

1 [Sale of General Obligation Bonds (Health and Recovery, 2020) - Not to Exceed  
2 \$425,000,000]

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4 **Resolution authorizing the issuance and sale of not to exceed \$425,000,000 aggregate**  
5 **principal amount of one or more series of bonds on a tax-exempt or taxable basis of**  
6 **City and County of San Francisco General Obligation Bonds (Health and Recovery,**  
7 **2020), Series 2021D; prescribing the form and terms of such bonds and any subseries**  
8 **designation; providing for the appointment of depositories and other agents for such**  
9 **bonds; providing for the establishment of accounts and/or subaccounts related to such**  
10 **bonds; authorizing the sale of such bonds by competitive or negotiated sale;**  
11 **approving the forms of the Official Notice of Sale and Notice of Intention to Sell Bonds**  
12 **and 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 Statement**  
14 **and the execution of the Official Statement relating to the sale of such bonds;**  
15 **approving the form of the Continuing Disclosure Certificate; authorizing and approving**  
16 **modifications to such documents; ratifying certain actions previously taken, as defined**  
17 **herein; 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  
21 WHEREAS, By Resolution No. 317-20, adopted by the Board of Supervisors (“Board of  
22 Supervisors”) of the City and County of San Francisco (“City”) on July 14, 2020, and signed by  
23 the Mayor (“Mayor”) on July 23, 2020, it was determined and declared that public interest and  
24 necessity demand the acquisition or improvement of real property, including: facilities to  
25 house and/or deliver services for persons experiencing mental health challenges, substance

1 use disorder, and/or homelessness; parks, open space, and recreation facilities, including  
2 green and climate resilient infrastructure; and streets, curb ramps, street structures and  
3 plazas, and related costs necessary or convenient therein described (“Project”); and

4 WHEREAS, By Ordinance No. 116-20 passed by the Board of Supervisors on July 21,  
5 2020, and signed by the Mayor on July 23, 2020 (“Bond Ordinance”), the Board of  
6 Supervisors duly called a special election to be held on November 3, 2020 (“Bond Election”),  
7 for the purpose of submitting to the qualified voters of the City a proposition to incur bonded  
8 indebtedness of the City in the amount of \$487,500,000 to finance the Project, and such  
9 proposition was approved by two-thirds of the qualified voters of the City voting on such  
10 proposition, and declaration of such Bond Election results was made by the Board of  
11 Supervisors pursuant to Resolution No. 571-20 on December 8, 2020, and approved by the  
12 Mayor on December 18, 2020; and

13 WHEREAS, by Resolution No.\_\_\_\_, adopted by the Board of Supervisors on \_\_\_\_  
14 \_\_\_\_\_, 2021 and approved by the Mayor on \_\_\_\_\_, 2021 (“Authorizing  
15 Resolution”), the City was authorized to issue its General Obligation Bonds (Health and  
16 Recovery, 2020) in one or more series or subseries on a tax-exempt or taxable basis  
17 (collectively, “Bonds”) in the not-to-exceed amount of \$487,500,000; and

18 WHEREAS, it is necessary and desirable to issue the first series of the Bonds in one or  
19 more subseries on a tax-exempt or taxable basis, in an aggregate principal amount not to  
20 exceed \$425,000,000 (collectively, “Series 2021D Bonds”), to finance a portion of the costs of  
21 the Project; and

22 WHEREAS, the Series 2021D Bonds are being issued pursuant to the Authorizing  
23 Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the California Government  
24 Code (“Government Code”), the City Charter (“Charter”), the Bond Ordinances and the Bond  
25 Election; and

1           WHEREAS, pursuant to the applicable provisions of the San Francisco Administrative  
2 Code (“Administrative Code”) Sections 5.30-5.36, the Citizens’ General Obligation Bond  
3 Oversight Committee shall conduct an annual review of bond spending and shall provide an  
4 annual report on the management of the program to the Mayor and the Board of Supervisors,  
5 and, to the extent permitted by law, one tenth of one percent (0.1%) of the gross proceeds of  
6 the Series 2021D Bonds shall be deposited in a fund established by the Office of the City  
7 Controller (“Controller”) and appropriated by the Board of Supervisors at the direction of the  
8 Citizens’ General Obligation Bond Oversight Committee to cover the costs of such committee  
9 and its review process; and

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

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

13           Section 2. Conditions Precedent. All conditions, things and acts required by law to  
14 exist, to happen and to be performed precedent to and in connection with the issuance of the  
15 Series 2021D Bonds and any subseries thereof exist, have happened and have been  
16 performed in due time, form and manner in accordance with applicable law, and the City is  
17 now authorized pursuant to the Bond Election, the Authorizing Resolution, the Charter and  
18 applicable law to incur indebtedness in the manner and form provided in this Resolution.

19           Section 3. Documents. The documents presented to the Board of Supervisors and on  
20 file with the Clerk of the Board of Supervisors or designee thereof (“Clerk of the Board of  
21 Supervisors”) are contained in File No. \_\_\_\_\_.

22           Section 4. Issuance and Sale of Series 2021D Bonds; Determination of Certain Terms;  
23 Designation. The Board of Supervisors authorizes the issuance and sale of not to exceed  
24 \$425,000,000 in aggregate principal amount of Bonds to be designated as “City and County of  
25 San Francisco General Obligation Bonds (Health and Recovery, 2020) Series 2021D [and any

1 subseries designation],” for the purposes set forth in the Bond Ordinances and Proposition A  
2 approved by the voters at the Bond Election.

3 The City Director of Public Finance or a designee thereof (“Director of Public Finance”)  
4 is authorized to determine, for the Series 2021D Bonds, the sale date, the interest rates, the  
5 definitive principal amount, the maturity dates and the redemption dates, if any, and the terms  
6 of any optional or mandatory redemption, subject to the other specific provisions of this  
7 Resolution, including the following terms and conditions: (a) the Series 2021D Bonds shall not  
8 have a true interest cost (as such term is defined in the Official Notice of Sale (as defined in  
9 Section 13) for the Series 2021D Bonds) in excess of 12%; and (b) the Series 2021D Bonds  
10 may have a duration up to 30 years from their date of issuance. The Director of Public  
11 Finance is further authorized to give the Series 2021D Bonds such additional or other series  
12 or subseries designation, or to modify such series or subseries designation, as may be  
13 necessary or appropriate to distinguish the Series 2021D Bonds and any subseries thereof  
14 from every other series or subseries of Bonds and from other bonds issued by the City, and in  
15 the event the Series 2021D Bonds shall consist of multiple series of subseries, there may be  
16 one or more maturities in the first year following the issuance of the Series 2021D Bonds,  
17 which maturity dates may be determined by the Director of Public Finance.

18 Section 5. Authentication and Registration of the Series 2021D Bonds. Each of the  
19 Series 2021D Bonds shall be in fully registered form without coupons in denominations of  
20 \$5,000 or any integral multiple of that amount. The officers of the City are directed to cause  
21 the Series 2021D Bonds to be prepared in sufficient quantity for delivery to or for the account  
22 of their purchaser and the Controller or the Director of Public Finance is directed to cause the  
23 blanks in the Series 2021D Bonds to be completed in accordance with the Authorizing  
24 Resolution, this Resolution, and the Bond Award or Purchase Contract (each as defined  
25 below), to procure their execution by the proper officers of the City (including by facsimile

1 signature if necessary or convenient, except that any signature for the Clerk of the Board of  
2 Supervisors shall be required to be by manual signature) and authentication as provided in  
3 this Section, and to deliver the Series 2021D Bonds when so executed and authenticated to  
4 the purchaser in exchange for the purchase price, all in accordance with the Authorizing  
5 Resolution.

6 The Series 2021D Bonds and the certificate of authentication and registration, to be  
7 manually executed by the City Treasurer or designee thereof ("City Treasurer"), and the form  
8 of assignment to appear on the Series 2021D Bonds shall be substantially in the form  
9 attached as Exhibit A (a copy of which is on file with the Clerk of the Board of Supervisors and  
10 which is declared to be a part of this Resolution as if fully set forth in this Resolution), with  
11 necessary or appropriate variations, omissions and insertions as permitted or required by this  
12 Resolution.

13 Only Series 2021D Bonds bearing a certificate of authentication and registration  
14 executed by the City Treasurer shall be valid or obligatory for any purpose or entitled to the  
15 benefits of the Authorizing Resolution and this Resolution, and such certificate of the City  
16 Treasurer, executed as provided in this Resolution, shall be conclusive evidence that the  
17 Series 2021D Bonds so authenticated have been duly authenticated and delivered under, and  
18 are entitled to the benefits of, the Authorizing Resolution and this Resolution.

19 The Controller shall assign a distinctive letter, or number, or letter and number to each  
20 Series 2021D Bond authenticated and registered by the City Treasurer and shall maintain a  
21 record thereof which shall be available for inspection.

22 Section 6. Registration Books. The City Treasurer shall keep or cause to be kept, at  
23 the office of the City Treasurer or at the designated office of any registrar appointed by the  
24 City Treasurer, separate and sufficient books for the registration and transfer of Series 2021D  
25 Bonds, which books shall at all times be open to inspection, and upon presentation for such

1 purpose, the City Treasurer shall, under such reasonable regulations as he or she may  
2 prescribe, register or transfer or cause to be registered or transferred, on such books, Series  
3 2021D Bonds as provided in this Resolution. The City and the City Treasurer may treat the  
4 registered owner of each Series 2021D Bond as its absolute owner for all purposes, and the  
5 City and the City Treasurer shall not be affected by any notice to the contrary.

6 Section 7. Transfer or Exchange of Series 2021D Bonds. Any Series 2021D Bond  
7 may, in accordance with its terms, be transferred upon the books required to be kept pursuant  
8 to the provisions of Section 6, by the person in whose name it is registered, in person or by  
9 the duly authorized attorney of such person in writing, upon surrender of such Series 2021D  
10 Bond for cancellation, accompanied by delivery of a duly executed written instrument of  
11 transfer in a form approved by the City Treasurer.

12 Any Series 2021D Bond may be exchanged at the office of the City Treasurer for a like  
13 aggregate principal amount of other authorized denominations of the same interest rate and  
14 maturity.

15 Whenever any Series 2021D Bond shall be surrendered for transfer or exchange, the  
16 designated City officials shall execute (as provided in Section 5) and the City Treasurer shall  
17 authenticate and deliver a new Series 2021D Bond of the same interest rate and maturity in a  
18 like aggregate principal amount. The City Treasurer shall require the payment by any bond  
19 owner requesting any such transfer of any tax or other governmental charge required to be  
20 paid with respect to such transfer or exchange.

21 No transfer or exchange of Series 2021D Bonds shall be required to be made by the  
22 City Treasurer during the period from the Record Date (as defined in Section 8(b)) next  
23 preceding each interest payment date to such interest payment date or after a notice of  
24 redemption shall have been mailed with respect to such Series 2021D Bonds.

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1           Section 8. Terms of the Series 2021D Bonds; General Redemption Provisions.

2           (a)    Date of the Series 2021D Bonds. The Series 2021D Bonds shall be dated the  
3 date of their delivery or such other date (“Dated Date”) as is specified in the Bond Award or  
4 the Purchase Contract.

5           (b)    Payment of the Series 2021D Bonds. The principal of the Series 2021D Bonds  
6 shall be payable in lawful money of the United States of America to their owners, upon  
7 surrender at maturity or earlier redemption at the office of the City Treasurer. The interest on  
8 the Series 2021D Bonds shall be payable in like lawful money to the person whose name  
9 appears on the bond registration books of the City Treasurer as the owner as of the close of  
10 business on the last day of the month immediately preceding an interest payment date  
11 (“Record Date”), whether or not such day is a Business Day (as defined below).

12           Except as may be otherwise provided in connection with any book-entry-only system  
13 applicable to the Series 2021D Bonds, payment of the interest on any Series 2021D Bond  
14 shall be made by check mailed on the interest payment date to such owner at such owner’s  
15 address as it appears on the registration books as of the Record Date; provided, that if any  
16 interest payment date occurs on a day that banks in California or New York are closed for  
17 business or the New York Stock Exchange is closed for business, then such payment shall be  
18 made on the next succeeding day that banks in both California and New York are open for  
19 business and the New York Stock Exchange is open for business (each, a “Business Day”);  
20 and provided, further, that the registered owner of an aggregate principal amount of at least  
21 \$1,000,000 of Series 2021D Bonds may submit a written request to the City Treasurer on or  
22 before a Record Date preceding an interest payment date for payment of interest on the next  
23 succeeding interest payment date and thereafter by wire transfer to a commercial bank  
24 located within the United States of America.

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1 For so long as any Series 2021D Bonds are held in book-entry form by a securities  
2 depository selected by the City pursuant to Section 10, payment shall be made to the  
3 registered owner of the Series 2021D Bonds designated by such securities depository by wire  
4 transfer of immediately available funds.

5 (c) Interest on the Series 2021D Bonds. The Series 2021D Bonds shall bear  
6 interest at rates to be determined upon the sale of the Series 2021D Bonds, calculated on the  
7 basis of a 360-day year comprised of twelve 30-day months, payable on December 15, 2021  
8 (or such other date as may be designated in the Bond Award or Purchase Contract), and  
9 semiannually thereafter on June 15 and December 15 of each year. Each Series 2021D  
10 Bond shall bear interest from the interest payment date next preceding the date of its  
11 authentication unless it is authenticated as of a day during the period from the Record Date  
12 next preceding any interest payment date to the interest payment date, inclusive, in which  
13 event it shall bear interest from such interest payment date, or unless it is authenticated on or  
14 before the first Record Date, in which event it shall bear interest from the Dated Date;  
15 provided, that if, at the time of authentication of any Series 2021D Bond, interest is in default  
16 on the Series 2021D Bonds, such Series 2021D Bond shall bear interest from the interest  
17 payment date to which interest has previously been paid or made available for payment on  
18 the Series 2021D Bonds or from the Dated Date if the first interest payment is not made.

19 (d) Optional Redemption. The Series 2021D Bonds shall be subject to optional  
20 redemption prior to maturity as shall be provided in the Official Notice of Sale or the Purchase  
21 Contract, as applicable.

22 (e) Mandatory Redemption. The Series 2021D Bonds shall be subject to mandatory  
23 redemption as shall be designated by the purchaser pursuant to the terms of the Official  
24 Notice of Sale or as designated in the Purchase Contract, as applicable.

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1           The principal of and interest on the Series 2021D Bonds subject to mandatory  
2 redemption shall be paid from the Series 2021D Bond Subaccount established in Section 9,  
3 pursuant to Section 9. In lieu of any such mandatory redemption for Series 2021D Bonds, at  
4 any time prior to the selection of Series 2021D Bonds for mandatory redemption, the City may  
5 apply amounts on deposit in the Series 2021D Bond Subaccount to make such payment to  
6 the purchase, at public or private sale, of Series 2021D Bonds subject to such mandatory  
7 redemption, and when and at such prices not in excess of the principal amount thereof  
8 (including sales commission and other charges but excluding accrued interest), as the City  
9 may determine.

10           (f)     Selection of Series 2021D Bonds for Redemption. Whenever less than all of the  
11 outstanding Series 2021D Bonds are called for redemption on any date, the Director of Public  
12 Finance will select the maturities of the Series 2021D Bonds to be redeemed in the sole  
13 discretion of the Director of Public Finance. Whenever less than all of the outstanding Series  
14 2021D Bonds maturing on any one date are called for redemption, the manner of selection of  
15 the portion of such Series 2021D Bonds called for redemption shall be as specified in the  
16 Official Statement for the Series 2021D Bonds.

17           (g)     Notice of Redemption. The date on which Series 2021D Bonds that are called  
18 for redemption are to be presented for redemption is called the “Redemption Date.” The City  
19 Treasurer shall mail, or cause to be mailed, notice of any redemption of Series 2021D Bonds,  
20 postage prepaid, to the respective registered owners at the addresses appearing on the bond  
21 registration books not less than 20 nor more than 60 days prior to the Redemption Date. The  
22 notice of redemption shall: (i) state the Redemption Date; (ii) state the redemption price; (iii)  
23 state the maturity dates of the Series 2021D Bonds to be redeemed and, if less than all of any  
24 such maturity is called for redemption, the distinctive numbers of the Series 2021D Bonds of  
25 such maturity to be redeemed, and in the case of any Series 2021D Bonds to be redeemed in

1 part only, the respective portions of the principal amount to be redeemed; (iv) state the CUSIP  
2 number, if any, of each Series 2021D Bond to be redeemed; (v) require that such Series  
3 2021D Bonds be surrendered by the owners at the office of the City Treasurer or his or her  
4 agent; and (vi) give notice that interest on such Series 2021D Bonds or portions of Series  
5 2021D Bonds to be redeemed will cease to accrue after the Redemption Date. Notice of  
6 optional redemption may be conditional upon receipt of funds or other event specified in the  
7 notice of redemption as provided in Section 8(j) below.

8 The actual receipt by the owner of any Series 2021D Bond of notice of such  
9 redemption shall not be a condition precedent to redemption, and failure to receive such  
10 notice, or any defect in such notice so mailed, shall not affect the validity of the proceedings  
11 for the redemption of such Series 2021D Bonds or the cessation of accrual of interest on such  
12 Series 2021D Bonds on the Redemption Date. Notice of redemption also shall be given, or  
13 caused to be given by the City Treasurer, by: (i) registered or certified mail, postage prepaid;  
14 (ii) confirmed facsimile transmission; (iii) overnight delivery service; or (iv) to the extent  
15 acceptable to the intended recipient, email or similar electronic means, to (A) all organizations  
16 registered with the Securities and Exchange Commission as securities depositories, and (B)  
17 such other services or organizations as may be required in accordance with the Continuing  
18 Disclosure Certificate described in Section 18.

19 The notice or notices required for redemption shall be given by the City Treasurer or  
20 any agent appointed by the City. A certificate of the City Treasurer or such other appointed  
21 agent of the City that notice of redemption has been given to the owner of any Series 2021D  
22 Bond to be redeemed in accordance with this Resolution shall be conclusive against all  
23 parties.

24 (h) Series 2021D Redemption Account. At the time the Director of Public Finance  
25 determines to optionally call and redeem any of the Series 2021D Bonds, the Controller or his

1 or her agent shall establish a redemption account to be described or known as the “General  
2 Obligation Bonds (Health and Recovery, 2020), Series 2021D Redemption Account” (“Series  
3 2021D Redemption Account”), and prior to or on the Redemption Date there must be set  
4 aside in the Series 2021D Redemption Account moneys available for the purpose and  
5 sufficient to redeem, as provided in this Resolution, the Series 2021D Bonds designated in  
6 such notice of redemption, subject to the provisions of Section 8(j) below. Such moneys must  
7 be set aside in the Series 2021D Redemption Account solely for the purpose of, and shall be  
8 applied on or after the Redemption Date to, payment of the redemption price of the Series  
9 2021D Bonds to be redeemed upon presentation and surrender of such Series 2021D Bonds.  
10 Any interest due on or prior to the Redemption Date may be paid from the Series 2021D Bond  
11 Subaccount as provided in Section 9 or from the Series 2021D Redemption Account. Moneys  
12 held from time to time in the Series 2021D Redemption Account shall be invested by the City  
13 Treasurer pursuant to the City’s policies and guidelines for investment of moneys in the  
14 general fund (“General Fund”) of the City. If, after all of the Series 2021D Bonds have been  
15 redeemed and canceled or paid and canceled, there are moneys remaining in the Series  
16 2021D Redemption Account, such moneys shall be transferred to the General Fund of the  
17 City or to such other fund or account as required by applicable law; provided, that if such  
18 moneys are part of the proceeds of refunding bonds, such moneys shall be transferred  
19 pursuant to the resolution authorizing such refunding bonds.

20 (i) Effect of Redemption. When notice of optional redemption has been given  
21 substantially as provided in this Resolution, and when the amount necessary for the  
22 redemption of the Series 2021D Bonds called for redemption (principal, premium, if any, and  
23 accrued interest to such Redemption Date) is set aside for that purpose in the Series 2021D  
24 Redemption Account, the Series 2021D Bonds designated for redemption shall become due  
25 and payable on the Redemption Date, and upon presentation and surrender of such Series

1 2021D Bonds at the place specified in the notice of redemption, such Series 2021D Bonds  
2 shall be redeemed and paid at the redemption price out of the Series 2021D Redemption  
3 Account. No interest will accrue on such Series 2021D Bonds called for redemption after the  
4 Redemption Date and the registered owners of such Series 2021D Bonds shall look for  
5 payment of such Series 2021D Bonds only to the Series 2021D Redemption Account. All  
6 Series 2021D Bonds redeemed shall be canceled immediately by the City Treasurer and shall  
7 not be reissued.

8 (j) Conditional Notice of Redemption; Rescission of Redemption. Any notice of  
9 optional redemption given as provided in Section 8(g) may provide that such redemption is  
10 conditioned upon: (i) deposit in the Series 2021D Redemption Account of sufficient moneys to  
11 redeem the Series 2021D Bonds called for optional redemption on the anticipated  
12 Redemption Date, or (ii) the occurrence of any other event specified in the notice of  
13 redemption. If conditional notice of redemption has been given substantially as provided in  
14 this clause, and on the scheduled Redemption Date (A) sufficient moneys to redeem the  
15 Series 2021D Bonds called for optional redemption on the Redemption Date have not been  
16 deposited in the Series 2021D Redemption Account, or (B) any other event specified in the  
17 notice of redemption as a condition to the redemption has not occurred, then (1) the Series  
18 2021D Bonds for which conditional notice of redemption was given shall not be redeemed on  
19 the anticipated Redemption Date and shall remain outstanding for all purposes of this  
20 Resolution, and (2) the redemption not occurring shall not constitute a default under this  
21 Resolution or the Authorizing Resolution.

22 The City may rescind any optional redemption and notice of it for any reason on any  
23 date prior to any Redemption Date by causing written notice of the rescission to be given to  
24 the owners of all Series 2021D Bonds so called for redemption. Notice of any such rescission  
25 of redemption shall be given in the same manner notice of redemption was originally given.

1 The actual receipt by the owner of any Series 2021D Bond of notice of such rescission  
2 shall not be a condition precedent to rescission, and failure to receive such notice or any  
3 defect in such notice so mailed shall not affect the validity of the rescission.

4 Section 9. Series 2021D Bond Subaccount. There is established with the City  
5 Treasurer a special subaccount in the General Obligation Bonds (Health and Recovery, 2020)  
6 Series 2021D Bond Account (“Bond Account”) created pursuant to the Authorizing Resolution  
7 to be designated as the “General Obligation Bonds (Health and Recovery, 2020), Series  
8 2021D Bond Subaccount” and, in the event the Series 2021D Bonds shall consist of multiple  
9 series or subseries, a special subaccount therein for each such series or subseries  
10 (individually and collectively, “Series 2021D Bond Subaccount”), to be held separate and  
11 apart from all other accounts of the City. All interest earned on amounts on deposit in the  
12 Series 2021D Bond Subaccount shall be retained in the Series 2021D Bond Subaccount.

13 On or prior to the date on which any payment of principal of or interest on the Series  
14 2021D Bonds is due, including any Series 2021D Bonds subject to mandatory redemption on  
15 such date, the City Treasurer shall allocate to and deposit in the Series 2021D Bond  
16 Subaccount, from amounts held in the Bond Account, an amount which, when added to any  
17 available moneys contained in the Series 2021D Bond Subaccount, is sufficient to pay  
18 principal of and interest on the Series 2021D Bonds on such date.

19 On or prior to the date on which any Series 2021D Bonds are to be redeemed at the  
20 option of the City pursuant to this Resolution, the City Treasurer may allocate to and deposit  
21 in the Series 2021D Redemption Account, from amounts held in the Bond Account pursuant  
22 to Section 8 of the Authorizing Resolution, an amount which, when added to any available  
23 moneys contained in the Series 2021D Redemption Account, is sufficient to pay principal,  
24 interest and premium, if any, with respect to such Series 2021D Bonds on such date. The  
25 City Treasurer may make such other provision for the payment of principal of and interest and

1 any redemption premium on the Series 2021D Bonds as is necessary or convenient to permit  
2 the optional redemption of the Series 2021D Bonds.

3 Amounts in the Series 2021D Bond Subaccount may be invested in any investment of  
4 the City in which moneys in the General Fund of the City are or can be invested. The City  
5 Treasurer may (a) commingle any of the moneys held in the Series 2021D Bond Subaccount  
6 with other City moneys, or (b) deposit amounts credited to the Series 2021D Bond  
7 Subaccount into a separate fund or funds for investment purposes only; provided, that all of  
8 the moneys held in the Series 2021D Bond Subaccount shall be accounted for separately  
9 notwithstanding any such commingling or separate deposit by the City Treasurer.

10 Section 10. Appointment of Depositories and Other Agents. The City Treasurer is  
11 authorized and directed to appoint one or more depositories as he or she may deem desirable  
12 and the procedures set forth in Section 5, Section 6, Section 7 and Section 8 relating to  
13 registration of ownership of the Series 2021D Bonds and payments and redemption notices to  
14 owners of the Series 2021D Bonds may be modified to comply with the policies and  
15 procedures of such depository. The City will not have any responsibility or obligation to any  
16 purchaser of a beneficial ownership interest in any Series 2021D Bonds or to any participants  
17 in such a depository with respect to (a) the accuracy of any records maintained by such  
18 securities depository or any participant therein; (b) any notice that is permitted or required to  
19 be given to the owners of Series 2021D Bonds under this Resolution; (c) the selection by such  
20 securities depository or any participant therein of any person to receive payment in the event  
21 of a partial redemption of Series 2021D Bonds; (d) the payment by such securities depository  
22 or any participant therein of any amount with respect to the principal or redemption premium,  
23 if any, or interest due with respect to Series 2021D Bonds; (e) any consent given or other  
24 action taken by such securities depository as the owner of Series 2021D Bonds; or (f) any  
25 other matter.

1 The Depository Trust Company, New York New York (“DTC”) is appointed as  
2 depository for the Series 2021D Bonds. The Series 2021D Bonds shall be initially issued in  
3 book-entry form. Upon initial issuance, the ownership of each Series 2021D Bond shall be  
4 registered in the bond register in the name of Cede & Co., as nominee of DTC. So long as  
5 each Series 2021D Bond is registered in book-entry form, each Series 2021D Bond shall be  
6 registered in the name of Cede & Co. or in the name of such successor nominee as may be  
7 designated from time to time by DTC or any successor as depository.

8 The City Treasurer is also authorized and directed to appoint one or more agents as he  
9 or she may deem necessary or desirable, to the extent permitted by applicable law and under  
10 the supervision of the City Treasurer, such agents may serve as paying agent, fiscal agent,  
11 escrow agent or registrar for the Series 2021D Bonds or may assist the City Treasurer in  
12 performing any or all of such functions and such other duties as the City Treasurer shall  
13 determine. Such agents shall serve under such terms and conditions as the City Treasurer  
14 shall determine. The City Treasurer may remove or replace agents appointed pursuant to this  
15 paragraph at any time.

16 The Controller or the Director of Public Finance is also authorized and directed to  
17 appoint a rebate calculation agent as he or she may deem necessary or desirable. Such  
18 agent shall serve under such terms and conditions as the Controller or the Director of Public  
19 Finance shall determine. The Controller or the Director of Public Finance may remove or  
20 replace such agent appointed pursuant to this paragraph at any time.

21 Section 11. Defeasance Provisions. Payment of all or any portion of the Series 2021D  
22 Bonds may be provided for prior to such Series 2021D Bonds’ respective stated maturities by  
23 irrevocably depositing with the City Treasurer (or any commercial bank or trust company  
24 designated by the City Treasurer to act as escrow agent with respect thereto):

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1 (a) an amount of cash equal to the principal amount of all of such Series 2021D  
2 Bonds or a portion thereof, and all unpaid interest thereon to maturity, except that in the case  
3 of Series 2021D Bonds which are to be redeemed prior to such Series 2021D Bonds'  
4 respective stated maturities and in respect of which notice of such redemption shall have  
5 been given as provided in Section 8 hereof or an irrevocable election to give such notice shall  
6 have been made by the City, the amount to be deposited shall be the principal amount  
7 thereof, all unpaid interest thereon to the Redemption Date, and any premium due on such  
8 Redemption Date; or

9 (b) Defeasance Securities (as herein defined) not subject to call, except as provided  
10 below in the definition thereof, maturing and paying interest at such times and in such  
11 amounts; together with interest earnings and cash, if required, as will, without reinvestment,  
12 as certified by an independent certified public accountant, be fully sufficient to pay the  
13 principal and all unpaid interest to maturity, or to the Redemption Date, as the case may be,  
14 and any premium due on the Series 2021D Bonds to be paid or redeemed, as such principal  
15 and interest come due; provided, that, in the case of the Series 2021D Bonds which are to be  
16 redeemed prior to maturity, notice of such redemption shall be given as provided in Section 8  
17 hereof or an irrevocable election to give such notice shall have been made by the City; then,  
18 all obligations of the City with respect to such outstanding Series 2021D Bonds shall cease  
19 and terminate, except only the tax covenants under Section 23 and the obligation of the City  
20 to pay or cause to be paid from the funds deposited pursuant to clause (a) or (b) of this  
21 Section 11, to the owners of such Series 2021D Bonds all sums due with respect thereto; and  
22 provided further, that the City shall have received an opinion of nationally recognized bond  
23 counsel, that provision for the payment of such Series 2021D Bonds has been made in  
24 accordance with this Section 11.

25 ///



1 For purposes of this Section 11, "Defeasance Securities" shall mean any of the  
2 following that at the time are legal investments under the laws of the State of California for the  
3 moneys proposed to be invested therein:

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

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

19 For purposes of this Section 11, "United States Obligations" means (i) direct and  
20 general obligations of the United States of America, or obligations that are unconditionally  
21 guaranteed as to principal and interest by the United States of America, including, without  
22 limitation, the interest component of Resolution Funding Corporation ("REFCORP") bonds that  
23 have been stripped by request to the Federal Reserve Bank of New York in book-entry form  
24 or (ii) any security issued by an agency or instrumentality of the United States of America that  
25 is selected by the Director of Public Finance that results in the escrow fund being rated by any

1 two Rating Agencies, at the time of the initial deposit to the escrow fund and upon any  
2 substitution or subsequent deposit to the escrow fund, not lower than the rating then  
3 maintained by the respective Rating Agency on United States Obligations described in clause  
4 (i) above.

5 For purposes of this Section 11, "Rating Agencies" shall mean Moody's Investors  
6 Service, Fitch Ratings, S&P Global Ratings and Kroll Bond Rating Agency, LLC, or any other  
7 nationally-recognized bond rating agency that is the successor to any of the foregoing rating  
8 agencies or that is otherwise established after the date hereof.

9 Section 12. Sale of Series 2021D Bonds By Competitive or Negotiated Sale. The  
10 Board of Supervisors authorizes the sale of the Series 2021D Bonds by solicitation of  
11 competitive bids or by negotiated sale to one or more underwriters to be appointed in  
12 accordance with City policies, if so determined by the Director of Public Finance.

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

14 (a) Official Notice of Sale. If the Series 2021D Bonds are sold through a solicitation  
15 of competitive bids, then the form of proposed Official Notice of Sale inviting bids for the  
16 Series 2021D Bonds ("Official Notice of Sale") submitted to the Board of Supervisors and on  
17 file with the Clerk of the Board of Supervisors is approved and adopted as the Official Notice  
18 of Sale inviting bids for the Series 2021D Bonds, with such changes, additions and  
19 modifications as may be made in accordance with Section 19. The Director of Public Finance  
20 is authorized and directed to cause to be mailed or otherwise circulated to prospective bidders  
21 for the Series 2021D Bonds copies of the Official Notice of Sale, subject to such corrections,  
22 revisions or additions as may be acceptable to the Director of Public Finance.

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

1 (c) Bond Award. As provided in the Official Notice of Sale, the City may reject any  
2 and all bids received for any reason. The Director of Public Finance or the Controller is  
3 authorized to award the Series 2021D Bonds to the responsible bidder whose bid (i) is timely  
4 received and conforms to the Official Notice of Sale, except to the extent informalities and  
5 irregularities are waived by the City as permitted by the Official Notice of Sale; and (ii)  
6 represents the lowest true interest cost to the City in accordance with the procedures  
7 described in the Official Notice of Sale. The award, if made, shall be set forth in a certificate  
8 signed by the Controller or Director of Public Finance setting forth the terms of the Series  
9 2021D Bonds and the original purchasers (“Bond Award”). The Director of Public Finance  
10 shall provide a copy of the Bond Award, if such award is not signed by the Controller, as soon  
11 as practicable to the Controller; provided, that failure to provide such copy shall not affect the  
12 validity of the Bond Award.

13 Section 14. Publication of Notice of Intention to Sell Bonds. If the Series 2021D Bonds  
14 are sold through a solicitation of competitive bids, then the form of proposed Notice of  
15 Intention to Sell the Series 2021D Bonds (“Notice of Intention to Sell Bonds”) submitted to the  
16 Board of Supervisors and on file with the Clerk of the Board of Supervisors is approved and  
17 adopted as the Notice of Intention to Sell the Series 2021D Bonds, and the Director of Public  
18 Finance is authorized and directed to cause the Notice of Intention to Sell Bonds, subject to  
19 such corrections, revisions or additions as may be made in accordance with Section 19, to be  
20 published once in *The Bond Buyer* or another financial publication generally circulated  
21 throughout the State of California meeting the requirements of Section 53692 of the  
22 Government Code at least five (5) days prior to the date fixed for receipt of bids for the Series  
23 2021D Bonds, or as otherwise set forth in Section 53692 of the Government Code.

24 Section 15. Authorization of Negotiated Sale; Authorization to Select Underwriters;  
25 Form of Purchase Contract Approval. The Director of Public Finance, in consultation with the

1 Controller, is hereby authorized to conduct the sale of the Series 2021D Bonds by negotiated  
2 sale pursuant to one or more Purchase Contracts (each, a "Purchase Contract"), each by and  
3 between the City and the underwriter(s) named therein ("Underwriters"), if the Controller  
4 determines that such manner of sale is in the best financial interest of the City, such  
5 determination to be conclusively evidenced by the execution and delivery of such Purchase  
6 Contract as hereinafter approved. The form of such Purchase Contract as presented to this  
7 Board of Supervisors, a copy of which is on file with the Clerk of the Board of Supervisors, is  
8 hereby approved. The Controller or the Director of Public Finance is hereby authorized to  
9 execute such Purchase Contract with such changes, additions and modifications as the  
10 Controller or the Director of Public Finance may make or approve in accordance with Section  
11 19 hereof; provided however, that the Underwriters' discount under any such Purchase  
12 Contract shall not exceed 1.0% of the principal amount of the Series 2021D Bonds. In order  
13 to facilitate the sale of the Series 2021D Bonds by negotiated sale, the Controller or the  
14 Director of Public Finance is hereby authorized and directed to appoint one or more financial  
15 institutions to act as underwriter for the Series 2021D Bonds.

16 Section 16. Disposition of Proceeds of Sale. The proceeds of sale of the Series 2021D  
17 Bonds shall be applied by the City Treasurer as follows: (a) accrued interest, if any, shall be  
18 deposited into the Series 2021D Bond Subaccount; (b) premium, if any, shall be deposited  
19 into the Series 2021D Bond Subaccount in such amount not to exceed three years of interest  
20 on the Series 2021D Bonds; and (c) remaining proceeds of sale shall be deposited into the  
21 Project Account, including an appropriate subaccount therein.

22 Section 17. Preliminary Official Statement and Official Statement. The form of  
23 proposed Preliminary Official Statement describing the Series 2021D Bonds ("Preliminary  
24 Official Statement") submitted to the Board of Supervisors and on file with the Clerk of the  
25 Board of Supervisors is approved and adopted as the Preliminary Official Statement

1 describing the Series 2021D Bonds, with such additions, corrections and revisions as may be  
2 determined to be necessary or desirable made in accordance with Section 19. The Controller  
3 or the Director of Public Finance is authorized to cause the distribution of a Preliminary Official  
4 Statement deemed final for purposes of Securities and Exchange Commission Rule 15c2-12  
5 promulgated under the Securities Exchange Act of 1934, as amended (“Rule”), and to sign a  
6 certificate to that effect. The Director of Public Finance is authorized and directed to cause to  
7 be printed and mailed or electronically distributed to prospective bidders for the Series 2021D  
8 Bonds the Preliminary Official Statement in substantially the form of the Preliminary Official  
9 Statement approved and adopted by this Resolution, as completed, supplemented, corrected  
10 or revised. The Controller or the Director of Public Finance is authorized and directed to  
11 approve, execute, and deliver the final Official Statement with respect to the Series 2021D  
12 Bonds, which final Official Statement shall be in the form of the Preliminary Official Statement,  
13 with such additions, corrections and revisions as may be determined to be necessary or  
14 desirable made in accordance with Section 19 and as are permitted under the Rule. The  
15 Director of Public Finance is authorized and directed to cause to be signed, printed and  
16 mailed or electronically distributed the final Official Statement to all actual initial purchasers of  
17 the Series 2021D Bonds.

18 Section 18. Continuing Disclosure Certificate. The form of Continuing Disclosure  
19 Certificate (“Continuing Disclosure Certificate”), to be signed by the City to permit the original  
20 purchasers of the Series 2021D Bonds to comply with the Rule, submitted to the Board of  
21 Supervisors is approved and adopted as the Continuing Disclosure Certificate, with such  
22 additions, corrections and revisions as may be determined to be necessary or desirable made  
23 in accordance with Section 19. The Controller or the Director of Public Finance is authorized  
24 and directed to execute the Continuing Disclosure Certificate on behalf of the City and deliver  
25 the Continuing Disclosure Certificate to the original purchasers of the Series 2021D Bonds.

1           Section 19. Modification to Documents. Any City official authorized by this Resolution  
2 to execute any document is further authorized, in consultation with the City Attorney and co-  
3 bond counsel, to approve and make such changes, additions, amendments or modifications to  
4 the document or documents such official is authorized to execute as may be necessary or  
5 advisable (provided, that such changes, additions, amendments or modifications shall not  
6 authorize an aggregate principal amount of Series 2021D Bonds in excess of \$425,000,000 or  
7 conflict with the provisions of Section 4). The approval of any change, addition, amendment  
8 or modification to any of the aforementioned documents shall be evidenced conclusively by  
9 the execution and delivery of the document in question.

10           Section 20. Ratification. All actions previously taken by officials, employees and  
11 agents of the City with respect to the sale and issuance of the Series 2021D Bonds,  
12 consistent with any documents presented and this Resolution, are approved, confirmed and  
13 ratified.

14           Section 21. Relationship to Authorizing Resolution. In the event of any conflict  
15 between this Resolution and the Authorizing Resolution, the terms of this Resolution shall  
16 control. Without limiting the foregoing and notwithstanding the provisions of the Authorizing  
17 Resolution, the City is not obligated to transfer money from the General Fund of the City to the  
18 Bond Account to pay the principal of or interest on the Series 2021D Bonds.

19           Section 22. Accountability Reports. The Series 2021D Bonds are subject to  
20 accountability requirements under the Administrative Code and the Bond Ordinances. The  
21 deadline for submission of the Accountability report(s) under Administrative Code  
22 Sections 2.71(a) and 2.71(b) are hereby waived with respect to the Series 2021D Bonds.  
23 Accountability report(s) with respect to the Series 2021D Bonds shall be submitted in all other  
24 respects in the manner required by the Administrative Code and the Bond Ordinances.

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1           Section 23. Covenants to Maintain Tax-Exempt Status. The following covenants shall  
2 be applicable to any Series 2021D Bonds (including any subseries) issued as bonds the  
3 interest on which is excluded from gross income for federal or state income tax purposes:

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

6                   “*Closing Date*” means the date on which the Series 2021D Bonds are first  
7 authenticated and delivered to the initial purchasers against payment therefor.

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

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

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

14                  “*Gross Proceeds*” means any proceeds as defined in Section 1.148-1(b) of the  
15 Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the  
16 Regulations, of the Series 2021D Bonds.

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

18                  “*Nonpurpose Investment*” means any investment property, as defined in  
19 Section 148(b) of the Code, in which Gross Proceeds of the Series 2021D Bonds are invested  
20 and which is not acquired to carry out the governmental purposes of the Series 2021D Bonds.

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

23                  “*Regulations*” means any proposed, temporary, or final Income Tax Regulations  
24 issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal  
25 Revenue Code of 1954, which are applicable to the Series 2021D Bonds. Any reference to

1 any specific Regulation shall also mean, as appropriate, any proposed, temporary or final  
2 Income Tax Regulation designed to supplement, amend or replace the specific Regulation  
3 referenced.

4 “Yield” of:

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

7 (ii) the Series 2021D Bonds has the meaning set forth in  
8 Section 1.148-4 of the Regulations.

9 (b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use  
10 of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition,  
11 construction or improvement of which is to be financed directly or indirectly with Gross  
12 Proceeds) in a manner which if made or omitted, respectively, would cause the interest on  
13 any Series 2021D Bond to become includable in the gross income, as defined in Section 61 of  
14 the Code, of the owner thereof for federal income tax purposes. Without limiting the  
15 generality of the foregoing, unless and until the City receives a written opinion of counsel  
16 nationally recognized in the field of municipal bond law to the effect that failure to comply with  
17 such covenant will not adversely affect the exemption from federal income tax of the interest  
18 on any Series 2021D Bond, the City shall comply with each of the specific covenants in this  
19 Section.

20 (c) No Private Use or Private Payments. Except as permitted by Section 141 of the  
21 Code and the Regulations and rulings thereunder, the City shall at all times prior to the final  
22 payment on the Series 2021D Bonds:

23 (i) exclusively own, operate and possess all property, the acquisition,  
24 construction or improvement of which is to be financed or refinanced directly or indirectly with  
25 Gross Proceeds of the Series 2021D Bonds, and not use or permit the use of such Gross



1 Proceeds (including all contractual arrangements with terms different than those applicable to  
2 the general public) or any property acquired, constructed or improved with such Gross  
3 Proceeds in any activity carried on by any person or entity (including the United States or any  
4 agency, department and instrumentality thereof) other than a state or local government,  
5 unless such use is solely as a member of the general public; and

6 (ii) not directly or indirectly impose or accept any charge or other  
7 payment by any person or entity who is treated as using Gross Proceeds of the Series 2021D  
8 Bonds or any property the acquisition, construction or improvement of which is to be financed  
9 or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general  
10 application within the City or interest earned on investments acquired with such Gross  
11 Proceeds pending application for their intended purposes.

12 (d) No Private Loan. Except to the extent permitted by Section 141 of the Code and  
13 the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Series  
14 2021D Bonds to make or finance loans to any person or entity other than a state or local  
15 government. For purposes of the foregoing covenant, such Gross Proceeds are considered  
16 to be “loaned” to a person or entity if: (i) property acquired, constructed or improved with such  
17 Gross Proceeds is sold or leased to such person or entity in a transaction which creates a  
18 debt for federal income tax purposes; (ii) capacity in or service from such property is  
19 committed to such person or entity under a take-or-pay, output or similar contract or  
20 arrangement; or (iii) indirect benefits, or burdens and benefits of ownership, of such Gross  
21 Proceeds or any property acquired, constructed or improved with such Gross Proceeds are  
22 otherwise transferred in a transaction which is the economic equivalent of a loan.

23 (e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of  
24 the Code and the Regulations and rulings thereunder, the City shall not at any time prior to  
25 the final stated maturity of the Series 2021D Bonds directly or indirectly invest Gross

1 Proceeds in any Investment, if as a result of such investment the Yield of any Investment  
2 acquired with Gross Proceeds, whether then held or previously disposed of, exceeds the Yield  
3 of the Series 2021D Bonds.

4 (f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of  
5 the Code and the Regulations and rulings thereunder, the City shall not take or omit to take  
6 any action which would cause the Series 2021D Bonds to be federally guaranteed within the  
7 meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

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

11 (h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section  
12 148(f) of the Code and the Regulations and rulings thereunder:

13 (i) The City shall account for all Gross Proceeds (including all  
14 receipts, expenditures and investments thereof) on its books of account separately and apart  
15 from all other funds (and receipts, expenditures and investments thereof) and shall retain all  
16 records of accounting for at least six years after the day on which the last outstanding Series  
17 2021D Bond is discharged. However, to the extent permitted by law, the City may commingle  
18 Gross Proceeds of the Series 2021D Bonds with other money of the City; provided that the  
19 City separately accounts for each receipt and expenditure of Gross Proceeds and the  
20 obligations acquired therewith.

21 (ii) Not less frequently than each Computation Date, the City shall  
22 calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code  
23 and the Regulations and rulings thereunder. The City shall maintain such calculations with its  
24 official transcript of proceedings relating to the issuance of the Series 2021D Bonds until six  
25 years after the Final Computation Date.

1 (iii) As additional consideration for the purchase of the Series 2021D  
2 Bonds by the initial purchasers and the loan of the money represented thereby and in order to  
3 induce such purchase by measures designed to ensure the excludability of the interest  
4 thereon from gross income for federal income tax purposes, the City shall pay to the United  
5 States the amount that when added to the future value of previous rebate payments made for  
6 the Series 2021D Bonds equals (i) in the case of a Final Computation Date, 100% of the  
7 Rebate Amount on such date; and (ii) in the case of any other Computation Date, 90% of the  
8 Rebate Amount on such date. In all cases, the rebate payments shall be made at the times,  
9 in the installments, to the place and in the manner as is or may be required by Section 148(f)  
10 of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form  
11 8038-T or such other forms and information as is or may be required by Section 148(f) of the  
12 Code and the Regulations and rulings thereunder.

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

19 (i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of  
20 the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to  
21 the final payment on the Series 2021D Bonds, enter into any transaction that reduces the  
22 amount required to be paid to the United States pursuant to Section 25(h) above because  
23 such transaction results in a smaller profit or a larger loss than would have resulted if the  
24 transaction had been at arm's length and had the Yield of the Series 2021D Bonds not been  
25 relevant to either party.

1 (j) Elections. The City directs and authorizes the Director of Public Finance and the  
2 Controller, either or any combination of them, to make elections permitted or required  
3 pursuant to the provisions of the Code or the Regulations, as they deem necessary or  
4 appropriate in connection with the Series 2021D Bonds, in the Certificate as to Tax Exemption  
5 or similar or other appropriate certificate, form or document.

6 Section 24. City Services Auditor Fee. To the extent permitted by law, one-fifth of one  
7 percent (0.2%) of the amount of gross proceeds of the Series 2021D Bonds deposited into the  
8 Series 2021D Project Account, as established by the Authorizing Resolution, shall be applied  
9 to pay the City Services Auditor Fee.

10 Section 25. General Authority. The Clerk of the Board of Supervisors, the Mayor, the  
11 City Treasurer, the Director of Public Finance, the City Attorney and the Controller are each  
12 authorized and directed in the name and on behalf of the City to take any and all steps and to  
13 issue, deliver or enter into any and all certificates, requisitions, agreements, notices, consents,  
14 and other documents as may be necessary to give effect to the provisions of this Resolution,  
15 including but not limited to tax compliance certificates and letters of representations to any  
16 depository or depositories, which they or any of them might deem necessary or appropriate in  
17 order to consummate the lawful issuance, sale and delivery of the Series 2021D Bonds. Any  
18 such actions are solely intended to further the purposes of this Resolution, and are subject in  
19 all respects to the terms of this Resolution. No such actions shall increase the risk to the City  
20 or require the City to spend any resources not otherwise granted herein. Final versions of any  
21 such documents shall be provided to the Clerk of the Board of Supervisors for inclusion in the

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1 official file within 30 days (or as soon thereafter as is practicable) of execution by all parties.

2 APPROVED AS TO FORM:

3 DENNIS J. HERRERA City Attorney

4

5 By /s/ MARK D. BLAKE  
6 MARK D. BLAKE  
7 Deputy City Attorney

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1 EXHIBIT A

2  
3 FORM OF BOND

4  
5 Unless this Bond is presented by an authorized representative of The Depository Trust  
6 Company, a New York corporation (“DTC”), to the City or its agent for registration of transfer,  
7 exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in  
8 such other name as is requested by an authorized representative of DTC (and any payment is  
9 made to Cede & Co. or to such other entity as is requested by an authorized representative of  
10 DTC), ANY TRANSFER, PLEDGE, OR OTHER USE OF THIS BOND FOR VALUE OR  
11 OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner  
12 hereof, Cede & Co., has an interest herein.

13 Number Principal Amount

14 R-\_\_ UNITED STATES OF AMERICA \$ \_\_\_\_\_  
15 STATE OF CALIFORNIA

16 CITY AND COUNTY OF SAN FRANCISCO  
17 GENERAL OBLIGATION BONDS  
(HEALTH AND RECOVERY, 2020)  
18 SERIES 2021D [and any subseries designation]

19 Interest Rate Maturity Date Dated Date CUSIP Number  
20 \_\_\_\_\_  
21 \_\_\_\_\_

22 REGISTERED OWNER: Cede & Co.

23 PRINCIPAL AMOUNT: \$ \_\_\_\_\_  
24  
25

1 The City and County of San Francisco, State of California (“City”), acknowledges itself indebted  
2 to and promises to pay to the Registered Owner specified above or registered assigns, on the  
3 Maturity Date specified above, the Principal Amount of this Bond specified above in lawful  
4 money of the United States of America, and to pay interest on the Principal Amount in like lawful  
5 money from the Interest Payment Date (as defined below) next preceding the date of  
6 authentication of this Bond (unless this Bond is authenticated as of the day during the period  
7 from the last day of the month immediately preceding any Interest Payment Date (“Record  
8 Date”) to such Interest Payment Date, inclusive, in which event it shall bear from such Interest  
9 Payment Date, or unless this Bond is authenticated on or before November 30, 2021, in which  
10 event it shall bear interest from its Dated Date (specified above) until payment of such Principal  
11 Amount, at the Interest Rate per year specified above calculated on the basis of a 360-day year  
12 comprised of twelve 30-day months, payable on December 15, 2021 and semiannually  
13 thereafter on June 15 and December 15 in each year (each, an “Interest Payment Date”);  
14 provided, that if any Interest Payment Date occurs on a day that banks in California or New  
15 York are closed for business or the New York Stock Exchange is closed for business, then such  
16 payment shall be made on the next succeeding day that banks in both California and New York  
17 are open for business and the New York Stock Exchange is open for business (a “Business  
18 Day”). The Principal Amount of this Bond is payable to the Registered Owner of this Bond upon  
19 the surrender of this Bond at the office of the City Treasurer (“City Treasurer”) in San Francisco,  
20 California. The interest on this Bond is payable to the person whose name appears on the  
21 Bond registration books of the City Treasurer as the Registered Owner of this Bond as of the  
22 close of business on the Record Date immediately preceding an Interest Payment Date,  
23 whether or not such day is a Business Day, such interest to be paid by check mailed on the  
24 Interest Payment Date to such Registered Owner at the owner’s address as it appears on such  
25 registration books; *provided*, that the Registered Owner of Bonds in an aggregate principal

1 amount of at least \$1,000,000 may submit a written request to the City Treasurer on or before  
2 the Record Date preceding any Interest Payment Date for payment of interest by wire transfer  
3 to a commercial bank located in the United States of America.

4 This Bond is one of a duly authorized issue of City and County of San Francisco General  
5 Obligation Bonds (Health and Recovery, 2020) Series 2021D (“Bonds”) of like tenor (except to  
6 such variations, if any, as may be required to designate varying numbers, denominations,  
7 interest rates and maturities), in the aggregate principal amount of \$[425,000,000], which is part  
8 of a bond authorization in the aggregate original principal amount of \$487,500,000 authorized  
9 by the affirmative votes of more than two-thirds of the voters voting at a special election duly  
10 and legally called, held and conducted in the City on November 3, 2020 and is issued and sold  
11 by the City pursuant to and in strict conformity with the provisions of the Constitution and laws  
12 of the State of California, the City Charter and a Resolution of Necessity adopted by the City  
13 Board of Supervisors (“Board of Supervisors”) on \_\_\_\_\_, 2021, and duly approved by the  
14 Mayor on \_\_\_\_\_, 2021, and Resolution No. \_\_\_\_\_, adopted by the Board of Supervisors  
15 on \_\_\_\_\_, 2021 and duly approved by the Mayor on \_\_\_\_\_, 2021 (together with the  
16 related [Certificate Awarding the Bonds and Fixing Definitive Interest Rates for the  
17 Bonds][Purchase Contract], dated \_\_\_\_\_, 2021, “Resolutions”).

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

24 This Bond is transferable by its Registered Owner, in person or by its attorney duly  
25 authorized in writing, at the office of the City Treasurer, but only in the manner, subject to the



1 limitations and upon payment of the charges provided in the Resolutions, and upon surrender  
2 and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized  
3 denomination or denominations for the same interest rate and same aggregate principal amount  
4 will be issued to the transferee in exchange for this Bond.

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

9 [Bonds maturing on and before June 15, 20\_\_, will not be subject to optional redemption  
10 prior to their respective maturity dates. The Bonds maturing on or after June 15, 20\_\_ will be  
11 subject to optional redemption prior to their respective stated maturity dates, at the option of the  
12 City, from any source of available funds, as a whole or in part on any date (with the maturities  
13 to be redeemed to be determined by the City and by lot within a maturity), on or after June 15,  
14 20\_\_, at the redemption price equal to the principal amount of the Bonds redeemed, together  
15 with accrued interest to the date fixed for redemption, without premium. If less than all of the  
16 outstanding Bonds are to be redeemed, they may be redeemed in any order of maturity as  
17 determined by the Director of Finance. If less than all of the outstanding Bonds of a maturity  
18 are to be redeemed, the Bonds or portions of Bonds of such maturity to be redeemed shall be  
19 selected Director of Public Finance, in authorized denominations of \$5,000 or integral multiples  
20 of that amount, from among Bonds of that maturity not previously called for redemption, by lot,  
21 in any manner which the Director of Public Finance deems fair.]

22 [Bonds maturing on June 15, 20\_\_, are subject to mandatory sinking fund redemption  
23 on June 15 of each of the years 20\_\_ through 20\_\_, inclusive, and at maturity in the respective  
24 amount provided in the [Official Notice of Sale/the Purchase Contract] for the Bonds.]  
25

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

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

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

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

21 Any notice of optional redemption may provide that such redemption is conditional upon  
22 occurrence of a specified event, as provided in the Resolutions. In the event that such  
23 conditional notice of optional redemption has been given, and on the date fixed for redemption  
24 such condition has not been satisfied, the Bonds for which notice of conditional optional  
25 redemption was given shall not be redeemed and shall remain Outstanding for all purposes of

1 the Resolutions and the redemption not occurring shall not constitute an event of default under  
2 the Resolutions.

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

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

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

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

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

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

1           IN WITNESS WHEREOF the Board of Supervisors has caused this Bond to be executed  
2 by the Mayor and to be countersigned by the Clerk of the Board of Supervisors, all as of

3 \_\_\_\_\_.

4  
5  
6 \_\_\_\_\_  
7 Mayor of the City and  
8 County of San Francisco

9 Countersigned:

10  
11  
12 \_\_\_\_\_  
13 Clerk of the Board of Supervisors

1 **ASSIGNMENT**

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

4 \_\_\_\_\_  
5  
6 \_\_\_\_\_

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

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

13 Dated:

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

20 Signature Guaranteed:

21 \_\_\_\_\_  
22 Signature(s) must be guaranteed by a  
23 national bank or trust company or by a  
24 brokerage firm having a membership in one  
25 of the major stock exchanges and who is a  
member of a Medallion Signature Program.