

1 [Sale of General Obligation Bonds (Social Bonds - Affordable Housing, 2019), Series 2024C -  
2 Not to Exceed \$70,000,000]

3 **Resolution authorizing the issuance and sale of not to exceed \$70,000,000 aggregate**  
4 **principal amount on a tax-exempt or taxable basis of City and County of San Francisco**  
5 **General Obligation Bonds (Social Bonds-Affordable Housing, 2019) Series 2024C;**  
6 **prescribing the form and terms of such bonds; providing for the appointment of**  
7 **depositories and other agents for such bonds; providing for the establishment of**  
8 **accounts and/or subaccounts related to such bonds; authorizing the sale of such**  
9 **bonds by competitive or negotiated sale; approving the forms of the Official Notice of**  
10 **Sale and Notice of Intention to Sell Bonds and directing the publication of the Notice of**  
11 **Intention to Sell Bonds; approving the form of the Purchase Contract; approving the**  
12 **form of the Preliminary Official Statement and the execution of the Official Statement**  
13 **relating to the sale of such bonds; approving the form of the Continuing Disclosure**  
14 **Certificate; authorizing and approving modifications to such documents; ratifying**  
15 **certain actions previously taken, as defined herein; and granting general authority to**  
16 **City officials to take necessary actions in connection with the authorization, issuance,**  
17 **sale, and delivery of such bonds, as defined herein.**

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19  
20 WHEREAS, by Resolution No. 308-19, adopted by the Board of Supervisors (“Board of  
21 Supervisors”) of the City and County of San Francisco (“City”) on July 9, 2019, and signed by  
22 the Mayor (Mayor) on July 12, 2019, it was determined and declared that public interest and  
23 necessity demand the construction, development, acquisition, improvement, rehabilitation,  
24 preservation, and repair of affordable housing improvements, and related costs necessary or  
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1 convenient for the foregoing purposes, as further therein described (“Project” or “Projects”);  
2 and

3 WHEREAS, by Ordinance No. 168-19 passed by the Board of Supervisors on July 30,  
4 2019, and signed by the Mayor on July 31, 2019 (“2019 Bond Ordinance”), the Board of  
5 Supervisors duly called a special election to be held on November 5, 2019 (“Proposition A  
6 Bond Election”), for the purpose of submitting to the qualified voters of the City such  
7 proposition (“Proposition A”) to incur bonded indebtedness of the City in the amount of  
8 \$600,000,000 to finance the construction, development, acquisition, improvement,  
9 rehabilitation, preservation, and repair of affordable housing improvements, and related costs  
10 necessary or convenient for the foregoing purposes and for other matters, and such  
11 Proposition A was approved by two-thirds of the qualified voters of the City voting on such  
12 proposition, and declaration of such Proposition A Bond Election results was made by the  
13 Board of Supervisors pursuant to Resolution No. 523-19 on December 10, 2019, and  
14 approved by the Mayor on December 16, 2019; and

15 WHEREAS, The City may establish a loan program (“Loan Program”) to provide loans  
16 for the foregoing purposes; and

17 WHEREAS, by Resolution No. 448-20, adopted by the Board of Supervisors on  
18 October 6, 2020 and approved by the Mayor on October 9, 2020 (“Authorizing Resolution”),  
19 the City was authorized to issue its General Obligation Bonds in one or more series (Social  
20 Bonds - Affordable Housing, 2019) (“Bonds”) in the not-to-exceed amount of \$600,000,000;  
21 and

22 WHEREAS, the City previously issued a portion of the Bonds, Series 2021A in the  
23 principal amount of \$254,585,000; and

24 WHEREAS, the City previously issued a portion of the Bonds, Series 2023C in the  
25 principal amount of \$170,780,000; and

1           WHEREAS, it is necessary and desirable to deliver a third issue of the Bonds in one or  
2 more subseries on a tax-exempt or a taxable basis, in an aggregate principal amount not to  
3 exceed \$70,000,000 (“Series 2024C Bonds”), to finance a portion of the costs of the projects  
4 that qualify under Proposition A; and

5           WHEREAS, the Series 2024C Bonds are being issued pursuant to the Authorizing  
6 Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the California Government  
7 Code (“Government Code”), the Charter of the City (“Charter”), the 2019 Bond Ordinance and  
8 the Proposition A Bond Election; and

9           WHEREAS, pursuant to the applicable provisions of the San Francisco Administrative  
10 Code (“Administrative Code”) Sections 5.30-5.36, the Citizens’ General Obligation Bond  
11 Oversight Committee shall conduct an annual review of bond spending and shall provide an  
12 annual report on the management of the program to the Mayor and the Board of Supervisors,  
13 and, to the extent permitted by law, one tenth of one percent (0.1%) of the gross proceeds of  
14 the Series 2024C Bonds shall be deposited in a fund established by the Office of the City  
15 Controller (“Controller”) and appropriated by the Board of Supervisors at the direction of the  
16 Citizens’ General Obligation Bond Oversight Committee to cover the costs of such committee  
17 and its review process; and

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

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

21           Section 2. Conditions Precedent. All conditions, things and acts required by law to  
22 exist, to happen and to be performed precedent to and in connection with the issuance of the  
23 Series 2024C Bonds exist, have happened and have been performed in due time, form and  
24 manner in accordance with applicable law, and the City is now authorized pursuant to the  
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1 Proposition A Bond Election, the Authorizing Resolution, the Charter and applicable law to  
2 incur indebtedness in the manner and form provided in this Resolution.

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

6 Section 4. Issuance and Sale of Series 2024C Bonds; Determination of Certain Terms;  
7 Designation. The Board of Supervisors authorizes the issuance and sale of not to exceed  
8 \$70,000,000 in aggregate principal amount of Bonds to be designated as “City and County of  
9 San Francisco General Obligation Bonds (Social Bonds - Affordable Housing, 2019) Series  
10 2024C [and any subseries designation],” for the purposes set forth in the 2019 Bond  
11 Ordinance and Proposition A approved by the voters at the Proposition A Bond Election. Prior  
12 to issuance, the Series 2024C Bonds may be subdivided into more than one subseries. For  
13 purposes of this Resolution, all of such subdivided series in the aggregate are referred to  
14 herein as “Series 2024C Bonds.”

15 The Director of Public Finance of the City (“Director of Public Finance”), the Controller  
16 or any designee thereof (each, an “Authorized Officer”) are authorized to determine, for the  
17 Series 2024C Bonds, the sale date, the interest rates, the definitive principal amount, the  
18 maturity dates and the redemption dates, if any, and the terms of any optional or mandatory  
19 redemption, subject to the other specific provisions of this Resolution, including the following  
20 terms and conditions: (a) the Series 2024C Bonds shall not have a true interest cost (as such  
21 term is defined in the Official Notice of Sale (as defined in Section 13) for the Series 2024C  
22 Bonds) in excess of 12%; and (b) the Series 2024C Bonds shall not have a final maturity date  
23 more than 30 years from their date of issuance. The Director of Public Finance is further  
24 authorized to give the Series 2024C Bonds such additional or other series designation, or to  
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1 modify such series designation, as may be necessary or appropriate to distinguish the Series  
2 2024C Bonds from every other series of Bonds and from other bonds issued by the City.

3 Section 5. Authentication and Registration of the Series 2024C Bonds. Each of the  
4 Series 2024C Bonds shall be in fully registered form without coupons in denominations of  
5 \$5,000 or any integral multiple of that amount. The officers of the City are directed to cause  
6 the Series 2024C Bonds to be prepared in sufficient quantity for delivery to or for the account  
7 of their purchaser and the Director, Controller's Office of Public Finance is directed to cause  
8 the blanks in the Series 2024C Bonds to be completed in accordance with the Authorizing  
9 Resolution, this Resolution, and the Bond Award or Purchase Contract (as defined below), to  
10 procure their execution by the proper officers of the City (including by facsimile signature if  
11 necessary or convenient, except that any signature for the Clerk of the Board of Supervisors  
12 shall be required to be by manual signature) and authentication as provided in this Section,  
13 and to deliver the Series 2024C Bonds when so executed and authenticated to the purchaser  
14 in exchange for the purchase price, all in accordance with the Authorizing Resolution.

15 The Series 2024C Bonds and the certificate of authentication and registration, to be  
16 manually executed by the Treasurer of the City or designee thereof ("City Treasurer"), and the  
17 form of assignment to appear on the Series 2024C Bonds shall be substantially in the form  
18 attached as Exhibit A (a copy of which is on file with the Clerk of the Board of Supervisors and  
19 which is declared to be a part of this Resolution as if fully set forth in this Resolution), with  
20 necessary or appropriate variations, omissions and insertions as permitted or required by this  
21 Resolution.

22 Only Series 2024C Bonds bearing a certificate of authentication and registration  
23 executed by the City Treasurer shall be valid or obligatory for any purpose or entitled to the  
24 benefits of the Authorizing Resolution and this Resolution, and such certificate of the City  
25 Treasurer, executed as provided in this Resolution, shall be conclusive evidence that the

1 Series 2024C Bonds so authenticated have been duly authenticated and delivered under, and  
2 are entitled to the benefits of, the Authorizing Resolution and this Resolution.

3 The Controller shall assign a distinctive letter, or number, or letter and number to each  
4 Series 2024C Bond authenticated and registered by the City Treasurer and shall maintain a  
5 record thereof which shall be available for inspection.

6 Section 6. Registration Books. The City Treasurer shall keep or cause to be kept, at  
7 the office of the City Treasurer or at the designated office of any registrar appointed by the  
8 City Treasurer, separate and sufficient books for the registration and transfer of Series 2024C  
9 Bonds, which books shall at all times be open to inspection, and upon presentation for such  
10 purpose, the City Treasurer shall, under such reasonable regulations as he or she may  
11 prescribe, register or transfer or cause to be registered or transferred, on such books, Series  
12 2024C Bonds as provided in this Resolution. The City and the City Treasurer may treat the  
13 registered owner of each Series 2024C Bond as its absolute owner for all purposes, and the  
14 City and the City Treasurer shall not be affected by any notice to the contrary.

15 Section 7. Transfer or Exchange of Series 2024C Bonds. Any Series 2024C Bond  
16 may, in accordance with its terms, be transferred upon the books required to be kept pursuant  
17 to the provisions of Section 6, by the person in whose name it is registered, in person or by  
18 the duly authorized attorney of such person in writing, upon surrender of such Series 2024C  
19 Bond for cancellation, accompanied by delivery of a duly executed written instrument of  
20 transfer in a form approved by the City Treasurer.

21 Any Series 2024C Bond may be exchanged at the office of the City Treasurer for a like  
22 aggregate principal amount of other authorized denominations of the same interest rate and  
23 maturity.

24 Whenever any Series 2024C Bond shall be surrendered for transfer or exchange, the  
25 designated City officials shall execute (as provided in Section 5) and the City Treasurer shall

1 authenticate and deliver a new Series 2024C Bond of the same interest rate and maturity in a  
2 like aggregate principal amount. The City Treasurer shall require the payment by any bond  
3 owner requesting any such transfer of any tax or other governmental charge required to be  
4 paid with respect to such transfer or exchange.

5 No transfer or exchange of Series 2024C Bonds shall be required to be made by the  
6 City Treasurer during the period from the Record Date (as defined in Section 8(b)) next  
7 preceding each interest payment date to such interest payment date or after a notice of  
8 redemption shall have been mailed with respect to such Series 2024C Bonds.

9 Section 8. Terms of the Series 2024C Bonds; General Redemption Provisions.

10 (a) Date of the Series 2024C Bonds. The Series 2024C Bonds shall be  
11 dated the date of their delivery or such other date (“Dated Date”) as is specified in the  
12 Bond Award or the Purchase Contract.

13 (b) Payment of the Series 2024C Bonds. The principal of the Series 2024C  
14 Bonds shall be payable in lawful money of the United States of America to their  
15 owners, upon surrender at maturity or earlier redemption at the office of the City  
16 Treasurer. The interest on the Series 2024C Bonds shall be payable in like lawful  
17 money to the person whose name appears on the bond registration books of the City  
18 Treasurer as the owner as of the close of business on the last day of the month  
19 immediately preceding an interest payment date (“Record Date”), whether or not such  
20 day is a Business Day (as defined below).

21 Except as may be otherwise provided in connection with any book-entry-only  
22 system applicable to the Series 2024C Bonds, payment of the interest on any Series  
23 2024C Bond shall be made by check mailed on the interest payment date to such  
24 owner at such owner’s address as it appears on the registration books as of the Record  
25 Date; provided, that if any interest payment date occurs on a day that banks in

1 California or New York are closed for business or the New York Stock Exchange is  
2 closed for business, then such payment shall be made on the next succeeding day that  
3 banks in both California and New York are open for business and the New York Stock  
4 Exchange is open for business (each, a “Business Day”); and provided, further, that the  
5 registered owner of an aggregate principal amount of at least \$1,000,000 of Series  
6 2024C Bonds may submit a written request to the City Treasurer on or before a Record  
7 Date preceding an interest payment date for payment of interest on the next  
8 succeeding interest payment date and thereafter by wire transfer to a commercial bank  
9 located within the United States of America.

10 For so long as any Series 2024C Bonds are held in book-entry form by a  
11 securities depository selected by the City pursuant to Section 10, payment shall be  
12 made to the registered owner of the Series 2024C Bonds designated by such securities  
13 depository by wire transfer of immediately available funds.

14 (c) Interest on the Series 2024C Bonds. The Series 2024C Bonds shall bear  
15 interest at rates to be determined upon the sale of the Series 2024C Bonds, calculated  
16 on the basis of a 360-day year comprised of twelve 30-day months, payable on June  
17 15, 2025 (or such other date as may be designated in the Bond Award or Purchase  
18 Contract), and semiannually thereafter on June 15 and December 15 of each year.  
19 Each Series 2024C Bond shall bear interest from the interest payment date next  
20 preceding the date of its authentication unless it is authenticated as of a day during the  
21 period from the Record Date next preceding any interest payment date to the interest  
22 payment date, inclusive, in which event it shall bear interest from such interest payment  
23 date, or unless it is authenticated on or before the first Record Date, in which event it  
24 shall bear interest from the Dated Date; provided, that if, at the time of authentication of  
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1 any Series 2024C Bond, interest is in default on the Series 2024C Bonds, such Series  
2 2024C Bond shall bear interest from the interest payment date to which interest has  
3 previously been paid or made available for payment on the Series 2024C Bonds or  
4 from the Dated Date if the first interest payment is not made.

5 (d) Optional Redemption. The Series 2024C Bonds shall be subject to  
6 optional redemption prior to maturity as shall be provided in the Official Notice of Sale  
7 or the Purchase Contract, as applicable.

8 (e) Mandatory Redemption. The Series 2024C Bonds shall be subject to  
9 mandatory redemption as shall be designated by the purchaser pursuant to the terms  
10 of the Official Notice of Sale or as designated in the Purchase Contract, as applicable.

11 The principal of and interest on the Series 2024C Bonds subject to mandatory  
12 redemption shall be paid from the Series 2024C Bond Subaccount established in  
13 Section 9, pursuant to Section 9. In lieu of any such mandatory redemption for Series  
14 2024C Bonds, at any time prior to the selection of Series 2024C Bonds for mandatory  
15 redemption, the City may apply amounts on deposit in the Series 2024C Bond  
16 Subaccount to make such payment to the purchase, at public or private sale, of Series  
17 2024C Bonds subject to such mandatory redemption, and when and at such prices not  
18 in excess of the principal amount thereof (including sales commission and other  
19 charges but excluding accrued interest), as the City may determine.

20 (f) Selection of Series 2024C Bonds for Redemption. Whenever less than  
21 all of the outstanding Series 2024C Bonds are called for redemption on any date, the  
22 Director of Public Finance will select the maturities of the Series 2024C Bonds to be  
23 redeemed in the sole discretion of the Director of Public Finance. Whenever less than  
24 all of the outstanding Series 2024C Bonds maturing on any one date are called for  
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1 redemption, the manner of selection of the portion of such Series 2024C Bonds called  
2 for redemption shall be as specified in the Official Statement for the Series 2024C  
3 Bonds.

4 (g) Notice of Redemption. The date on which Series 2024C Bonds that are  
5 called for redemption are to be presented for redemption is called "Redemption Date."  
6 The City Treasurer shall mail, or cause to be mailed, notice of any redemption of Series  
7 2024C Bonds, postage prepaid, to the respective registered owners at the addresses  
8 appearing on the bond registration books not less than 20 nor more than 60 days prior  
9 to the Redemption Date. The notice of redemption shall: (i) state the Redemption  
10 Date; (ii) state the redemption price; (iii) state the maturity dates of the Series 2024C  
11 Bonds to be redeemed and, if less than all of any such maturity is called for  
12 redemption, the distinctive numbers of the Series 2024C Bonds of such maturity to be  
13 redeemed, and in the case of any Series 2024C Bonds to be redeemed in part only,  
14 the respective portions of the principal amount to be redeemed; (iv) state the CUSIP  
15 number, if any, of each Series 2024C Bond to be redeemed; (v) require that such  
16 Series 2024C Bonds be surrendered by the owners at the office of the City Treasurer  
17 or his or her agent; and (vi) give notice that interest on such Series 2024C Bonds or  
18 portions of Series 2024C Bonds to be redeemed will cease to accrue after the  
19 Redemption Date. Notice of optional redemption may be conditional upon receipt of  
20 funds or other event specified in the notice of redemption as provided in Section 8(j)  
21 below.

22 The actual receipt by the owner of any Series 2024C Bond of notice of such  
23 redemption shall not be a condition precedent to redemption, and failure to receive  
24 such notice, or any defect in such notice so mailed, shall not affect the validity of the  
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1 proceedings for the redemption of such Series 2024C Bonds or the cessation of  
2 accrual of interest on such Series 2024C Bonds on the Redemption Date.

3 Notice of redemption also shall be given, or caused to be given by the City  
4 Treasurer, by: (i) registered or certified mail, postage prepaid; (ii) confirmed facsimile  
5 transmission; (iii) overnight delivery service; or (iv) to the extent acceptable to the  
6 intended recipient, email or similar electronic means, to (A) all organizations registered  
7 with the Securities and Exchange Commission as securities depositories, and (B) such  
8 other services or organizations as may be required in accordance with the Continuing  
9 Disclosure Certificate described in Section 18.

10 The notice or notices required for redemption shall be given by the City  
11 Treasurer or any agent appointed by the City. A certificate of the City Treasurer or  
12 such other appointed agent of the City that notice of redemption has been given to the  
13 owner of any Series 2024C Bond to be redeemed in accordance with this Resolution  
14 shall be conclusive against all parties.

15 (h) Series 2024C Redemption Account. At the time the Director of Public  
16 Finance determines to optionally call and redeem any of the Series 2024C Bonds, the  
17 Controller or his or her agent shall establish a redemption account to be described or  
18 known as “General Obligation Bonds, Series 2024C Redemption Account” (“Series  
19 2024C Redemption Account”), and prior to or on the Redemption Date there must be  
20 set aside in the Series 2024C Redemption Account moneys available for the purpose  
21 and sufficient to redeem, as provided in this Resolution, the Series 2024C Bonds  
22 designated in such notice of redemption, subject to the provisions of Section 8(j) below.  
23 Such moneys must be set aside in the Series 2024C Redemption Account solely for  
24 the purpose of, and shall be applied on or after the Redemption Date to, payment of  
25 the redemption price of the Series 2024C Bonds to be redeemed upon presentation

1 and surrender of such Series 2024C Bonds. Any interest due on or prior to the  
2 Redemption Date may be paid from the Series 2024C Bond Subaccount as provided in  
3 Section 9 or from the Series 2024C Redemption Account. Moneys held from time to  
4 time in the Series 2024C Redemption Account shall be invested by the City Treasurer  
5 pursuant to the City’s policies and guidelines for investment of moneys in the general  
6 fund (“General Fund”) of the City. If, after all of the Series 2024C Bonds have been  
7 redeemed and canceled or paid and canceled, there are moneys remaining in the  
8 Series 2024C Redemption Account, such moneys shall be transferred to the General  
9 Fund of the City or to such other fund or account as required by applicable law;  
10 provided, that if such moneys are part of the proceeds of refunding bonds, such  
11 moneys shall be transferred pursuant to the resolution authorizing such refunding  
12 bonds.

13 (i) Effect of Redemption. When notice of optional redemption has been  
14 given substantially as provided in this Resolution, and when the amount necessary for  
15 the redemption of the Series 2024C Bonds called for redemption (principal, premium, if  
16 any, and accrued interest to such Redemption Date) is set aside for that purpose in the  
17 Series 2024C Redemption Account, the Series 2024C Bonds designated for  
18 redemption shall become due and payable on the Redemption Date, and upon  
19 presentation and surrender of such Series 2024C Bonds at the place specified in the  
20 notice of redemption, such Series 2024C Bonds shall be redeemed and paid at the  
21 redemption price out of the Series 2024C Redemption Account. No interest will accrue  
22 on such Series 2024C Bonds called for redemption after the Redemption Date and the  
23 registered owners of such Series 2024C Bonds shall look for payment of such Series  
24 2024C Bonds only to the Series 2024C Redemption Account. All Series 2024C Bonds  
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1 redeemed shall be canceled immediately by the City Treasurer and shall not be  
2 reissued.

3 (j) Conditional Notice of Redemption; Rescission of Redemption. Any notice  
4 of optional redemption given as provided in Section 8(g) may provide that such  
5 redemption is conditioned upon: (i) deposit in the Series 2024C Redemption Account of  
6 sufficient moneys to redeem the Series 2024C Bonds called for optional redemption on  
7 the anticipated Redemption Date, or (ii) the occurrence of any other event specified in  
8 the notice of redemption. If conditional notice of redemption has been given  
9 substantially as provided in this clause, and on the scheduled Redemption Date (A)  
10 sufficient moneys to redeem the Series 2024C Bonds called for optional redemption on  
11 the Redemption Date have not been deposited in the Series 2024C Redemption  
12 Account, or (B) any other event specified in the notice of redemption as a condition to  
13 the redemption has not occurred, then (1) the Series 2024C Bonds for which  
14 conditional notice of redemption was given shall not be redeemed on the anticipated  
15 Redemption Date and shall remain outstanding for all purposes of this Resolution, and  
16 (2) the redemption not occurring shall not constitute a default under this Resolution or  
17 the Authorizing Resolution.

18 The City may rescind any optional redemption and notice of it for any reason on  
19 any date prior to any Redemption Date by causing written notice of the rescission to be  
20 given to the owners of all Series 2024C Bonds so called for redemption. Notice of any  
21 such rescission of redemption shall be given in the same manner notice of redemption  
22 was originally given.

23 The actual receipt by the owner of any Series 2024C Bond of notice of such  
24 rescission shall not be a condition precedent to rescission, and failure to receive such  
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1 notice or any defect in such notice so mailed shall not affect the validity of the  
2 rescission.

3 Section 9. Series 2024C Bond Subaccount. There is established with the City  
4 Treasurer a special subaccount in the General Obligation Bonds (Social Bonds – Affordable  
5 Housing, 2019) Series 2024C Bond Account (“Bond Account”) created pursuant to the  
6 Authorizing Resolution to be designated as “General Obligation Bonds, Series 2024C Bond  
7 Subaccount” (“Series 2024C Bond Subaccount”), to be held separate and apart from all other  
8 accounts of the City. All interest earned on amounts on deposit in the Series 2024C Bond  
9 Subaccount shall be retained in the Series 2024C Bond Subaccount.

10 On or prior to the date on which any payment of principal of or interest on the  
11 Series 2024C Bonds is due, including any Series 2024C Bonds subject to mandatory  
12 redemption on such date, the City Treasurer shall allocate to and deposit in the Series 2024C  
13 Bond Subaccount, from amounts held in the Bond Account, an amount which, when added to  
14 any available moneys contained in the Series 2024C Bond Subaccount, is sufficient to pay  
15 principal of and interest on the Series 2024C Bonds on such date.

16 On or prior to the date on which any Series 2024C Bonds are to be redeemed at the  
17 option of the City pursuant to this Resolution, the City Treasurer may allocate to and deposit  
18 in the Series 2024C Redemption Account, from amounts held in the Bond Account pursuant  
19 to Section 8 of the Authorizing Resolution, an amount which, when added to any available  
20 moneys contained in the Series 2024C Redemption Account, is sufficient to pay principal,  
21 interest and premium, if any, with respect to such Series 2024C Bonds on such date. The  
22 City Treasurer may make such other provision for the payment of principal of and interest and  
23 any redemption premium on the Series 2024C Bonds as is necessary or convenient to permit  
24 the optional redemption of the Series 2024C Bonds.

1           Amounts in the Series 2024C Bond Subaccount may be invested in any investment of  
2 the City in which moneys in the General Fund of the City are invested. The City Treasurer  
3 may (a) commingle any of the moneys held in the Series 2024C Bond Subaccount with other  
4 City moneys, or (b) deposit amounts credited to the Series 2024C Bond Subaccount into a  
5 separate fund or funds for investment purposes only; provided, that all of the moneys held in  
6 the Series 2024C Bond Subaccount shall be accounted for separately notwithstanding any  
7 such commingling or separate deposit by the City Treasurer.

8           Section 10. Appointment of Depositories and Other Agents. The City Treasurer is  
9 authorized and directed to appoint one or more depositories as he or she may deem desirable  
10 and the procedures set forth in Section 5, Section 6, Section 7 and Section 8 relating to  
11 registration of ownership of the Series 2024C Bonds and payments and redemption notices to  
12 owners of the Series 2024C Bonds may be modified to comply with the policies and  
13 procedures of such depository. The City will not have any responsibility or obligation to any  
14 purchaser of a beneficial ownership interest in any Series 2024C Bonds or to any participants  
15 in such a depository with respect to (a) the accuracy of any records maintained by such  
16 securities depository or any participant therein; (b) any notice that is permitted or required to  
17 be given to the owners of Series 2024C Bonds under this Resolution; (c) the selection by such  
18 securities depository or any participant therein of any person to receive payment in the event  
19 of a partial redemption of Series 2024C Bonds; (d) the payment by such securities depository  
20 or any participant therein of any amount with respect to the principal or redemption premium,  
21 if any, or interest due with respect to Series 2024C Bonds; (e) any consent given or other  
22 action taken by such securities depository as the owner of Series 2024C Bonds; or (f) any  
23 other matter.

24           The Depository Trust Company (“DTC”) is appointed as depository for the Series  
25 2024C Bonds. The Series 2024C Bonds shall be initially issued in book-entry form. Upon

1 initial issuance, the ownership of each Series 2024C Bond shall be registered in the bond  
2 register in the name of Cede & Co., as nominee of DTC. So long as each Series 2024C Bond  
3 is registered in book-entry form, each Series 2024C Bond shall be registered in the name of  
4 Cede & Co. or in the name of such successor nominee as may be designated from time to  
5 time by DTC or any successor as depository.

6 The City Treasurer is also authorized and directed to appoint one or more agents as he  
7 or she may deem necessary or desirable, to the extent permitted by applicable law and under  
8 the supervision of the City Treasurer, such agents may serve as paying agent, fiscal agent,  
9 rebate calculation agent, escrow agent or registrar for the Series 2024C Bonds or may assist  
10 the City Treasurer in performing any or all of such functions and such other duties as the City  
11 Treasurer shall determine. Such agents shall serve under such terms and conditions as the  
12 City Treasurer shall determine. The City Treasurer may remove or replace agents appointed  
13 pursuant to this paragraph at any time.

14 Section 11. Defeasance Provisions. Payment of all or any portion of the Series 2024C  
15 Bonds may be provided for prior to such Series 2024C Bonds' respective stated maturities by  
16 irrevocably depositing with the City Treasurer (or any commercial bank or trust company  
17 designated by the City Treasurer to act as escrow agent with respect thereto):

18 (a) an amount of cash equal to the principal amount of all of such Series  
19 2024C Bonds or a portion thereof, and all unpaid interest thereon to maturity, except  
20 that in the case of Series 2024C Bonds which are to be redeemed prior to such Series  
21 2024C Bonds' respective stated maturities and in respect of which notice of such  
22 redemption shall have been given as provided in Section 8 hereof or an irrevocable  
23 election to give such notice shall have been made by the City, the amount to be  
24 deposited shall be the principal amount thereof, all unpaid interest thereon to the  
25 Redemption Date, and any premium due on such Redemption Date; or



1 (b) Defeasance Securities (as herein defined) not subject to call, except as  
2 provided below in the definition thereof, maturing and paying interest at such times and  
3 in such amounts; together with interest earnings and cash, if required, as will, without  
4 reinvestment, as certified by an independent certified public accountant, be fully  
5 sufficient to pay the principal and all unpaid interest to maturity, or to the Redemption  
6 Date, as the case may be, and any premium due on the Series 2024C Bonds to be  
7 paid or redeemed, as such principal and interest come due; provided, that, in the case  
8 of the Series 2024C Bonds which are to be redeemed prior to maturity, notice of such  
9 redemption shall be given as provided in Section 8 hereof or an irrevocable election to  
10 give such notice shall have been made by the City; then, all obligations of the City with  
11 respect to such outstanding Series 2024C Bonds shall cease and terminate, except  
12 only the tax covenants under Section 25 and the obligation of the City to pay or cause  
13 to be paid from the funds deposited pursuant to clause (a) or (b) of this Section 11, to  
14 the owners of such Series 2024C Bonds all sums due with respect thereto; and  
15 provided further, that the City shall have received an opinion of nationally recognized  
16 bond counsel, that provision for the payment of such Series 2024C Bonds has been  
17 made in accordance with this Section 11.

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

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

22 (ii) Pre-refunded fixed interest rate municipal obligations meeting the  
23 following conditions: (A) the municipal obligations are not subject to redemption  
24 prior to maturity, or the trustee or paying agent has been given irrevocable  
25 instructions concerning their calling and redemption and the issuer has

1 covenanted not to redeem such obligations other than as set forth in such  
2 instructions; (B) the municipal obligations are secured by cash and/or United  
3 States Obligations; (C) the principal of and interest on the United States  
4 Obligations (plus any cash in the escrow fund or the redemption account) are  
5 sufficient to meet the liabilities of the municipal obligations; (D) the United States  
6 Obligations serving as security for the municipal obligations are held by an  
7 escrow agent or trustee; (E) the United States Obligations are not available to  
8 satisfy any other claims, including those against the trustee or escrow agent;  
9 and (F) the municipal obligations are rated (without regard to any numerical  
10 modifier, plus or minus sign or other modifier), at the time of original deposit to  
11 the escrow fund, by any two Rating Agencies (as defined below) not lower than  
12 the rating then maintained by such Rating Agencies on such United States  
13 Obligations.

14 For purposes of this Section 11, "United States Obligations" means (i) direct and  
15 general obligations of the United States of America, or obligations that are unconditionally  
16 guaranteed as to principal and interest by the United States of America, including, without  
17 limitation, the interest component of Resolution Funding Corporation ("REFCORP") bonds that  
18 have been stripped by request to the Federal Reserve Bank of New York in book-entry form  
19 or (ii) any security issued by an agency or instrumentality of the United States of America that  
20 is selected by the Director of Public Finance that results in the escrow fund being rated by any  
21 two Rating Agencies, at the time of the initial deposit to the escrow fund and upon any  
22 substitution or subsequent deposit to the escrow fund, not lower than the rating then  
23 maintained by the respective Rating Agency on United States Obligations described in clause  
24 (i) above.

1 For purposes of this Section 11, "Rating Agencies" shall mean Moody's Investors  
2 Service, Fitch Ratings, and S&P Global Ratings, or any other nationally-recognized bond  
3 rating agency that is the successor to any of the foregoing rating agencies or that is otherwise  
4 established after the date hereof.

5 Section 12. Sale of Series 2024C Bonds By Competitive or Negotiated Sale. The  
6 Board of Supervisors authorizes the sale of the Series 2024C Bonds by solicitation of  
7 competitive bids or by negotiated sale to one or more underwriters to be appointed in  
8 accordance with City policies, if so determined by the Director of Public Finance.

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

10 (a) Official Notice of Sale. The form of proposed Official Notice of Sale  
11 inviting bids for the Series 2024C Bonds ("Official Notice of Sale") submitted to the  
12 Board of Supervisors is approved and adopted as the Official Notice of Sale inviting  
13 bids for the Series 2024C Bonds, with such changes, additions and modifications as  
14 may be made in accordance with Section 19. The Director of Public Finance is  
15 authorized and directed to cause to be mailed or otherwise circulated to prospective  
16 bidders for the Series 2024C Bonds copies of one or more Official Notice of Sale,  
17 subject to such corrections, revisions or additions as may be acceptable to the Director  
18 of Public Finance.

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

21 (c) Bond Award. As provided in the Official Notice of Sale, the City may  
22 reject any and all bids received for any reason. The Authorized Officer is authorized to  
23 award the Series 2024C Bonds to the responsible bidder whose bid (i) is timely  
24 received and conforms to the Official Notice of Sale, except to the extent informalities  
25 and irregularities are waived by the City as permitted by the Official Notice of Sale; and

1 (ii) represents the lowest true interest cost to the City in accordance with the  
2 procedures described in the Official Notice of Sale. The award, if made, shall be set  
3 forth in one or more certificates signed by the Authorized Officer setting forth the terms  
4 of the Series 2024C Bonds and the original purchasers (“Bond Award”). The Director  
5 of Public Finance shall provide a copy of the Bond Award, if such award is not signed  
6 by the Controller, as soon as practicable to the Controller; provided, that failure to  
7 provide such copy shall not affect the validity of the Bond Award.

8 Section 14. Publication of Notice of Intention to Sell Bonds. If the Series 2024C Bonds  
9 are sold through a solicitation of competitive binds, then the form of proposed Notice of  
10 Intention to Sell the Series 2024C Bonds (“Notice of Intention to Sell Bonds”) submitted to the  
11 Board of Supervisors is approved and adopted as the Notice of Intention to Sell the Series  
12 2024C Bonds, and the Director of Public Finance is authorized and directed to cause one or  
13 more Notices of Intention to Sell Bonds, subject to such corrections, revisions or additions as  
14 may be made in accordance with Section 19, to be published once in *The Bond Buyer* or  
15 another financial publication generally circulated throughout the State of California meeting  
16 the requirements of Section 53692 of the Government Code at least five (5) days prior to the  
17 date fixed for receipt of bids for the Series 2024C Bonds, or as otherwise set forth in Section  
18 53692 of the Government Code.

19 Section 15. Authorization of Negotiated Sale; Authorization to Select Underwriters;  
20 Form of Purchase Contract Approval. The Authorized Officer is hereby authorized to conduct  
21 the sale of the Series 2024C Bonds by negotiated sale pursuant to one or more Purchase  
22 Contracts (each, a “Purchase Contract”), each by and between the City and the underwriter(s)  
23 named therein (“Underwriters”) or by and between the City and a placement agent named  
24 therein (“Placement Agent”), if the Controller determines that such manner of sale (negotiated  
25 or private placement) is in the best financial interest of the City (in accordance with the criteria

1 set forth in the City's debt policy), such determination to be conclusively evidenced by the  
2 execution and delivery of such Purchase Contract as hereinafter approved. The form of such  
3 Purchase Contract as presented to this Board of Supervisors, a copy of which is on file with  
4 the Clerk of the Board of Supervisors, is hereby approved. The Authorized Officer is hereby  
5 authorized to execute such Purchase Contract with such changes, additions and modifications  
6 as the Authorized Officer may make or approve in accordance with Section 19 hereof  
7 (including such changes as may be required for a private placement); provided however, that  
8 the Underwriters' discount or placement agent fee under any such Purchase Contract shall  
9 not exceed 1.0% of the principal amount of the Series 2024C Bonds. In order to facilitate the  
10 sale of the Series 2024C Bonds by negotiated sale, the Authorized Officer is hereby  
11 authorized and directed to appoint one or more financial institutions to act as underwriter or  
12 placement agent for the Series 2024C Bonds.

13 Section 16. Disposition of Proceeds of Sale. The proceeds of sale of the Series  
14 2024C Bonds shall be applied by the City Treasurer as follows: (a) accrued interest, if any,  
15 shall be deposited into the Series 2024C Bond Subaccount; (b) premium, if any, shall be  
16 deposited into the Series 2024C Bond Subaccount in such amount not to exceed three years  
17 of interest on the Series 2024C Bonds; and (c) remaining proceeds of sale shall be deposited  
18 into the Project Account established under Resolution No. 448-20.

19 Section 17. Preliminary Official Statement and Official Statement. The form of  
20 proposed Preliminary Official Statement describing the Series 2024C Bonds ("Preliminary  
21 Official Statement") submitted to the Board of Supervisors is approved and adopted as the  
22 Preliminary Official Statement describing the Series 2024C Bonds, with such additions,  
23 corrections and revisions as may be determined to be necessary or desirable made in  
24 accordance with Section 19. The Authorized Officer is authorized to cause the distribution of  
25 one or more Preliminary Official Statements deemed final for purposes of Securities and

1 Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of  
2 1934, as amended (“Rule”), and to sign a certificate to that effect. The Director of Public  
3 Finance is authorized and directed to cause to be printed and mailed or electronically  
4 distributed to prospective bidders for the Series 2024C Bonds the Preliminary Official  
5 Statement(s) in substantially the form of the Preliminary Official Statement approved and  
6 adopted by this Resolution, as completed, supplemented, corrected or revised. The  
7 Authorized Officer is authorized and directed to approve, execute, and deliver one or more  
8 final Official Statements with respect to the Series 2024C Bonds, which final Official  
9 Statement shall be in the form of the Preliminary Official Statement, with such additions,  
10 corrections and revisions as may be determined to be necessary or desirable made in  
11 accordance with Section 19 and as are permitted under the Rule. The Director of Public  
12 Finance is authorized and directed to cause to be printed and mailed or electronically  
13 distributed the final Official Statement(s) to all actual initial purchasers of the Series 2024C  
14 Bonds.

15 Section 18. Continuing Disclosure Certificate. The form of Continuing Disclosure  
16 Certificate (“Continuing Disclosure Certificate”), to be signed by the City to permit the original  
17 purchasers of the Series 2024C Bonds to comply with the Rule, submitted to the Board of  
18 Supervisors is approved and adopted as the Continuing Disclosure Certificate, with such  
19 additions, corrections and revisions as may be determined to be necessary or desirable made  
20 in accordance with Section 19. The Controller is authorized and directed to execute one or  
21 more Continuing Disclosure Certificate on behalf of the City and deliver the Continuing  
22 Disclosure Certificate to the original purchasers of the Series 2024C Bonds.

23 Section 19. Modification to Documents. Any City official authorized by this Resolution  
24 to execute any document is further authorized, in consultation with the City Attorney and co-  
25 bond counsel, to approve and make such changes, additions, amendments or modifications to

1 the document or documents such official is authorized to execute as may be necessary or  
2 advisable (provided, that such changes, additions, amendments or modifications shall not  
3 authorize an aggregate principal amount of Series 2024C Bonds in excess of \$70,000,000 or  
4 conflict with the provisions of Section 4). The approval of any change, addition, amendment  
5 or modification to any of the aforementioned documents shall be evidenced conclusively by  
6 the execution and delivery of the document in question.

7 Section 20. Ratification. All actions previously taken by officials, employees and  
8 agents of the City with respect to the sale and issuance of the Series 2024C Bonds,  
9 consistent with any documents presented and this Resolution, are approved, confirmed and  
10 ratified.

11 Section 21. Relationship to Authorizing Resolution. In the event of any conflict  
12 between this Resolution and the Authorizing Resolution, the terms of this Resolution shall  
13 control. Without limiting the foregoing and notwithstanding the provisions of the Authorizing  
14 Resolution, the City is not obligated to transfer money from the General Fund of the City to the  
15 Bond Account to pay the principal of or interest on the Series 2024C Bonds.

16 Section 22. Accountability Reports. The Series 2024C Bonds are subject to  
17 accountability requirements under the Administrative Code and the 2019 Bond Ordinance.  
18 The deadline for submission of the Accountability report(s) under Administrative Code  
19 Sections 2.71(a) and 2.71(b) are hereby waived with respect to the Series 2024C Bonds.  
20 Accountability report(s) with respect to the Series 2024C Bonds shall be submitted in all other  
21 respects in the manner required by the Administrative Code and the 2019 Bond Ordinance.

22 Section 23. Covenants to Maintain Tax-Exempt Status. The following covenants shall  
23 be applicable to any Series 2024C Bonds (including any subseries) issued as bonds the  
24 interest on which is intended to be excludable from gross income for federal or state income  
25 tax purposes (together "Tax Exempt Bonds"):

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

3 “*Closing Date*” means the date on which the Tax Exempt Bonds are first  
4 authenticated and delivered to the initial purchasers against payment therefor.

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

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

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

11 “*Gross Proceeds*” means any proceeds as defined in Section 1.148-1(b) of the  
12 Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the  
13 Regulations, of the Tax Exempt Bonds.

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

15 “*Nonpurpose Investment*” means any investment property, as defined in  
16 Section 148(b) of the Code, in which Gross Proceeds of the Tax Exempt Bonds are  
17 invested and which is not acquired to carry out the governmental purposes of the Tax  
18 Exempt Bonds.

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

21 “*Regulations*” means any proposed, temporary, or final Income Tax Regulations  
22 issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the  
23 Internal Revenue Code of 1954, which are applicable to the Tax Exempt Bonds. Any  
24 reference to any specific Regulation shall also mean, as appropriate, any proposed,  
25



1 temporary or final Income Tax Regulation designed to supplement, amend or replace  
2 the specific Regulation referenced.

3 “Yield” of:

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

6 (ii) the Tax Exempt Bonds has the meaning set forth in  
7 Section 1.148-4 of the Regulations.

8 (b) Not to Cause Interest to Become Taxable. The City shall not use, permit  
9 the use of, or omit to use Gross Proceeds or any other amounts (or any property the  
10 acquisition, construction or improvement of which is to be financed directly or indirectly  
11 with Gross Proceeds) in a manner which if made or omitted, respectively, would cause  
12 the interest on any Series 2024C Bond to become includable in the gross income, as  
13 defined in Section 61 of the Code, of the owner thereof for federal income tax  
14 purposes. Without limiting the generality of the foregoing, unless and until the City  
15 receives a written opinion of counsel nationally recognized in the field of municipal  
16 bond law to the effect that failure to comply with such covenant will not adversely affect  
17 the exemption from federal income tax of the interest on any Series 2024C Bond, the  
18 City shall comply with each of the specific covenants in this Section.

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

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

1 terms different than those applicable to the general public) or any property  
2 acquired, constructed or improved with such Gross Proceeds in any activity  
3 carried on by any person or entity (including the United States or any agency,  
4 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  
8 Tax Exempt Bonds or any property the acquisition, construction or improvement  
9 of which is to be financed or refinanced directly or indirectly with such Gross  
10 Proceeds, other than taxes of general application within the City or interest  
11 earned on investments acquired with such Gross Proceeds pending application  
12 for their intended purposes.

13 (d) No Private Loan. Except to the extent permitted by Section 141 of the  
14 Code and the Regulations and rulings thereunder, the City shall not use Gross  
15 Proceeds of the Tax Exempt Bonds to make or finance loans to any person or entity  
16 other than a state or local government. For purposes of the foregoing covenant, such  
17 Gross Proceeds are considered to be "loaned" to a person or entity if: (i) property  
18 acquired, constructed or improved with such Gross Proceeds is sold or leased to such  
19 person or entity in a transaction which creates a debt for federal income tax purposes;  
20 (ii) capacity in or service from such property is committed to such person or entity  
21 under a take-or-pay, output or similar contract or arrangement; or (iii) indirect benefits,  
22 or burdens and benefits of ownership, of such Gross Proceeds or any property  
23 acquired, constructed or improved with such Gross Proceeds are otherwise transferred  
24 in a transaction which is the economic equivalent of a loan.  
25

1 (e) Not to Invest at Higher Yield. Except to the extent permitted by  
2 Section 148 of the Code and the Regulations and rulings thereunder, the City shall not  
3 at any time prior to the final stated maturity of the Tax Exempt Bonds directly or  
4 indirectly invest Gross Proceeds in any Investment, if as a result of such investment the  
5 Yield of any Investment acquired with Gross Proceeds, whether then held or previously  
6 disposed of, exceeds the Yield of the Tax Exempt Bonds.

7 (f) Not Federally Guaranteed. Except to the extent permitted by  
8 Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall  
9 not take or omit to take any action which would cause the Tax Exempt Bonds to be  
10 federally guaranteed within the meaning of Section 149(b) of the Code and the  
11 Regulations and rulings thereunder.

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

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

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

1 (ii) Not less frequently than each Computation Date, the City shall  
2 calculate the Rebate Amount in accordance with rules set forth in Section 148(f)  
3 of the Code and the Regulations and rulings thereunder. The City shall maintain  
4 such calculations with its official transcript of proceedings relating to the  
5 issuance of the Tax Exempt Bonds until six years after the Final Computation  
6 Date.

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

21 (iv) The City shall exercise reasonable diligence to assure that no  
22 errors are made in the calculations and payments required by paragraphs (ii)  
23 and (iii), and if an error is made, to discover and promptly correct such error  
24 within a reasonable amount of time thereafter (and in all events within 180 days  
25 after discovery of the error), including payment to the United States of any

1 additional Rebate Amount owed to it, interest thereon, and any penalty imposed  
2 under Section 1.148-3(h) of the Regulations.

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

10 (j) Elections. The City directs and authorizes the Director of Public Finance  
11 and the Controller, either or any combination of them, to make elections permitted or  
12 required pursuant to the provisions of the Code or the Regulations, as they deem  
13 necessary or appropriate in connection with the Tax Exempt Bonds, in the Certificate  
14 as to Tax Exemption or similar or other appropriate certificate, form or document.

15 Section 24. Reimbursement. The City declares its official intent to reimburse prior  
16 expenditures of the City incurred prior to the issuance and sale of the Tax Exempt Bonds in  
17 connection with the project or portions thereof to be financed by the Tax Exempt Bonds. The  
18 Board of Supervisors declares the City's intent to reimburse the City with the proceeds of the  
19 Tax Exempt Bonds for the expenditures with respect to the project ("Expenditures" and each  
20 an "Expenditure") made on and after that date that is no more than 60 days prior to adoption  
21 of this Resolution. The City reasonably expects on the date of adoption of this Resolution that  
22 it will reimburse the Expenditures with the proceeds of the Tax Exempt Bonds.

23 Each Expenditure was and will be either (a) of a type properly chargeable to a capital  
24 account under general federal income tax principles (determined in each case as of the date  
25 of the Expenditure), (b) a cost of issuance with respect to the Series 2024C Bonds, (c) a

1 nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a  
2 party that is not related to or an agent of the City so long as such grant does not impose any  
3 obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the  
4 City. The maximum aggregate principal amount of the Tax Exempt Bonds expected to be  
5 issued for the project is \$70,000,000. The City shall make a reimbursement allocation, which  
6 is a written allocation by the City that evidences the City's use of proceeds of the Tax Exempt  
7 Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on  
8 which the Expenditure is paid or the project is placed in service or abandoned, but in no event  
9 more than three years after the date on which the Expenditure is paid. The City recognizes  
10 that exceptions are available for certain "preliminary expenditures," costs of issuance, certain  
11 *de minimis* amounts, expenditures by "small issuers" (based on the year of issuance and not  
12 the year of expenditure) and expenditures for construction projects of at least 5 years.

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1           Section 25. General Authority. The Clerk of the Board of Supervisors, the Mayor, the  
2 City Treasurer, the Director of Public Finance, the City Attorney and the Controller are each  
3 authorized and directed in the name and on behalf of the City to take any and all steps and to  
4 issue, deliver or enter into any and all certificates, requisitions, agreements, notices, consents,  
5 and other documents as may be necessary to give effect to the provisions of this Resolution,  
6 including but not limited to a private placement agreement and investor letter, tax compliance  
7 certificates and letters of representations to any depository or depositories, which they or any  
8 of them might deem necessary or appropriate in order to consummate the lawful issuance,  
9 sale and delivery of the Series 2024C Bonds. Any such actions are solely intended to further  
10 the purposes of this Resolution, and are subject in all respects to the terms of this Resolution.  
11 No such actions shall increase the risk to the City or require the City to spend any resources  
12 not otherwise granted herein. Final versions of any such documents shall be provided to the  
13 Clerk of the Board of Supervisors for inclusion in the official file within 30 days (or as soon  
14 thereafter as final documents are available) of execution by all parties.

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

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

1  
2 EXHIBIT A  
3 FORM OF BOND

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

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  
(SOCIAL BONDS - AFFORDABLE HOUSING, 2019)  
18 SERIES 2024C

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

21 REGISTERED OWNER: Cede & Co.

22 PRINCIPAL AMOUNT: \_\_\_\_\_

23 The City and County of San Francisco, State of California (City), acknowledges itself indebted  
24 to and promises to pay to the Registered Owner specified above or registered assigns, on the  
25 Maturity Date specified above, the Principal Amount of this Bond specified above in lawful



1 money of the United States of America, and to pay interest on the Principal Amount in like  
2 lawful money from the Interest Payment Date (as defined below) next preceding the date of  
3 authentication of this Bond (unless this Bond is authenticated as of the day during the period  
4 from the last day of the month immediately preceding any Interest Payment Date (“Record  
5 Date”) to such Interest Payment Date, inclusive, in which event it shall bear interest from such  
6 Interest Payment Date, or unless this Bond is authenticated on or before May 31, 2025, in  
7 which event it shall bear interest from its Dated Date (specified above) until payment of such  
8 Principal Amount, at the Interest Rate per year specified above calculated on the basis of a  
9 360-day year comprised of twelve 30-day months, payable on June 15, 2025 and  
10 semiannually thereafter on June 15 and December 15 in each year (each, an “Interest  
11 Payment Date”); *provided*, that if any Interest Payment Date occurs on a day that banks in  
12 California or New York are closed for business or the New York Stock Exchange is closed for  
13 business, then such payment shall be made on the next succeeding day that banks in both  
14 California and New York are open for business and the New York Stock Exchange is open for  
15 business (a “Business Day”). The Principal Amount of this Bond is payable to the Registered  
16 Owner of this Bond upon the surrender of this Bond at the office of the Treasurer of the City  
17 (“City Treasurer”) in San Francisco, California. The interest on this Bond is payable to the  
18 person whose name appears on the Bond registration books of the City Treasurer as the  
19 Registered Owner of this Bond as of the close of business on the Record Date immediately  
20 preceding an Interest Payment Date, whether or not such day is a Business Day, such  
21 interest to be paid by check mailed on the Interest Payment Date to such Registered Owner at  
22 the owner’s address as it appears on such registration books; *provided*, that the Registered  
23 Owner of Bonds in an aggregate principal amount of at least \$1,000,000 may submit a written  
24 request to the City Treasurer on or before the Record Date preceding any Interest Payment  
25

1 Date for payment of interest by wire transfer to a commercial bank located in the United  
2 States of America.

3 This Bond is one of a duly authorized issue of City and County of San Francisco  
4 General Obligation Bonds (Social Bonds-Affordable Housing, 2019) Series 2024C (“Bonds”)  
5 of like tenor (except for such variations, if any, as may be required to designate varying  
6 numbers, denominations, interest rates and maturities), in the aggregate principal amount of  
7 \$\_\_\_\_\_, which is part of a bond authorization in the aggregate original principal amount  
8 of \$600,000,000 authorized by the affirmative votes of more than two-thirds of the voters  
9 voting at a special election duly and legally called, held and conducted in the City on  
10 November 5, 2019 and is issued and sold by the City pursuant to and in strict conformity with  
11 the provisions of the Constitution and laws of the State of California, the Charter of the City  
12 and a Resolution of Necessity adopted by the Board of Supervisors of the City (“Board of  
13 Supervisors”) on [DATE], and duly approved by the Mayor of the City on [DATE], and  
14 Resolution No. \_\_\_\_\_, adopted by the Board of Supervisors on \_\_\_\_\_, 20\_\_ and duly  
15 approved by the Mayor of the City on \_\_\_\_\_, 20\_\_ (together with the related Certificate  
16 Awarding the Bonds and Fixing Definitive Interest Rates for the Bonds, dated \_\_\_\_\_,  
17 20\_\_, “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  
4 amount 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  
6 Treasurer during the period from the Record Date next preceding each Interest Payment Date  
7 to such Interest Payment Date or after a notice of redemption shall have been mailed with  
8 respect to such Bonds.

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

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  
3 respective amount provided in the [Official Notice of Sale/the Purchase Contract] for the  
4 Bonds.

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

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

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

23 Any notice of optional redemption may provide that such redemption is conditional  
24 upon occurrence of a specified event, as provided in the Resolutions. In the event that such  
25 conditional notice of optional redemption has been given, and on the date fixed for redemption

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

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

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

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

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

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

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

4  
 5  
 6 IN WITNESS WHEREOF the Board of Supervisors has caused this Bond to be  
 7 executed by the Mayor of the City and to be countersigned by the Clerk of the Board of  
 8 Supervisors, all as of \_\_\_\_\_.

9 \_\_\_\_\_  
 10 Mayor of the  
 11 City and County of San Francisco

12 Countersigned:  
 13

14 \_\_\_\_\_  
 15 Clerk of the Board of Supervisors

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**CERTIFICATE OF REGISTRATION AND AUTHENTICATION**

This is one of the Bonds described in the within-mentioned Resolutions, which has been authenticated on the date set forth below.

Date of Authentication: \_\_\_\_\_

\_\_\_\_\_

Treasurer of the  
City and County of San Francisco

1  
2 **ASSIGNMENT**

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

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

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

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

14 Dated:

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

21 Signature Guaranteed:

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



1 and who is a member of a Medallion Signature  
2 Program.

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