 Whenever any Series 2019B Bond shall be surrendered for transfer or exchange,
17 the designated City officials shall execute (as provided in Section 5) and the City
18 Treasurer shall authenticate and deliver a new Series 2019B Bond of the same interest
19 rate and maturity in a like aggregate principal amount. The City Treasurer shall require
20 the payment by any bond owner requesting any such transfer of any tax or other
21 governmental charge required to be paid with respect to such transfer or exchange.

22 No transfer or exchange of Series 2019B Bonds shall be required to be made by
23 the City Treasurer during the period from the Record Date (as defined in Section 8(b))
24 next preceding each interest payment date to such interest payment date or after a
25 notice of redemption shall have been mailed with respect to such Series 2019B Bonds.

1 Section 8. Terms of the Series 2019B Bonds; General Redemption Provisions.

2 (a) Date of the Series 2019B Bonds. The Series 2019B Bonds shall be
3 dated the date of their delivery or such other date (the “Dated Date”) as is
4 specified in the Bond Award or the Purchase Contract.

5 (b) Payment of the Series 2019B Bonds. The principal of the
6 Series 2019B Bonds shall be payable in lawful money of the United States of
7 America to their owners, upon surrender at maturity or earlier redemption at the
8 office of the City Treasurer. The interest on the Series 2019B Bonds shall be
9 payable in like lawful money to the person whose name appears on the bond
10 registration books of the City Treasurer as the owner as of the close of business
11 on the last day of the month immediately preceding an interest payment date (the
12 “Record Date”), whether or not such day is a Business Day (as defined below).

13 Except as may be otherwise provided in connection with any book-entry-
14 only system applicable to the Series 2019B Bonds, payment of the interest on
15 any Series 2019B Bond shall be made by check mailed on the interest payment
16 date to such owner at such owner’s address as it appears on the registration
17 books as of the Record Date; provided, that if any interest payment date occurs
18 on a day that banks in California or New York are closed for business or the New
19 York Stock Exchange is closed for business, then such payment shall be made
20 on the next succeeding day that banks in both California and New York are open
21 for business and the New York Stock Exchange is open for business (each, a
22 “Business Day”); and provided, further, that the registered owner of an aggregate
23 principal amount of at least \$1,000,000 of Series 2019B Bonds may submit a
24 written request to the City Treasurer on or before a Record Date preceding an
25 interest payment date for payment of interest on the next succeeding interest

1 payment date and thereafter by wire transfer to a commercial bank located within
2 the United States of America.

3 For so long as any Series 2019B Bonds are held in book-entry form by a
4 securities depository selected by the City pursuant to Section 11, payment shall
5 be made to the registered owner of the Series 2019B Bonds designated by such
6 securities depository by wire transfer of immediately available funds.

7 (c) Interest on the Series 2019B Bonds. The Series 2019B Bonds
8 shall bear interest at rates to be determined upon the sale of the Series 2019B
9 Bonds, calculated on the basis of a 360-day year comprised of twelve 30-day
10 months, payable on December 15, 2019 (or such other date as may be
11 designated in the Bond Award or Purchase Contract), and semiannually
12 thereafter on June 15 and December 15 of each year. Each Series 2019B
13 Bonds shall bear interest from the interest payment date next preceding the date
14 of its authentication unless it is authenticated as of a day during the period from
15 the Record Date next preceding any interest payment date to the interest
16 payment date, inclusive, in which event it shall bear interest from such interest
17 payment date, or unless it is authenticated on or before the first Record Date, in
18 which event it shall bear interest from the Dated Date; provided, that if, at the
19 time of authentication of any Series 2019B Bond, interest is in default on the
20 Series 2019B Bonds, such Series 2019B Bond shall bear interest from the
21 interest payment date to which interest has previously been paid or made
22 available for payment on the Series 2019B Bonds or from the Dated Date if the
23 first interest payment is not made.

1 (d) Optional Redemption. The Series 2019B Bonds shall be subject to
2 optional redemption prior to maturity as shall be provided in the Official Notice of
3 Sale or the Purchase Contract, as applicable.

4 (e) Mandatory Redemption. The Series 2019B Bonds shall be subject
5 to mandatory redemption as shall be designated by the purchaser pursuant to
6 the terms of the Official Notice of Sale or as designated in the Purchase
7 Contract, as applicable.

8 The principal of and interest on the Series 2019B Bonds subject to
9 mandatory redemption shall be paid from the Series 2019B Bond Subaccount
10 established in Section 9, pursuant to Section 9. In lieu of any such mandatory
11 redemption for Series 2019B Bonds, at any time prior to the selection of Series
12 2019B Bonds for mandatory redemption, the City may apply amounts on deposit
13 in the Series 2019B Bond Subaccount to make such payment to the purchase, at
14 public or private sale, of Series 2019B Bonds subject to such mandatory
15 redemption, and when and at such prices not in excess of the principal amount
16 thereof (including sales commission and other charges but excluding accrued
17 interest), as the City may determine.

18 (f) Selection of Series 2019B Bonds for Redemption. Whenever less
19 than all of the outstanding Series 2019B Bonds are called for redemption on any
20 date, the Director of Public Finance will select the maturities of the Series 2019B
21 Bonds to be redeemed in the sole discretion of the Director of Public Finance.
22 Whenever less than all of the outstanding Series 2019B Bonds maturing on any
23 one date are called for redemption, the manner of selection of the portion of such
24 Series 2019B Bonds called for redemption shall be as specified in the Official
25 Statement for the Series 2019B Bonds.

1 (g) Notice of Redemption. The date on which Series 2019B Bonds that
2 are called for redemption are to be presented for redemption is called the
3 “Redemption Date.” The City Treasurer shall mail, or cause to be mailed, notice
4 of any redemption of Series 2019B Bonds, postage prepaid, to the respective
5 registered owners at the addresses appearing on the bond registration books not
6 less than 20 nor more than 60 days prior to the Redemption Date. The notice of
7 redemption shall: (i) state the Redemption Date; (ii) state the redemption price;
8 (iii) state the maturity dates of the Series 2019B Bonds to be redeemed and, if
9 less than all of any such maturity is called for redemption, the distinctive numbers
10 of the Series 2019B Bonds of such maturity to be redeemed, and in the case of
11 any Series 2019B Bonds to be redeemed in part only, the respective portions of
12 the principal amount to be redeemed; (iv) state the CUSIP number, if any, of
13 each Series 2019B Bond to be redeemed; (v) require that such Series 2019B
14 Bonds be surrendered by the owners at the office of the City Treasurer or his or
15 her agent; and (vi) give notice that interest on such Series 2019B Bonds or
16 portions of Series 2019B Bonds to be redeemed will cease to accrue after the
17 Redemption Date. Notice of optional redemption may be conditional upon
18 receipt of funds or other event specified in the notice of redemption as provided
19 in Section 8(j) below.

20 The actual receipt by the owner of any Series 2019B Bond of notice of
21 such redemption shall not be a condition precedent to redemption, and failure to
22 receive such notice, or any defect in such notice so mailed, shall not affect the
23 validity of the proceedings for the redemption of such Series 2019B Bonds or the
24 cessation of accrual of interest on such Series 2019B Bonds on the Redemption
25 Date. Notice of redemption also shall be given, or caused to be given by the City

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

8 The notice or notices required for redemption shall be given by the City
9 Treasurer or any agent appointed by the City. A certificate of the City Treasurer
10 or such other appointed agent of the City that notice of redemption has been
11 given to the owner of any Series 2019B Bond to be redeemed in accordance with
12 this Resolution shall be conclusive against all parties.

13 (h) Series 2019B Redemption Account. At the time the Director of
14 Public Finance determines to optionally call and redeem any of the Series 2019B
15 Bonds, the Controller or his or her agent shall establish a redemption account to
16 be described or known as the "General Obligation Bonds, Series 2019B
17 Redemption Account" (the "Series 2019B Redemption Account"), and prior to or
18 on the Redemption Date there must be set aside in the Series 2019B
19 Redemption Account moneys available for the purpose and sufficient to redeem,
20 as provided in this Resolution, the Series 2019B Bonds designated in such notice
21 of redemption, subject to the provisions of Section 8(j) below. Such moneys
22 must be set aside in the Series 2019B Redemption Account solely for the
23 purpose of, and shall be applied on or after the Redemption Date to, payment of
24 the redemption price of the Series 2019B Bonds to be redeemed upon
25 presentation and surrender of such Series 2019B Bonds. Any interest due on or

1 prior to the Redemption Date may be paid from the Series 2019B Bond
2 Subaccount as provided in Section 9 or from the Series 2019B Redemption
3 Account. Moneys held from time to time in the Series 2019B Redemption
4 Account shall be invested by the City Treasurer pursuant to the City's policies
5 and guidelines for investment of moneys in the general fund (the "General Fund")
6 of the City. If, after all of the Series 2019B Bonds have been redeemed and
7 canceled or paid and canceled, there are moneys remaining in the Series 2019B
8 Redemption Account, such moneys shall be transferred to the General Fund of
9 the City or to such other fund or account as required by applicable law; provided,
10 that if such moneys are part of the proceeds of refunding bonds, such moneys
11 shall be transferred pursuant to the resolution authorizing such refunding bonds.

12 (i) Effect of Redemption. When notice of optional redemption has
13 been given substantially as provided in this Resolution, and when the amount
14 necessary for the redemption of the Series 2019B Bonds called for redemption
15 (principal, premium, if any, and accrued interest to such Redemption Date) is set
16 aside for that purpose in the Series 2019B Redemption Account, the Series
17 2019B Bonds designated for redemption shall become due and payable on the
18 Redemption Date, and upon presentation and surrender of such Series 2019B
19 Bonds at the place specified in the notice of redemption, such Series 2019B
20 Bonds shall be redeemed and paid at the redemption price out of the Series
21 2019B Redemption Account. No interest will accrue on such Series 2019B
22 Bonds called for redemption after the Redemption Date and the registered
23 owners of such Series 2019B Bonds shall look for payment of such Series 2019B
24 Bonds only to the Series 2019B Redemption Account. All Series 2019B Bonds

1 redeemed shall be canceled immediately by the City Treasurer and shall not be
2 reissued.

3 (j) Conditional Notice of Redemption; Rescission of Redemption. Any
4 notice of optional redemption given as provided in Section 8(g) may provide that
5 such redemption is conditioned upon: (i) deposit in the Series 2019B Redemption
6 Account of sufficient moneys to redeem the Series 2019B Bonds called for
7 optional redemption on the anticipated Redemption Date, or (ii) the occurrence of
8 any other event specified in the notice of redemption. If conditional notice of
9 redemption has been given substantially as provided in this clause, and on the
10 scheduled Redemption Date (A) sufficient moneys to redeem the Series 2019B
11 Bonds called for optional redemption on the Redemption Date have not been
12 deposited in the Series 2019B Redemption Account, or (B) any other event
13 specified in the notice of redemption as a condition to the redemption has not
14 occurred, then (1) the Series 2019B Bonds for which conditional notice of
15 redemption was given shall not be redeemed on the anticipated Redemption
16 Date and shall remain outstanding for all purposes of this Resolution, and (2) the
17 redemption not occurring shall not constitute a default under this Resolution or
18 the Authorizing Resolution.

19 The City may rescind any optional redemption and notice of it for any
20 reason on any date prior to any Redemption Date by causing written notice of the
21 rescission to be given to the owners of all Series 2019B Bonds so called for
22 redemption. Notice of any such rescission of redemption shall be given in the
23 same manner notice of redemption was originally given.

24 The actual receipt by the owner of any Series 2019B Bond of notice of
25 such rescission shall not be a condition precedent to rescission, and failure to

1 receive such notice or any defect in such notice so mailed shall not affect the
2 validity of the rescission.

3 Section 9. Series 2019B Bond Subaccount. There is established with the City
4 Treasurer a special subaccount in the General Obligation Bonds (Embarcadero Seawall
5 Earthquake Safety, Series 2019B) Bond Account (the "Bond Account") created pursuant
6 to the Authorizing Resolution to be designated as the "General Obligation Bonds, Series
7 2019B Bond Subaccount" (the "Series 2019B Bond Subaccount"), to be held separate
8 and apart from all other accounts of the City. All interest earned on amounts on deposit
9 in the Series 2019B Bond Subaccount shall be retained in the Series 2019B Bond
10 Subaccount.

11 On or prior to the date on which any payment of principal of or interest on the
12 Series 2019B Bonds is due, including any Series 2019B Bonds subject to mandatory
13 redemption on such date, the City Treasurer shall allocate to and deposit in the Series
14 2019B Bond Subaccount, from amounts held in the Bond Account, an amount which,
15 when added to any available moneys contained in the Series 2019B Bond Subaccount,
16 is sufficient to pay principal of and interest on the Series 2019B Bonds on such date.

17 On or prior to the date on which any Series 2019B Bonds are to be redeemed at
18 the option of the City pursuant to this Resolution, the City Treasurer may allocate to and
19 deposit in the Series 2019B Redemption Account, from amounts held in the Bond
20 Account pursuant to Section 8 of the Authorizing Resolution, an amount which, when
21 added to any available moneys contained in the Series 2019B Redemption Account, is
22 sufficient to pay principal, interest and premium, if any, with respect to such Series
23 2019B Bonds on such date. The City Treasurer may make such other provision for the
24 payment of principal of and interest and any redemption premium on the Series 2019B

1 Bonds as is necessary or convenient to permit the optional redemption of the
2 Series 2019B Bonds.

3 Amounts in the Series 2019B 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 2019B
6 Bond Subaccount with other City moneys, or (b) deposit amounts credited to the Series
7 2019B Bond Subaccount into a separate fund or funds for investment purposes only;
8 provided, that all of the moneys held in the Series 2019B Bond Subaccount shall be
9 accounted for separately notwithstanding any such commingling or separate deposit by
10 the City Treasurer.

11 Section 10. Appointment of Depositories and Other Agents. The City Treasurer
12 is authorized and directed to appoint one or more depositories as he or she may deem
13 desirable and the procedures set forth in Section 6, Section 7 and Section 8 relating to
14 registration of ownership of the Series 2019B Bonds and payments and redemption
15 notices to owners of the Series 2019B Bonds may be modified to comply with the
16 policies and procedures of such depository. The City will not have any responsibility or
17 obligation to any purchaser of a beneficial ownership interest in any Series 2019B
18 Bonds or to any participants in such a depository with respect to (a) the accuracy of any
19 records maintained by such securities depository or any participant therein; (b) any
20 notice that is permitted or required to be given to the owners of Series 2019B Bonds
21 under this Resolution; (c) the selection by such securities depository or any participant
22 therein of any person to receive payment in the event of a partial redemption of Series
23 2019B Bonds; (d) the payment by such securities depository or any participant therein
24 of any amount with respect to the principal or redemption premium, if any, or interest

1 due with respect to Series 2019B Bonds; (e) any consent given or other action taken by
2 such securities depository as the owner of Series 2019B Bonds; or (f) any other matter.

3 The Depository Trust Company ("DTC") is appointed as depository for the Series
4 2019B Bonds. The Series 2019B Bonds shall be initially issued in book-entry form.
5 Upon initial issuance, the ownership of each Series 2019B 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 2019B Bond is registered in book-entry form, each Series 2019B 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 2019B 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 11. Defeasance Provisions. Payment of all or any portion of the Series
20 2019B Bonds may be provided for prior to such Series 2019B 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 2019B Bonds or a portion thereof, and all unpaid interest thereon to

1 maturity, except that in the case of Series 2019B Bonds which are to be
2 redeemed prior to such Series 2019B Bonds' respective stated maturities and in
3 respect of which notice of such redemption shall have been given as provided in
4 Section 8 hereof or an irrevocable election to give such notice shall have been
5 made by the City, the amount to be deposited shall be the principal amount
6 thereof, all unpaid interest thereon to the Redemption Date, and any premium
7 due on such Redemption Date; or

8 (b) Defeasance Securities (as herein defined) not subject to call,
9 except as provided below in the definition thereof, maturing and paying interest at
10 such times and in such amounts; together with interest earnings and cash, if
11 required, as will, without reinvestment, as certified by an independent certified
12 public accountant, be fully sufficient to pay the principal and all unpaid interest to
13 maturity, or to the Redemption Date, as the case may be, and any premium due
14 on the Series 2019B Bonds to be paid or redeemed, as such principal and
15 interest come due; provided, that, in the case of the Series 2019B Bonds which
16 are to be redeemed prior to maturity, notice of such redemption shall be given as
17 provided in Section 8 hereof or an irrevocable election to give such notice shall
18 have been made by the City; then, all obligations of the City with respect to such
19 outstanding Series 2019B Bonds shall cease and terminate, except only the tax
20 covenants under Section 26 and the obligation of the City to pay or cause to be
21 paid from the funds deposited pursuant to clause (a) or (b) of this Section 12, to
22 the owners of such Series 2019B Bonds all sums due with respect thereto; and
23 provided further, that the City shall have received an opinion of nationally
24 recognized bond counsel, that provision for the payment of such Series 2019B
25 Bonds has been made in accordance with this Section 12.

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

4 (i) United States Obligations (as defined below); and

5 (ii) Pre-refunded fixed interest rate municipal obligations

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

23 For purposes of this Section 12, "United States Obligations" means (i) direct and
24 general obligations of the United States of America, or obligations that are
25 unconditionally guaranteed as to principal and interest by the United States of America,

1 including, without limitation, the interest component of Resolution Funding Corporation
2 (“REFCORP”) bonds that have been stripped by request to the Federal Reserve Bank
3 of New York in book-entry form or (ii) any security issued by an agency or
4 instrumentality of the United States of America that is selected by the Director of Public
5 Finance that results in the escrow fund being rated by any two Rating Agencies, at the
6 time of the initial deposit to the escrow fund and upon any substitution or subsequent
7 deposit to the escrow fund, not lower than the rating then maintained by the respective
8 Rating Agency on United States Obligations described in clause (i) above.

9 For purposes of this Section 12, “Rating Agencies” shall mean Moody’s Investors
10 Service, Fitch Ratings, and S&P Global Ratings, or any other nationally-recognized
11 bond rating agency that is the successor to any of the foregoing rating agencies or that
12 is otherwise established after the date hereof.

13 Section 12. Sale of Series 2019B Bonds By Competitive or Negotiated Sale.

14 The Board of Supervisors authorizes the sale of the Series 2019B Bonds by solicitation
15 of competitive bids or by negotiated sale to one or more underwriters to be appointed in
16 accordance with City policies, if so determined by the Director of Public Finance.

17 Section 13. Official Notice of Sale; Receipt of Bids; Bond Award.

18 (a) Official Notice of Sale. The form of proposed Official Notice of Sale
19 inviting bids for the Series 2019B Bonds (the “Official Notice of Sale”) submitted
20 to the Board of Supervisors is approved and adopted as the Official Notice of
21 Sale inviting bids for the Series 2019B Bonds, with such changes, additions and
22 modifications as may be made in accordance with Section 20. The Director of
23 Public Finance is authorized and directed to cause to be mailed or otherwise
24 circulated to prospective bidders for the Series 2019B Bonds copies of the

1 Official Notice of Sale, subject to such corrections, revisions or additions as may
2 be acceptable to the Director of Public Finance.

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

5 (c) Bond Award. As provided in the Official Notice of Sale, the City
6 may reject any and all bids received for any reason. The Controller is authorized
7 to award the Series 2019B Bonds to the responsible bidder whose bid (i) is timely
8 received and conforms to the Official Notice of Sale, except to the extent
9 informalities and irregularities are waived by the City as permitted by the Official
10 Notice of Sale; and (ii) represents the lowest true interest cost to the City in
11 accordance with the procedures described in the Official Notice of Sale. The
12 award, if made, shall be set forth in a certificate signed by the Controller setting
13 forth the terms of the Series 2019B Bonds and the original purchasers (the "Bond
14 Award"). The Controller shall provide a copy of the Bond Award as soon as
15 practicable to the Clerk of the Board of Supervisors and the Director of Public
16 Finance; provided, that failure to provide such copy shall not affect the validity of
17 the Bond Award.

18 Section 14. Publication of Notice of Intention to Sell Bonds. The form of
19 proposed Notice of Intention to Sell the Series 2019B Bonds (the "Notice of Intention to
20 Sell Bonds") submitted to the Board of Supervisors is approved and adopted as the
21 Notice of Intention to Sell the Series 2019B Bonds, and the Director of Public Finance is
22 authorized and directed to cause the Notice of Intention to Sell Bonds, subject to such
23 corrections, revisions or additions as may be made in accordance with Section 20, to be
24 published once in *The Bond Buyer* or another financial publication generally circulated
25 throughout the State of California meeting the requirements of Section 53692 of the

1 Government Code at least five (5) days prior to the date fixed for receipt of sealed
2 proposals for the Series 2019B Bonds, or as otherwise set forth in Section 53692 of the
3 Government Code.

4 Section 15. Authorization of Negotiated Sale; Authorization to Select
5 Underwriters; Form of Purchase Contract Approval. The Controller, in consultation with
6 the Director of Public Finance, is hereby authorized to conduct the sale of the Series
7 2019B Bonds by negotiated sale pursuant to one or more Purchase Contracts (each, a
8 "Purchase Contract"), each by and between the City and the underwriter(s) named
9 therein (the "Underwriters"), if the Controller determines that such manner of sale is in
10 the best financial interest of the City, such determination to be conclusively evidenced
11 by the execution and delivery of such Purchase Contract as hereinafter approved. The
12 form of such Purchase Contract as presented to this Board of Supervisors, a copy of
13 which is on file with the Clerk of the Board of Supervisors, is hereby approved. The
14 Controller or the Director of Public Finance is hereby authorized to execute such
15 Purchase Contract with such changes, additions and modifications as the Controller or
16 the Director of Public Finance may make or approve in accordance with Section 20
17 hereof; provided however, that the Underwriters' discount under any such Purchase
18 Contract shall not exceed 2.0% of the principal amount of the Series 2019B Bonds. In
19 order to facilitate the sale of the Series 2019B Bonds by negotiated sale, the Controller
20 or the Director of Public Finance is hereby authorized and directed to appoint one or
21 more financial institutions to act as underwriter for the Series 2019B Bonds in
22 accordance with City policies and procedures, including, but not limited to, the City's
23 policy to provide locally disadvantaged minority business enterprises and women
24 enterprises an equal opportunity to participate in the performance of all City contracts.

1 Section 16. Disposition of Proceeds of Sale. The proceeds of sale of the Series
2 2019B Bonds shall be applied by the City Treasurer as follows: (a) accrued interest, if
3 any, shall be deposited into the Series 2019B Bond Subaccount; (b) premium, if any,
4 shall be deposited into the Series 2019B Bond Subaccount in such amount not to
5 exceed three years of interest on the Series 2019B Bonds; and (c) remaining proceeds
6 of sale shall be deposited into the Series 2019B Project Subaccount.

7 Section 17. Preliminary Official Statement and Official Statement. The form of
8 proposed Preliminary Official Statement describing the Series 2019B Bonds (the
9 “Preliminary Official Statement”) submitted to the Board of Supervisors is approved and
10 adopted as the Preliminary Official Statement describing the Series 2019B Bonds, with
11 such additions, corrections and revisions as may be determined to be necessary or
12 desirable made in accordance with Section 20. The Controller is authorized to cause
13 the distribution of a Preliminary Official Statement deemed final for purposes of
14 Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities
15 Exchange Act of 1934, as amended (the “Rule”), and to sign a certificate to that effect.
16 The Director of Public Finance is authorized and directed to cause to be printed and
17 mailed or electronically distributed to prospective bidders for the Series 2019B Bonds
18 the Preliminary Official Statement in substantially the form of the Preliminary Official
19 Statement approved and adopted by this Resolution, as completed, supplemented,
20 corrected or revised. The Controller is authorized and directed to approve, execute,
21 and deliver the final Official Statement with respect to the Series 2019B Bonds, which
22 final Official Statement shall be in the form of the Preliminary Official Statement, with
23 such additions, corrections and revisions as may be determined to be necessary or
24 desirable made in accordance with Section 20 and as are permitted under the Rule.
25 The Director of Public Finance is authorized and directed to cause to be printed and

1 mailed or electronically distributed the final Official Statement to all actual initial
2 purchasers of the Series 2019B Bonds.

3 Section 18. Continuing Disclosure Certificate. The form of Continuing
4 Disclosure Certificate (the "Continuing Disclosure Certificate"), to be signed by the City
5 to permit the original purchasers of the Series 2019B Bonds to comply with the Rule,
6 submitted to the Board of Supervisors is approved and adopted as the Continuing
7 Disclosure Certificate, with such additions, corrections and revisions as may be
8 determined to be necessary or desirable made in accordance with Section 20. The
9 Controller is authorized and directed to execute the Continuing Disclosure Certificate on
10 behalf of the City and deliver the Continuing Disclosure Certificate to the original
11 purchasers of the Series 2019B Bonds.

12 Section 19. Modification to Documents. Any City official authorized by this
13 Resolution to execute any document is further authorized, in consultation with the City
14 Attorney and co-bond counsel, to approve and make such changes, additions,
15 amendments or modifications to the document or documents such official is authorized
16 to execute as may be necessary or advisable (provided, that such changes, additions,
17 amendments or modifications shall not authorize an aggregate principal amount of
18 Series 2019B Bonds in excess of \$50,000,000 or conflict with the provisions of
19 Section 4). The approval of any change, addition, amendment or modification to any of
20 the aforementioned documents shall be evidenced conclusively by the execution and
21 delivery of the document in question.

22 Section 20. Ratification. All actions previously taken by officials, employees and
23 agents of the City with respect to the sale and issuance of the Series 2019B Bonds,
24 consistent with any documents presented and this Resolution, are approved, confirmed
25 and ratified.

1 Section 21. Relationship to Authorizing Resolution. In the event of any conflict
2 between this Resolution and the Authorizing Resolution, the terms of this Resolution
3 shall control. Without limiting the foregoing and notwithstanding the provisions of the
4 Authorizing Resolution, the City is not obligated to transfer money from the General
5 Fund of the City to the Bond Account to pay the principal of or interest on the Series
6 2019B Bonds.

7 Section 22. Accountability Reports. The Series 2019B Bonds are subject to
8 accountability requirements under the Administrative Code and the Bond Ordinance.
9 The deadline for submission of the Accountability report(s) under Administrative Code
10 Sections 2.71(a) and 2.71(b) are hereby waived with respect to the Series 2019B
11 Bonds. Accountability report(s) with respect to the Series 2019B Bonds shall be
12 submitted in all other respects in the manner required by the Administrative Code and
13 the Bond Ordinance.

14 Section 23. Citizens' Oversight Committee. The Series 2019B Bonds are
15 subject to, and incorporate by reference, the applicable provisions of the San Francisco
16 Administrative Code Sections 5.30-5.36 (the "Citizens' General Obligation Bond
17 Oversight Committee"), and, to the extent permitted by law, one-tenth of one percent
18 (0.1%) of the gross proceeds of the Series 2019B Bonds shall be deposited into a fund
19 established by the Controller's Office and appropriated by the Board of Supervisors at
20 the direction of the Citizens' General Obligation Bond Oversight Committee to cover the
21 costs of such committee.

22 Section 24. CEQA Determination. The Board of Supervisors hereby reaffirms
23 and incorporates by reference the CEQA findings and determinations set forth in the
24 Bond Ordinance as if set forth in full herein. The use of bond proceeds to finance any
25 identified project or portion of any identified project with bond proceeds will be subject,

1 as necessary, to approval of the Board of Supervisors upon completion of any planning
2 and any further required environmental review under CEQA for the individual facilities
3 and projects.

4 Section 25. Covenants to Maintain Tax-Exempt Status.

5 (a) Definitions. When used in this Section, the following terms have
6 the following meanings:

7 “*Closing Date*” means the date on which the Series 2019B Bonds are first
8 authenticated and delivered to the initial purchasers against payment therefor.

9 “*Code*” means the Internal Revenue Code of 1986, as amended by all
10 legislation, if any, effective on or before the Closing Date.

11 “*Computation Date*” has the meaning set forth in Section 1.148-1(b) of the
12 Regulations.

13 “*Final Computation Date*” has the meaning set forth in Section 1.148-
14 3(e)(2) of the Regulations.

15 “*Gross Proceeds*” means any proceeds as defined in Section 1.148-1(b) of
16 the Regulations, and any replacement proceeds as defined in Section 1.148-1(c)
17 of the Regulations, of the Series 2019B Bonds.

18 “*Investment*” has the meaning set forth in Section 1.148-1(b) of the
19 Regulations.

20 “*Nonpurpose Investment*” means any investment property, as defined in
21 Section 148(b) of the Code, in which Gross Proceeds of the Series 2019B Bonds
22 are invested and which is not acquired to carry out the governmental purposes of
23 the Series 2019B Bonds.

24 “*Rebate Amount*” has the meaning set forth in Section 1.148-1(b) of the
25 Regulations.

1 “*Regulations*” means any proposed, temporary, or final Income Tax
2 Regulations issued pursuant to Sections 103 and 141 through 150 of the Code,
3 and 103 of the Internal Revenue Code of 1954, which are applicable to the
4 Series 2019B Bonds. Any reference to any specific Regulation shall also mean,
5 as appropriate, any proposed, temporary or final Income Tax Regulation
6 designed to supplement, amend or replace the specific Regulation referenced.

7 “*Yield*” of:

8 (i) any Investment has the meaning set forth in Section 1.148-5
9 of the Regulations; and

10 (ii) the Series 2019B Bonds has the meaning set forth in
11 Section 1.148-4 of the Regulations.

12 (b) Not to Cause Interest to Become Taxable. The City shall not use,
13 permit the use of, or omit to use Gross Proceeds or any other amounts (or any
14 property the acquisition, construction or improvement of which is to be financed
15 directly or indirectly with Gross Proceeds) in a manner which if made or omitted,
16 respectively, would cause the interest on any Bond to become includable in the
17 gross income, as defined in Section 61 of the Code, of the owner thereof for
18 federal income tax purposes. Without limiting the generality of the foregoing,
19 unless and until the City receives a written opinion of counsel nationally
20 recognized in the field of municipal bond law to the effect that failure to comply
21 with such covenant will not adversely affect the exemption from federal income
22 tax of the interest on any Bond, the City shall comply with each of the specific
23 covenants in this Section.

1 (c) No Private Use or Private Payments. Except as permitted by
2 Section 141 of the Code and the Regulations and rulings thereunder, the City
3 shall at all times prior to the final payment on the Series 2019B Bonds:

4 (i) exclusively own, operate and possess all property, the
5 acquisition, construction or improvement of which is to be financed or
6 refinanced directly or indirectly with Gross Proceeds of the Series 2019B
7 Bonds, and not use or permit the use of such Gross Proceeds (including
8 all contractual arrangements with terms different than those applicable to
9 the general public) or any property acquired, constructed or improved with
10 such Gross Proceeds in any activity carried on by any person or entity
11 (including the United States or any agency, department and
12 instrumentality thereof) other than a state or local government, unless
13 such use is solely as a member of the general public; and

14 (ii) not directly or indirectly impose or accept any charge or
15 other payment by any person or entity who is treated as using Gross
16 Proceeds of the Series 2019B Bonds or any property the acquisition,
17 construction or improvement of which is to be financed or refinanced
18 directly or indirectly with such Gross Proceeds, other than taxes of general
19 application within the City or interest earned on investments acquired with
20 such Gross Proceeds pending application for their intended purposes.

21 (d) No Private Loan. Except to the extent permitted by Section 141 of
22 the Code and the Regulations and rulings thereunder, the City shall not use
23 Gross Proceeds of the Series 2019B Bonds to make or finance loans to any
24 person or entity other than a state or local government. For purposes of the
25 foregoing covenant, such Gross Proceeds are considered to be "loaned" to a

1 person or entity if: (i) property acquired, constructed or improved with such Gross
2 Proceeds is sold or leased to such person or entity in a transaction which creates
3 a debt for federal income tax purposes; (ii) capacity in or service from such
4 property is committed to such person or entity under a take-or-pay, output or
5 similar contract or arrangement; or (iii) indirect benefits, or burdens and benefits
6 of ownership, of such Gross Proceeds or any property acquired, constructed or
7 improved with such Gross Proceeds are otherwise transferred in a transaction
8 which is the economic equivalent of a loan.

9 (e) Not to Invest at Higher Yield. Except to the extent permitted by
10 Section 148 of the Code and the Regulations and rulings thereunder, the City
11 shall not at any time prior to the final stated maturity of the Series 2019B Bonds
12 directly or indirectly invest Gross Proceeds in any Investment, if as a result of
13 such investment the Yield of any Investment acquired with Gross Proceeds,
14 whether then held or previously disposed of, exceeds the Yield of the Series
15 2019B Bonds.

16 (f) Not Federally Guaranteed. Except to the extent permitted by
17 Section 149(b) of the Code and the Regulations and rulings thereunder, the City
18 shall not take or omit to take any action which would cause the Series 2019B
19 Bonds to be federally guaranteed within the meaning of Section 149(b) of the
20 Code and the Regulations and rulings thereunder.

21 (g) Information Report. The City shall timely file the information
22 required by Section 149(e) of the Code with the Secretary of the Treasury on
23 Form 8038-G or such other form and in such place as the Secretary may
24 prescribe.

1 (h) Rebate of Arbitrage Profits. Except to the extent otherwise
2 provided in Section 148(f) of the Code and the Regulations and rulings
3 thereunder:

4 (i) The City shall account for all Gross Proceeds (including all
5 receipts, expenditures and investments thereof) on its books of account
6 separately and apart from all other funds (and receipts, expenditures and
7 investments thereof) and shall retain all records of accounting for at least
8 six years after the day on which the last outstanding Bond is discharged.
9 However, to the extent permitted by law, the City may commingle Gross
10 Proceeds of the Series 2019B Bonds with other money of the City;
11 provided that the City separately accounts for each receipt and
12 expenditure of Gross Proceeds and the obligations acquired therewith.

13 (ii) Not less frequently than each Computation Date, the City
14 shall calculate the Rebate Amount in accordance with rules set forth in
15 Section 148(f) of the Code and the Regulations and rulings thereunder.
16 The City shall maintain such calculations with its official transcript of
17 proceedings relating to the issuance of the Series 2019B Bonds until six
18 years after the Final Computation Date.

19 (iii) As additional consideration for the purchase of the Series
20 2019B Bonds by the initial purchasers and the loan of the money
21 represented thereby and in order to induce such purchase by measures
22 designed to ensure the excludability of the interest thereon from gross
23 income for federal income tax purposes, the City shall pay to the United
24 States the amount that when added to the future value of previous rebate
25 payments made for the Series 2019B Bonds equals (i) in the case of a

1 Final Computation Date, 100% of the Rebate Amount on such date; and
2 (ii) in the case of any other Computation Date, 90% of the Rebate Amount
3 on such date. In all cases, the rebate payments shall be made at the
4 times, in the installments, to the place and in the manner as is or may be
5 required by Section 148(f) of the Code and the Regulations and rulings
6 thereunder, and shall be accompanied by Form 8038-T or such other
7 forms and information as is or may be required by Section 148(f) of the
8 Code and the Regulations and rulings thereunder.

9 (iv) The City shall exercise reasonable diligence to assure that
10 no errors are made in the calculations and payments required by
11 paragraphs (ii) and (iii), and if an error is made, to discover and promptly
12 correct such error within a reasonable amount of time thereafter (and in all
13 events within 180 days after discovery of the error), including payment to
14 the United States of any additional Rebate Amount owed to it, interest
15 thereon, and any penalty imposed under Section 1.148-3(h) of the
16 Regulations.

17 (i) Not to Divert Arbitrage Profits. Except to the extent permitted by
18 Section 148 of the Code and the Regulations and rulings thereunder, the City
19 shall not, at any time prior to the final payment on the Series 2019B Bonds, enter
20 into any transaction that reduces the amount required to be paid to the United
21 States pursuant to Section 26(h) above because such transaction results in a
22 smaller profit or a larger loss than would have resulted if the transaction had
23 been at arm's length and had the Yield of the Series 2019B Bonds not been
24 relevant to either party.

1 Section 26. General Authority. The Clerk of the Board of Supervisors, the
2 Mayor, the City Treasurer, the Director of Public Finance, the City Attorney and the
3 Controller are each authorized and directed in the name and on behalf of the City to
4 take any and all steps and to issue, deliver or enter into any and all certificates,
5 requisitions, agreements, notices, consents, and other documents as may be necessary
6 to give effect to the provisions of this Resolution, including but not limited to tax
7 compliance certificates and letters of representations to any depository or depositories,
8 which they or any of them might deem necessary or appropriate in order to
9 consummate the lawful issuance, sale and delivery of the Series 2019B Bonds. Any
10 such actions are solely intended to further the purposes of this Resolution, and are
11 subject in all respects to the terms of this Resolution. No such actions shall increase
12 the risk to the City or require the City to spend any resources not otherwise granted
13 herein. Final versions of any such documents shall be provided to the Clerk of the
14 Board of Supervisors for inclusion in the official file within 30 days (or as soon thereafter
15 as final documents are available) of execution by all parties.

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2 APPROVED AS TO FORM:

3 DENNIS J. HERRERA, City Attorney

4

5 By _____

6 KENNETH D. ROUX

7 Deputy City Attorney

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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 TAX-EXEMPT GENERAL OBLIGATION BONDS (EMBARCADERO SEAWALL EARTHQUAKE SAFETY, 2018) SERIES 2019B	

<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 assigns, on the Maturity Date specified above, the Principal Amount of this Bond specified above in lawful money of the United States of America, and to pay interest on the Principal Amount in like lawful money from the Interest Payment Date (as defined below) next

1 preceding the date of authentication of this Bond (unless this Bond is authenticated as of
2 the day during the period from the last day of the month immediately preceding any
3 Interest Payment Date (the "Record Date") to such Interest Payment Date, inclusive, in
4 which event it shall bear from such Interest Payment Date, or unless this Bond is
5 authenticated on or before _____, ____, in which event it shall bear interest from its
6 Dated Date (specified above) until payment of such Principal Amount, at the Interest Rate
7 per year specified above calculated on the basis of a 360-day year comprised of twelve
8 30-day months, payable on December 15, 2019 and semiannually thereafter on June 15
9 and December 15 in each year (each, an "Interest Payment Date"); *provided*, that if any
10 Interest Payment Date occurs on a day that banks in California or New York are closed
11 for business or the New York Stock Exchange is closed for business, then such payment
12 shall be made on the next succeeding day that banks in both California and New York
13 are open for business and the New York Stock Exchange is open for business (a
14 "Business Day"). The Principal Amount of this Bond is payable to the Registered Owner
15 of this Bond upon the surrender of this Bond at the office of the Treasurer of the City (the
16 "City Treasurer") in San Francisco, California. The interest on this Bond is payable to the
17 person whose name appears on the Bond registration books of the City Treasurer as the
18 Registered Owner of this Bond as of the close of business on the Record Date
19 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 the owner's address as it appears on such registration books;
22 *provided*, that the Registered Owner of Bonds in an aggregate principal amount of at least
23 \$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 by wire transfer to a
25 commercial bank located in the United States of America.

26 This Bond is one of a duly authorized issue of Bonds (the "Bonds") of like tenor
27 (except to such variations, if any, as may be required to designate varying numbers,
28 denominations, interest rates and maturities), in the aggregate principal amount of
29 \$_____, which is part of a bond authorization in the aggregate original principal
30 amount of \$425,000,000 authorized by the affirmative votes of more than two-thirds of
31 the voters voting at a special election duly and legally called, held and conducted in the

1 City on November 6, 2018 and is issued and sold by the City pursuant to and in strict
2 conformity with the provisions of the Constitution and laws of the State of California, the
3 Charter of the City and a Resolution of Necessity adopted by the Board of Supervisors of
4 the City (the "Board of Supervisors") on June 12, 2018, and duly approved by the Mayor
5 of the City on June 20, 2018, and Resolution No. _____, adopted by the Board of
6 Supervisors on _____, 2019 and duly approved by the Mayor of the City on
7 _____, 2019 (together with the related Certificate Awarding the Bonds and Fixing
8 Definitive Interest Rates for the Bonds, dated _____, 2019, the "Resolutions").

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

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

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

25 Bonds maturing on and before June 15, 20__, will not be subject to optional
26 redemption prior to their respective maturity dates. The Bonds maturing on or after June
27 15, 20__ will be subject to optional redemption prior to their respective stated maturity
28 dates, at the option of the City, from any source of available funds, as a whole or in part
29 on any date (with the maturities to be redeemed to be determined by the City and by lot
30 within a maturity), on or after June 15, 20__, at the redemption price equal to the principal
31 amount of the Bonds redeemed, together with accrued interest to the date fixed for

1 redemption, without premium. If less than all of the outstanding Bonds are to be
2 redeemed, they may be redeemed in any order of maturity as determined by the Director
3 of Finance. If less than all of the outstanding Bonds of a maturity are to be redeemed,
4 the Bonds or portions of Bonds of such maturity to be redeemed shall be selected Director
5 of Public Finance, in authorized denominations of \$5,000 or integral multiples of that
6 amount, from among Bonds of that maturity not previously called for redemption, by lot,
7 in any manner which the Director of Public Finance deems fair.

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

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

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

23 Official notice of redemption having been given as aforesaid, the Bonds or portions
24 of Bonds so to be redeemed shall, on the date fixed for redemption, become due and
25 payable at the redemption price therein specified, and from and after such date (unless
26 such redemption and notice of it shall have been rescinded or unless the City shall default
27 in the payment of the redemption price), such Bonds or portions of Bonds shall cease to
28 bear interest. Neither the failure to mail such redemption notice, nor any defect in any
29 notice so mailed, to any particular Registered Owner, shall affect the sufficiency of such
30 notice with respect to other Bonds.

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

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

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

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

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

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

25 The Board of Supervisors certifies, recites and declares that the total amount of
26 indebtedness of the City, including the amount of this Bond, is within the limit provided by
27 law, that all acts, conditions and things required by law to be done or performed precedent
28 to and in the issuance of this Bond have been done and performed in strict conformity
29 with the laws authorizing the issuance of this Bond, that this Bond is in the form prescribed
30 by order of the Board of Supervisors duly made and entered on its minutes, and the
31 money for the payment of principal of this Bond, and the payment of interest thereon,

1 shall be raised by taxation upon the taxable property of the City as provided in the
2 Resolutions.

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

6

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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