

1 [Authorizing Tax-Exempt and/or Taxable Certificates of Participation - (Multiple Capital  
2 Improvement Projects) - Not to Exceed \$77,170,000]

3 **Ordinance authorizing the execution and delivery of Certificates of Participation, in one**  
4 **or more series on a tax-exempt and/or taxable basis and from time to time, evidencing**  
5 **and representing an aggregate principal amount of not to exceed \$77,170,000**  
6 **(“Certificates”), to finance and refinance certain capital improvement projects within**  
7 **the City and County of San Francisco’s (“City”) capital plan and generally consisting of**  
8 **critical repairs, renovations and improvements to City-owned buildings, facilities,**  
9 **streets and works maintained and utilized by various City departments; approving the**  
10 **form of a Supplement to Trust Agreement between the City and U.S. Bank Trust**  
11 **Company, National Association (as successor-in-interest to U.S. Bank National**  
12 **Association), as trustee (“Trustee”) (including certain indemnities contained therein);**  
13 **approving respective forms of a Supplement to Property Lease and a Supplement to**  
14 **Project Lease, each between the City and the Trustee, for the lease to the Trustee and**  
15 **lease back to the City of all or a portion of certain real property and improvements**  
16 **owned by the City and located at 375 Laguna Honda Boulevard within the City and at 1**  
17 **Moreland Drive, San Bruno, California, together with any other property determined by**  
18 **the City’s Director of Public Finance to be made subject to the lease and lease back**  
19 **arrangements; approving the form of an Official Notice of Sale and a Notice of Intention**  
20 **to Sell the Certificates; approving the form of an official statement in preliminary and**  
21 **final form; approving the form of a purchase contract between the City and one or more**  
22 **initial purchasers of the Certificates; approving the form of a Continuing Disclosure**  
23 **Certificate, as defined herein; granting general authority to City officials to take**  
24 **necessary actions in connection with the authorization, sale, execution and delivery of**  
25 **the Certificates; approving modifications to documents; ratifying previous actions**

1 taken in connection therewith, as defined herein; and repealing and rescinding a  
2 portion of the authorization to issue certificates of participation of the City established  
3 through the adoption of Ordinance No. 226-19 of the City on October 11, 2019.

4 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
5 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
6 **Deletions to Codes** are in ~~*strikethrough italics Times New Roman font*~~.  
7 **Board amendment additions** are in double-underlined Arial font.  
8 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
9 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
10 subsections or parts of tables.

11 Be it ordained by the People of the City and County of San Francisco:

12 Section 1. Background.

13 (a) The Board of Supervisors (“Board of Supervisors” or “Board”) of the City and  
14 County of San Francisco (“City”) desires to provide funds to finance and refinance certain  
15 capital improvement projects within the City, including but not limited to certain projects  
16 within the City’s capital plan and generally consisting of critical repairs, renovations and  
17 improvements to City-owned buildings, facilities, streets and works maintained and utilized  
18 by various City departments (“Project”), (ii) fund a debt service or other similar reserve for  
19 the Certificates, as appropriate; and (iii) pay costs of issuance of the Certificates, and the  
20 City is authorized pursuant to its charter (“Charter”) and the laws of the State to enter into  
21 lease financings for such purposes.

22 (b) The City and U.S. Bank Trust Company, National Association (as successor-  
23 in-interest to U.S. Bank National Association), as trustee (“Trustee”), have previously  
24 entered into a Property Lease, dated as of May 1, 2009 (“Original Property Lease”),  
25 pursuant to which the City has leased certain real property and all improvements thereon,  
generally consisting of certain land and improvements comprising portions of the Laguna

1 Honda Hospital campus within the City (“Laguna Honda Hospital”), owned by the City and  
2 located at 375 Laguna Honda Boulevard within the City (collectively, the “Prior Leased  
3 Property”) to the Trustee.

4 (c) The Trustee and the City have previously entered into a Project Lease, dated  
5 as of May 1, 2009 (“Original Project Lease”), pursuant to which the Trustee has leased the  
6 Prior Leased Property back to the City.

7 (d) The City previously caused the execution and delivery of the City and County  
8 of San Francisco Certificates of Participation, Series 2009A (Multiple Capital Improvement  
9 Projects) (“2009A Certificates”) pursuant to a Trust Agreement, dated as of May 1, 2009, by  
10 and between the City and the Trustee (“Original Trust Agreement” and, together with the  
11 Original Property Lease and the Original Project Lease, the “Original Agreements”).

12 (e) The 2009A Certificates evidenced direct undivided interests in the lease  
13 payments made by the City under the Original Project Lease.

14 (f) The Original Trust Agreement provides for the issuance of additional  
15 certificates of participation by the execution and delivery of a supplement to the Original  
16 Trust Agreement, and authorizes the principal and interest with respect to said certificates  
17 of participation to be secured by a supplement to the Original Property Lease and to be paid  
18 from amounts paid by the City under a supplement to the Original Project Lease.

19 (g) The City subsequently caused the execution and delivery of the City and  
20 County of San Francisco Certificates of Participation, Series 2009B (Multiple Capital  
21 Improvement Projects) (“2009B Certificates” and, together with the 2009A Certificates,  
22 “2009 Certificates”) pursuant to a First Supplement to Trust Agreement, dated as of  
23 September 1, 2009 (“First Supplement to Trust Agreement”), supplementing the Original  
24 Trust Agreement.  
25

1 (h) In connection therewith, the City and the Trustee have previously entered into  
2 a First Supplement to Property Lease, dated as of September 1, 2009 (“First Supplement to  
3 Property Lease”), supplementing the Original Property Lease.

4 (i) In connection therewith, the City and the Trustee have previously entered into  
5 a First Supplement to Project Lease, dated as of September 1, 2009 (“First Supplement to  
6 Project Lease”), supplementing the Original Project Lease.

7 (j) The 2009B Certificates evidenced direct undivided interests in the lease  
8 payments made by the City under the Original Project Lease, as supplemented by the First  
9 Supplement to Project Lease, on a parity basis with the 2009A Certificates.

10 (k) The City subsequently caused the execution and delivery of the City and  
11 County of San Francisco Certificates of Participation, Series 2012A (Multiple Capital  
12 Improvement Projects) (“2012A Certificates”), in order to provide funds for certain street  
13 improvements of the City, pursuant to a Second Supplement to Trust Agreement, dated as  
14 of June 1, 2012 (“Second Supplement to Trust Agreement”), supplementing the Original  
15 Trust Agreement.

16 (l) In connection therewith, the City and the Trustee have previously entered into  
17 a Second Supplement to Property Lease, dated as of June 1, 2012 (“Second Supplement to  
18 Property Lease”), supplementing the Original Property Lease.

19 (m) In connection therewith, the City and the Trustee have previously entered into  
20 a Second Supplement to Project Lease, dated as of June 1, 2012 (“Second Supplement to  
21 Project Lease”), supplementing the Original Project Lease.

22 (n) The 2012A Certificates evidenced direct undivided interests in the lease  
23 payments made by the City under the Original Project Lease, as supplemented by the First  
24 Supplement to Project Lease and Second Supplement to Project Lease, on a parity basis  
25 with the 2009 Certificates.

1 (o) The City subsequently caused the execution and delivery of the City and  
2 County of San Francisco Refunding Certificates of Participation, Series 2019-R1 (Multiple  
3 Capital Improvement Projects) (“2019-R1 Certificates”) pursuant to a Third Supplement to  
4 Trust Agreement, dated as of November 1, 2019 (“Third Supplement to Trust Agreement”),  
5 supplementing the Original Trust Agreement, which 2019-R1 Certificates were issued to  
6 prepay all of the then-outstanding 2009 Certificates.

7 (p) In connection therewith, the City and the Trustee have previously entered into  
8 a Third Supplement to Property Lease, dated as of November 1, 2019 (“Third Supplement  
9 to Property Lease”), supplementing the Original Property Lease.

10 (q) In connection therewith, the City and the Trustee have previously entered into  
11 a Third Supplement to Project Lease, dated as of November 1, 2019 (“Third Supplement to  
12 Project Lease”), supplementing the Original Project Lease;

13 (r) The 2019-R1 Certificates evidence direct undivided interests in the lease  
14 payments made by the City under the Original Project Lease, as supplemented by the First  
15 Supplement to Project Lease, the Second Supplement to Project Lease and the Third  
16 Supplement to Project Lease, on a parity basis with the 2012A Certificates.

17 (s) The City subsequently caused the execution and delivery of the City and  
18 County of San Francisco Refunding Certificates of Participation, Series 2020-R1 (Multiple  
19 Capital Improvement Projects) (“2020-R1 Certificates”) pursuant to a Fourth Supplement to  
20 Trust Agreement, dated as of November 1, 2020 (“Fourth Supplement to Trust Agreement”),  
21 supplementing the Original Trust Agreement, which 2020-R1 Certificates were issued to  
22 prepay all of the then-outstanding City and County of San Francisco Refunding Certificates  
23 of Participation, Series 2010A (“2010A Certificates”) issued pursuant to that certain Trust  
24 Agreement, dated as of September 1, 2010 (“2010A Trust Agreement”), by and between the  
25 City and the City and U.S. Bank National Association, as successor trustee (“2010A  
Trustee”).

1 (t) The City’s prepayment of all of the 2010A Certificates permitted the City to  
2 terminate (i) the 2010A Trust Agreement, (ii) that certain Property Lease between the City  
3 and the 2010A Trustee, dated as of September 1, 2010 (“2010A Property Lease”), pursuant  
4 to which the City had leased certain City-owned real property located at 1 Moreland Drive,  
5 San Bruno, California and all improvements thereon, generally known as the San Bruno  
6 Complex (“San Bruno Complex Property”) to the 2010A Trustee, and (iii) that certain Project  
7 Lease between the City and the 2010A Trustee, dated as of September 1, 2010 (“2010A  
8 Project Lease”), pursuant to which the 2010A Trustee had leased the San Bruno Complex  
9 Property back to the City, which termination of the 2010A Trust Agreement, 2010A Property  
10 Lease and 2010A Project Lease caused the San Bruno Complex Property to then be  
11 unencumbered and vest in the City.

12 (u) In connection with the execution and delivery of the 2020-R1 Certificates, the  
13 City and the Trustee have previously entered into a Fourth Supplement to Property Lease,  
14 dated as of November 1, 2020 (“Fourth Supplement to Property Lease”), supplementing  
15 and amending the Original Property Lease, including to add the San Bruno Complex  
16 Property to the Leased Property subject thereto.

17 (v) In connection with the execution and delivery of the 2020-R1 Certificates, the  
18 City and the Trustee have previously entered into a Fourth Supplement to Project Lease,  
19 dated as of November 1, 2020 (“Fourth Supplement to Project Lease”), supplementing and  
20 amending the Original Project Lease, including to add the San Bruno Complex Property to  
21 the Leased Property subject thereto.

22 (w) The 2020-R1 Certificates evidence direct undivided interests in the lease  
23 payments made by the City under the Original Project Lease, as supplemented by the First  
24 Supplement to Project Lease, the Second Supplement to Project Lease, the Third  
25 Supplement to Project Lease and the Fourth Supplement to Project Lease, on a parity basis  
with the then-outstanding 2012A Certificates and the 2019-R1 Certificates.

1 (x) The City subsequently caused the execution and delivery of the City and  
2 County of San Francisco Certificates of Participation, Series 2021A (Multiple Capital  
3 Improvement Projects) (“2021A Certificates”) pursuant to a Fifth Supplement to Trust  
4 Agreement, dated as of May 1, 2021 (“Fifth Supplement to Trust Agreement”),  
5 supplementing the Original Trust Agreement.

6 (y) In connection therewith, the City and the Trustee have previously entered into  
7 a Fifth Supplement to Property Lease, dated as of May 1, 2021 (“Fifth Supplement to  
8 Property Lease”), supplementing and amending the Original Property Lease, including to  
9 add the improvements on the Laguna Honda Hospital campus generally known as the  
10 South Residence building and the land associated therewith (collectively, the “South  
11 Residence”) to the Leased Property subject thereto, as authorized by the City’s Ordinance  
12 No. 226-19 and its Ordinance No. 227-19, each approved as of October 11, 2019.

13 (z) In connection therewith, the City and the Trustee have previously entered into  
14 a Fifth Supplement to Project Lease, dated as of May 1, 2021 (“Fifth Supplement to Project  
15 Lease”), supplementing and amending the Original Project Lease, including to add the  
16 South Residence to the Leased Property subject thereto, as authorized by the City’s  
17 Ordinance No. 226-19 and its Ordinance No. 227-19, each approved as of October 11,  
18 2019.

19 (aa) The 2021A Certificates evidence direct undivided interests in the lease  
20 payments made by the City under the Original Project Lease, as supplemented by the First  
21 Supplement to Project Lease, the Second Supplement to Project Lease, the Third  
22 Supplement to Project Lease, the Fourth Supplement to Project Lease and the Fifth  
23 Supplement to Project Lease, on a parity basis with the then-outstanding 2012A  
24 Certificates, the 2019-R1 Certificates and the 2020-R1 Certificates.

25 (bb) The 2021A Certificates were executed and delivered by the City in the  
aggregate principal amount of \$76,020,000 as portions of the issuance authority provided

1 therefor under the City's Ordinance No. 226-19 and its Ordinance No. 227-19, each  
2 approved as of October 11, 2019.

3 (cc) The City, pursuant to its Ordinance No. 61-16, approved as of April 27, 2016;  
4 pursuant to its Ordinance No. 226-19 and its Ordinance No. 227-19, each approved as of  
5 October 11, 2019; pursuant to its Ordinance No. 281-19, approved as of December 20,  
6 2019; pursuant to its Ordinance No. 222-20, approved as of November 6, 2020; pursuant to  
7 its Ordinance No. 123-21, approved as of August 4, 2021; pursuant to its Ordinance No.  
8 183-22, approved as of August 4, 2022; pursuant to its Ordinance No. 101-23 and its  
9 Ordinance No. 102-23, each approved as of June 2, 2023, has authorized (i) the expansion  
10 of the Leased Property subject to the Original Property Lease, as previously supplemented,  
11 and subject to the Original Project Lease, as previously supplemented, pursuant to  
12 additional supplements to such Original Property Lease and Original Project Lease to be  
13 executed and delivered in the future, to include (A) the entire campus of Laguna Honda  
14 Hospital (except for the portion thereof generally known as the City's Juvenile Detention  
15 Center) and (B) such other City-owned and then-unencumbered property as may be  
16 determined by the City's Director of Public Finance to be made subject to the Original  
17 Property Lease, as previously supplemented, and subject to the Original Project Lease, as  
18 previously supplemented, and (ii) the execution and delivery of additional certificates of  
19 participation of the City to be issued as "Additional Certificates" under the Original Trust  
20 Agreement, pursuant to additional supplements to the Original Trust Agreement, as  
21 previously supplemented, to be executed and delivered in the future, to (A) finance various  
22 projects in and of the City in an aggregate principal amount of up to \$770,480,000  
23 (collectively, "Additional Improvement Certificates") and (B) refinance previously issued and  
24 outstanding certificates of participation (including, potentially, and among other certificates  
25 of participation of the City, all or a portion of the 2012A Certificates) with the proceeds of  
refunding certificates of participation in an aggregate principal amount of up to

1 \$275,000,000 (“Additional Refunding Certificates” and, together with the Additional  
2 Improvement Certificates, “Additional Improvement and Refunding Certificates”), and when  
3 issued, such Additional Improvement and Refunding Certificates are to be secured and  
4 payable on a parity basis with the 2012A Certificates (only to the extent any 2012A  
5 Certificates remain outstanding at such time of issuance), the 2019-R1 Certificates, the  
6 2020-R1 Certificates, the 2021A Certificates, any theretofore issued Additional  
7 Improvement and Refunding Certificates, and the Certificates (defined below) herein  
8 authorized, which supplements to the Original Property Lease, Original Project Lease and  
9 Original Trust Agreement may be executed and delivered and which Additional  
10 Improvement and Refunding Certificates may be issued as previously authorized, in whole  
11 or in part, on a tax-exempt and/or taxable basis, prior to, on, or after the date of the  
12 adoption of this Ordinance.

13 (dd) The Board, as advised by the City’s Office of Public Finance, has determined  
14 that \$22,385,000 in aggregate principal amount of the Additional Improvement Certificates  
15 authorized to be issued pursuant to Ordinance No. 226-19, approved as of October 11,  
16 2019, will not be issued, and this Board now desires to partially repeal such Ordinance No.  
17 226-19 solely to reduce the amount of Additional Improvement Certificates authorized to be  
18 issued thereunder and to rescind the authority granted thereunder to issue and sell  
19 \$22,385,000 in aggregate principal amount of Additional Improvement Certificates, resulting  
20 in an aggregate principal amount of up to \$748,095,000 in Additional Improvement  
21 Certificates authorized to be issued pursuant to Ordinance No. 61-16, approved as of  
22 April 27, 2016; Ordinance No. 226-19 and its Ordinance No. 227-19, each approved as of  
23 October 11, 2019; Ordinance No. 281-19, approved as of December 20, 2019; Ordinance  
24 No. 222-20, November 6, 2020; Ordinance No. 123-21, approved as of August 4, 2021;  
25 Ordinance No. 183-22, approved as of August 4, 2022; and Ordinance No. 102-23,  
approved as of June 2, 2023.

1 (ee) The Board desires to finance the Project and to cause the execution and  
2 delivery of one or more additional series of certificates of participation (as further defined  
3 herein, the "Certificates") in an aggregate principal amount not to exceed \$77,170,000.

4 (ff) The Certificates will be executed and delivered in one or more series, from  
5 time to time, on a tax-exempt and/or taxable basis pursuant to a one or more supplements  
6 to the Original Trust Agreement (each, a "Supplement to Trust Agreement"), by and  
7 between the City and the Trustee, supplementing the Original Trust Agreement.

8 (gg) In connection with the execution and delivery of the Certificates, the Board  
9 desires to cause the execution of one or more supplements to the Original Property Lease  
10 (each, a "Supplement to Property Lease"), supplementing and amending the Original  
11 Property Lease (i) if determined to be necessary and advisable by the Director of Public  
12 Finance, supplementing and amending the Original Property Lease to supplement the  
13 Leased Property (defined below), pursuant to Section 18 of the Original Property Lease,  
14 Section 7.02 of the Original Trust Agreement and Sections 16 and 20 of the Original Project  
15 Lease (collectively, the "Leased Property Amendment Provisions"), by the addition to such  
16 Leased Property of any City-owned and then-unencumbered property, in each case as  
17 determined by the Director of Public Finance and all as specified in the Supplement to  
18 Property Lease (collectively, the "Additional Leased Property"), and (ii) to provide for  
19 additional rental to be paid by the Trustee in connection with the financing of the Project and  
20 certain related matters and pursuant to which the City intends to lease to the Trustee the  
21 Prior Leased Property, as previously supplemented and as further supplemented to include  
22 the Additional Leased Property, if any, as specified in the Supplement to Property Lease  
23 (collectively, the "Leased Property"); one or more supplements to the Original Project Lease  
24 (each, a "Supplement to Project Lease"), supplementing and amending the Original Project  
25 Lease to supplement the Leased Property pursuant to the Leased Property Amendment  
Provisions, by the addition of all or a portion of the Additional Leased Property, if any, all as

1 specified in the applicable Supplement or Supplements to Project Lease, and to provide for  
2 (i) the leasing of the Leased Property back to the City, (ii) the additional Base Rental to be  
3 paid by the City in connection with the issuance of the Certificates and the financing of the  
4 Project and (iii) certain related matters, with such additional changes to the Supplement to  
5 Property Lease and Supplement to Project Lease as shall be determined by the Director of  
6 Public Finance; a form of a purchase contract between the City and one or more initial  
7 purchasers of the Certificates (“Purchase Contract”); a Continuing Disclosure Certificate and  
8 certain other related documents.

9 (hh) The Certificates, when issued, will evidence direct undivided interests in the  
10 lease payments made by the City under the Original Project Lease, as previously  
11 supplemented and amended and as supplemented and amended by the Supplement or  
12 Supplements to Project Lease, on a parity basis with the outstanding 2012A Certificates (if  
13 any), 2019-R1 Certificates, 2020-R1 Certificates, 2021A Certificates and Additional  
14 Improvement and Refunding Certificates issued prior to or concurrently with the issuance of  
15 the Certificates.

16 (ii) The Board has been presented with the forms of certain documents and  
17 agreements referred to herein relating to the Certificates, and the Board has examined and  
18 is approving each such document and agreement and desires to authorize the execution of  
19 such documents and agreements and the consummation of such financing.

20 (jj) The Board has received from the City’s Office of Public Finance and disclosed  
21 to the public certain good faith estimates, as required by Section 5852.1 of the California  
22 Government Code, regarding certain costs relating to, the net proceeds of, and the debt  
23 service cost of the proposed issuance of the Certificates, which estimated information has  
24 been provided by the City’s municipal advisor, KNN Public Finance, LLC, and which  
25 estimated information is based upon conditions that are subject to change prior to, on, or  
after the date of final adoption of this Ordinance, including prevailing market conditions.

1 (kk) Upon the effectiveness of this Ordinance, all conditions, things and acts  
2 required by law to exist, to happen and to be performed precedent to and as a condition of  
3 the execution and delivery of the Supplement or Supplements to Property Lease, the  
4 Supplement or Supplements to Project Lease, the Supplement or Supplements to Trust  
5 Agreement, the Purchase Contract(s), the Continuing Disclosure Certificate, the Official  
6 Statement (as defined herein) and the Certificates will exist, have happened and have been  
7 performed in due time, form and manner in accordance with applicable law, and the City  
8 shall be authorized pursuant to its Charter and other applicable law to execute and deliver  
9 each Supplement to Property Lease, each Supplement to Project Lease, the Purchase  
10 Contract(s), the Continuing Disclosure Certificate, each Supplement to Trust Agreement  
11 and the Official Statement and to cause the execution and delivery of the Certificates in the  
12 manner and form provided in this Ordinance.

13 (ll) The City has paid and expects to pay certain expenditures in connection with  
14 the Project to be financed by the Certificates prior to the execution and delivery of the  
15 Certificates, and the City intends to reimburse itself and to pay third parties for such prior  
16 expenditures from the proceeds of the Certificates.

17 (mm) Section 1.150-2 of the Treasury Regulations promulgated under the Internal  
18 Revenue Code of 1986, as amended (“Reimbursement Regulations”), requires the City to  
19 declare its reasonable official intent to reimburse prior expenditures with the proceeds of a  
20 subsequent borrowing.

21 (nn) The Reimbursement Regulations require that any reimbursement allocation of  
22 proceeds of the Certificates to be made with respect to expenditures incurred prior to the  
23 execution and delivery of the Certificates will occur not later than eighteen (18) months after  
24 the later of (i) the date on which the expenditure is paid or (ii) the date on which the facilities  
25 are placed in service, but in no event later than three (3) years after the expenditure is paid.

1 (oo) The adoption of this Ordinance constitutes authorization of the Certificates  
2 within the meaning of Section 864 of the California Code of Civil Procedure, as amended,  
3 and any Validation Act that is effective after this Ordinance takes effect.

4  
5 Section 2. Findings and Determinations.

6 a. Findings. The Board hereby finds and determines that the recitals set forth  
7 above are true and correct.

8 b. Conditions Precedent. All conditions, things and acts required by law to exist, to  
9 happen and to be performed precedent to the execution and delivery of the Certificates exist,  
10 have happened and have been performed in due time, form and manner in accordance with  
11 applicable law, and the City is now authorized pursuant to its Charter and applicable law to  
12 incur indebtedness in the manner and form provided in this Ordinance.

13  
14 Section 3. File Documents. The documents presented to the Board and on file with  
15 the Clerk of the Board of Supervisors or his, her or their designee (collectively, the “Clerk”) are  
16 contained in File No. [\_\_\_\_\_].

17  
18 Section 4. Authorization of the Certificates. The Board hereby authorizes and  
19 approves the execution and delivery of the Certificates in one or more series on a tax-exempt  
20 and/or taxable basis and on one or more delivery dates in accordance with the applicable  
21 Supplement to Trust Agreement. The proceeds of the Certificates will be used, together with  
22 other available funds of the City, to (i) finance and/or refinance the Project, including through  
23 the retirement of certain commercial paper notes of the City issued therefor; (ii) fund a debt  
24 service or other similar reserve, as appropriate; and (iii) pay costs of issuance of the  
25 Certificates. The Certificates shall be designated as “City and County of San Francisco

1 Certificates of Participation (Multiple Capital Improvement Projects)” with such other or  
2 additional designations as to series and sub-series, tax-exempt and/or taxable status and the  
3 year of execution and delivery as determined by the Director of Public Finance or his, her or  
4 their designee.

5 (a) Certain Terms of the Certificates. The Certificates shall evidence an aggregate  
6 principal amount of not to exceed Seventy-Seven Million One Hundred Seventy Thousand  
7 Dollars (\$77,170,000), and shall evidence interest at a true interest cost up to but not to  
8 exceed twelve percent (12%) per annum. The Certificates shall be subject to prepayment as  
9 set forth in the applicable Supplement to Project Lease and Supplement to Trust Agreement.  
10 The Director of Public Finance is hereby authorized, to the extent such officer deems it  
11 necessary or advisable and financially advantageous to the City, to procure credit  
12 enhancement for the Certificates, including but not limited to municipal bond insurance and/or  
13 a debt service reserve fund surety policy.

14 (b) Tax Status of the Certificates. The Director of Public Finance is hereby  
15 authorized, to the extent such officer deems it necessary or advisable and in the interests of  
16 the City, to cause the execution and delivery of the Certificates (i) with interest with respect  
17 thereto being exempt or not exempt from federal income tax, and (ii) under any federal tax law  
18 provisions which provide for federal grants or credits to the City or to investors in lieu of the  
19 exemption of interest from federal income tax.

20 (c) Approval of the Supplement to Trust Agreement. The form of a Supplement to  
21 Trust Agreement between the City and the Trustee, as presented to the Board, a copy of  
22 which is on file with the Clerk, is hereby approved. The Mayor of the City (“Mayor”) or the  
23 City’s Controller (“Controller”) is hereby authorized, and each may select a designee who is  
24 authorized, to execute and deliver one or more Supplements to Trust Agreement in the form  
25 hereby approved, and the Clerk is hereby authorized to attest to and affix the seal of the City

1 on such Supplement or Supplements to Trust Agreement, with such changes, additions and  
2 modifications as the Mayor or the Controller may make or approve in accordance with Section  
3 20 hereof.

4  
5 Section 5. Approval of the Supplement to Property Lease. The form of a Supplement  
6 to Property Lease between the City and the Trustee, as presented to the Board, a copy of  
7 which is on file with the Clerk, is hereby approved. The Mayor or the Controller is hereby  
8 authorized, and each may select a designee who is authorized, to execute and deliver one or  
9 more Supplements to Property Lease in the form hereby approved, and the Clerk is hereby  
10 authorized to attest to and affix the seal of the City on such Supplement or Supplements to  
11 Property Lease, with such changes, additions and modifications as the Mayor or the  
12 Controller may make or approve in accordance with Section 20 hereof.

13  
14 Section 6. Approval of the Supplement to Project Lease. The form of a Supplement to  
15 Project Lease between the City and the Trustee, as presented to the Board, a copy of which is  
16 on file with the Clerk, is hereby approved. The Mayor or the Controller is hereby authorized,  
17 and each may select a designee who is authorized, to execute and deliver one or more  
18 Supplements to Project Lease in the form hereby approved, and the Clerk is hereby  
19 authorized to attest to and affix the seal of the City on such Supplement or Supplements to  
20 Project Lease with such changes, additions and modifications as the Mayor or Controller may  
21 make or approve in accordance with Section 20 hereof; provided, however, that the maximum  
22 Base Rental (as defined in the Project Lease) to be paid under such Supplement(s) to Project  
23 Lease in any fiscal year shall not exceed Ten Million Four Hundred Thousand Dollars  
24 (\$10,400,000) and the term of any Supplement to Project Lease shall not extend beyond the  
25

1 30<sup>th</sup> year following its date of execution, as such initial term may be extended in accordance  
2 with the Project Lease.

3  
4 Section 7. Approval of the Leased Property and the Base Rental Payments. The  
5 Board hereby approves the leasing, pursuant to the terms of the Supplement to Property  
6 Lease and the Supplement to Project Lease, of all or a portion of the Leased Property,  
7 including as such Leased Property may be supplemented, as determined by the Director of  
8 Public Finance, pursuant to the applicable provisions of the Property Lease and the Project  
9 Lease. The Board also hereby approves the payment by the City of the Base Rental with  
10 respect thereto.

11  
12 Section 8. Sale and Award of Certificates by Competitive Sale. In the event the  
13 Director of Public Finance determines to sell the Certificates by competitive sale, the Director  
14 of Public Finance, on behalf of the Controller, is hereby authorized and directed to receive  
15 bids for the purchase of the Certificates, and the Controller and the Director of Public Finance  
16 are each hereby authorized and directed to award the Certificates to the bidder whose bid  
17 represents the lowest true interest cost to the City, all in accordance with the procedures  
18 described in the Official Notice of Sale (as defined herein).

19  
20 Section 9. Approval of Form of Official Notice of Sale. The form of an official notice of  
21 sale relating to the Certificates ("Official Notice of Sale"), as presented to this Board, a copy of  
22 which is on file with the Clerk, is hereby approved. The Controller or the Director of Public  
23 Finance is authorized to approve the distribution of an Official Notice of Sale for the  
24 Certificates, with such changes, additions and modifications as such official may make or  
25 approve in accordance with Section 20 hereof.

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Section 10. Approval of Notice of Intention to Sell Relating to the Certificates. The form of a notice of intention to sell relating to the Certificates (“Notice of Intention to Sell”), as presented to this Board, a copy of which is on file with the Clerk, is hereby approved. The Controller or the Director of Public Finance is hereby authorized to approve the publication of the Notice of Intention to Sell relating to the Certificates, with such changes, additions and modifications as such official may make or approve in accordance with Section 20 hereof.

Section 11. Sale of Certificates by Negotiated Sale. If the Controller or the Director of Public Finance determines to sell the Certificates by negotiated sale, the Controller or the Director of Public Finance is hereby authorized, and each may select a designee who is authorized, to sell the Certificates by negotiated sale pursuant to one or more Purchase Contracts by and between the City and the underwriter or underwriters named therein; provided, however, that the underwriters’ discount under any such Purchase Contract shall not exceed one-half of one percent (0.5%) of the principal amount of the Certificates. The form of Purchase Contract, as presented to the Board, a copy of which is on file with the Clerk, is hereby approved.

Section 12. Authorization to Appoint Underwriters. To accomplish the sale of the Certificates by negotiated sale, if applicable, the Controller or the Director of Public Finance is hereby authorized to appoint one or more financial institutions to act as underwriter(s) for the Certificates in accordance with City policies and procedures, including but not limited to the City’s policy to provide locally disadvantaged business enterprises an equal opportunity to participate in the performance of all City contracts.

1           Section 13. Approval of the Official Statement in Preliminary and Final Form. The form  
2 of an official statement relating to the Certificates (“Official Statement”), as presented to this  
3 Board, a copy of which is on file in preliminary form with the Clerk, is hereby approved. The  
4 Controller is hereby authorized to approve the preliminary Official Statement in substantially  
5 said form, with such changes, additions, modifications (including but not limited to the  
6 inclusion of the most current City financial information) or deletions as such official may make  
7 or approve in accordance with Section 20 hereof, and to deem the preliminary Official  
8 Statement final for purposes of the Rule 15c2-12 of the Securities and Exchange Act of 1934,  
9 as amended, to execute, and to designate the Director of Public Finance to execute in his, her  
10 or their stead, a certificate to that effect, and to cause the preliminary Official Statement to be  
11 delivered, in printed or electronic form, to potential purchasers of the Certificates, such  
12 approval to be conclusively evidenced by the delivery of said deemed-final certificate. The  
13 Controller is hereby further authorized and directed to sign and deliver the Official Statement  
14 in final form to purchasers of the Certificates.

15  
16           Section 14. Approval of the Continuing Disclosure Certificate. The form of a  
17 Continuing Disclosure Certificate of the City relating to the Certificates, as presented to the  
18 Board, a copy of which is on file with the Clerk, is hereby approved. The Controller or the  
19 Director of Public Finance is hereby authorized to execute the Continuing Disclosure  
20 Certificate, with such changes, additions, modifications or deletions as the Controller or the  
21 Director of Public Finance may approve upon consultation with the City Attorney; such  
22 approval to be conclusively evidenced by the execution and delivery of the Continuing  
23 Disclosure Certificate.

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1           Section 15. Sale and Award of Certificates by Direct Placement. In the event the  
2 Director of Public Finance determines to sell the Certificates by direct placement, the Director  
3 of Public Finance, on behalf of the Controller, is hereby authorized and directed to receive  
4 bids for the purchase of the Certificates, and the Controller is hereby authorized and directed  
5 to award the Certificates to the bidder whose bid represents the lowest true interest cost to the  
6 City.

7  
8           Section 16. Authorization to Appoint Placement Agents. To accomplish the sale of the  
9 Certificates by direct placement, if applicable, the Controller or the Director of Public Finance  
10 is hereby authorized to appoint one or more financial institutions to act as placement agent(s)  
11 for the Certificates in accordance with City policies and procedures, including but not limited to  
12 the City's policy to provide locally disadvantaged business enterprises an equal opportunity to  
13 participate in the performance of all City contracts.

14  
15           Section 17. Reimbursement. The City declares its official intent to reimburse prior  
16 expenditures of the City incurred prior to the execution and delivery of the Certificates in  
17 connection with the Project or portions thereof with the proceeds of the Certificates. The  
18 Board of Supervisors declares the City's intent to reimburse the City with the proceeds of the  
19 Certificates for the expenditures with respect to the Project ("Expenditures" and each, an  
20 "Expenditure") made on and after that date that is no more than 60 days prior to adoption of  
21 this Ordinance. The City reasonably expects on the date of adoption of this Ordinance that it  
22 will reimburse the Expenditures with the proceeds of the Certificates.

23  
24           Section 18. Terms of Reimbursement. Each Expenditure was and will be either (a) of  
25 a type properly chargeable to a capital account under general federal income tax principles

1 (determined in each case as of the date of the Expenditure), (b) a cost of issuance with  
2 respect to the Certificates, (c) a nonrecurring item that is not customarily payable from current  
3 revenues, or (d) a grant to a party that is not related to or an agent of the City so long as such  
4 grant does not impose any obligation or condition (directly or indirectly) to repay any amount  
5 to or for the benefit of the City. The maximum aggregate principal amount of the Certificates  
6 expected to be executed and delivered for the Project is \$77,170,000. The City shall make a  
7 reimbursement allocation, which is a written allocation by the City that evidences the City's  
8 use of proceeds of the Certificates to reimburse an Expenditure, no later than 18 months after  
9 the later of the date on which the Expenditure is paid or the Project is placed in service or  
10 abandoned, but in no event more than three (3) years after the date on which the Expenditure  
11 is paid. The City recognizes that exceptions are available for certain "preliminary  
12 expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers"  
13 (based on the year of issuance and not the year of expenditure) and expenditures for  
14 construction projects of at least five (5) years.

15

16 Section 19. General Authority. The Mayor, the Treasurer, the City Attorney, the  
17 Controller, the City Administrator, the Director of Public Finance, the Clerk and other officers  
18 of the City and their duly authorized deputies, designees and agents are hereby authorized  
19 and directed, jointly and severally, to take such actions and to execute and deliver such  
20 certificates, agreements, requests or other documents as they may deem necessary or  
21 desirable to accomplish the purposes of this Ordinance, including but not limited to the  
22 execution and delivery of any Supplement to Property Lease, any Supplement to Project  
23 Lease, any Supplement to Trust Agreement, the Official Statement, one or more Purchase  
24 Contracts, the Continuing Disclosure Certificate and the Certificates, to obtain bond insurance  
25 or other credit enhancements and/or a surety policy with respect to the Certificates, to obtain

1 title insurance, to clear any encumbrances to title and to carry out other title work. Any such  
2 actions are solely intended to further the purposes of this Ordinance and are subject in all  
3 respects to the terms of this Ordinance. No such actions shall increase the risk to the City or  
4 require the City to spend any resources not otherwise granted herein. Final versions of any  
5 such documents shall be provided to the Clerk for inclusion in the official file within 30 days of  
6 execution (or as soon thereafter as final documents are available) by all parties.

7  
8 Section 20. Modifications, Changes and Additions. The Mayor, the Treasurer, the  
9 Controller and the Director of Public Finance each are hereby authorized, and each may  
10 select a designee who is authorized, to make such modifications, changes and additions to  
11 the documents and agreements approved hereby, upon consultation with the City Attorney, as  
12 may be necessary or desirable and in the interests of the City, and which changes do not  
13 materially increase the City's obligations or reduce its rights thereunder or hereunder. The  
14 respective official's approval of such modifications, changes and additions shall be  
15 conclusively evidenced by the execution and delivery by such official and the Clerk of the  
16 applicable Supplement to Property Lease, Supplement to Project Lease and Supplement to  
17 Trust Agreement, one or more Purchase Contracts or any of the other documents approved in  
18 this Ordinance. Any such actions are solely intended to further the purposes of this Ordinance  
19 and are subject in all respects to the terms of this Ordinance. No such actions shall increase  
20 the risk to the City or require the City to spend any resources not otherwise granted herein.  
21 Final versions of any such documents shall be provided to the Clerk for inclusion in the official  
22 file within 30 days (or as soon thereafter as final documents are available) of execution by all  
23 parties.

1 Section 21. Partial Repeal of Ordinance No. 226-19. Ordinance No. 226-19 is hereby  
2 repealed in part solely to reduce by \$22,385,000 in aggregate principal amount the Additional  
3 Improvement and Refunding Certificates authorized to be issued pursuant thereto, and the  
4 authority granted under Ordinance No. 226-19 to issue and sell \$22,385,000 in aggregate  
5 principal amount of Additional Improvement and Refunding Certificates is hereby rescinded.  
6

7 Section 22. Partial Invalidity. Any provision of this Ordinance found to be prohibited by  
8 law shall be ineffective only to the extent of such prohibition, and shall not invalidate the  
9 remainder of this Ordinance.  
10

11 Section 23. Effective Date. This Ordinance shall take effect immediately.  
12

13 Section 24. Ratification of Prior Actions. All actions authorized consistent with any  
14 documents presented herein and approved by this Ordinance but heretofore taken are hereby  
15 ratified, approved and confirmed by the Board.

16 APPROVED AS TO FORM:  
17 DAVID CHIU, City Attorney

18 By: /s/ MARK D. BLAKE  
19 MARK D. BLAKE  
Deputy City Attorney

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