

1 [Sale of General Obligation Bonds (Embarcadero Seawall Earthquake Safety, 2018), Series
2024A - Not to Exceed \$124,000,000]

3
4 **Resolution authorizing the issuance and sale of not to exceed \$124,000,000 aggregate**
5 **principal amount in one or more series of bonds on a tax-exempt or taxable basis of**
6 **City and County of San Francisco General Obligation Bonds (Embarcadero Seawall**
7 **Earthquake Safety, 2018) Series 2024A; prescribing the form and terms of such bonds;**
8 **providing for the appointment of depositories and other agents for such bonds;**
9 **providing for the establishment of accounts and/or subaccounts related to such bonds;**
10 **authorizing the sale of such bonds by competitive or negotiated sale; approving the**
11 **forms of the Official Notice of Sale and Notice of Intention to Sell Bonds and directing**
12 **the publication of the Notice of Intention to Sell Bonds; approving the form of the**
13 **Purchase Contract; approving the form of the Preliminary Official Statement and the**
14 **execution of the Official Statement relating to the sale of such bonds; approving the**
15 **form of the Continuing Disclosure Certificate; authorizing and approving modifications**
16 **to such documents; ratifying certain actions previously taken, as defined herein; and**
17 **granting general authority to City officials to take necessary actions in connection with**
18 **the authorization, issuance, sale, and delivery of such bonds, as defined herein.**

19
20 WHEREAS, by Resolution No. 183-18, adopted by the Board of Supervisors
21 (“Board of Supervisors”) of the City and County of San Francisco (“City”) on June 12, 2018,
22 and signed by the Mayor (“Mayor”) on June 20, 2018, it was determined and declared that
23 public interest and necessity demand the construction, reconstruction, acquisition,
24 improvement, demolition, seismic strengthening and repair of the Embarcadero Seawall and
25 other critical infrastructure, as further therein described (“project” or “projects”); and

1 WHEREAS, by Ordinance No. 146-18 passed by the Board of Supervisors on June 26,
2 2018, and signed by the Mayor on June 28, 2018, and Ordinance No. 178-18 passed by the
3 Board of Supervisors on July 24, 2018 and signed by the Mayor on July 26, 2018 (together,
4 the “Bond Ordinances”), the Board of Supervisors duly called a special election to be held on
5 November 6, 2018 (“Bond Election”), for the purpose of submitting to the qualified voters of
6 the City such proposition (“Proposition A”) to incur bonded indebtedness of the City in the
7 amount of \$425,000,000 to finance the Project, and such Proposition A was approved by two-
8 thirds of the qualified voters of the City voting on such proposition, and

9 WHEREAS, declaration of such Bond Election results was made by the Board of
10 Supervisors pursuant to Resolution No. 420-18 on December 4, 2018, and approved by the
11 Mayor on December 12, 2018; and

12 WHEREAS, by Resolution No. 323-19, adopted by the Board of Supervisors on July
13 16, 2019 and approved by the Mayor on July 26, 2019 (“Authorizing Resolution”), the City was
14 authorized to issue its General Obligation Bonds (Embarcadero Seawall Earthquake Safety,
15 2018) (“Bonds”) in the not-to-exceed amount of \$425,000,000; and

16 WHEREAS, the City previously issued a portion of the Bonds, Series 2020A in the
17 principal amount of \$49,675,000; and

18 WHEREAS, the City previously issued a portion of the Bonds, Series 2023C in the
19 principal amount of \$39,020,000; and

20 WHEREAS, it is necessary and desirable to issue the third series of the Bonds in one
21 or more subseries on a tax-exempt or a taxable basis, in an aggregate principal amount not to
22 exceed \$124,000,000 (“Series 2024A Bonds”), to finance a portion of the costs of the Project;
23 and

24 WHEREAS, the Series 2024A Bonds are being issued pursuant to the Authorizing
25 Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the California Government

1 Code (“Government Code”), the Charter of the City (“Charter”), the Bond Ordinances and the
2 Bond Election; and

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

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

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

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

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

24 Section 4. Issuance and Sale of Series 2024A Bonds; Determination of Certain Terms;
25 Designation. The Board of Supervisors authorizes the issuance and sale of not to exceed

1 \$124,000,000 in aggregate principal amount of Bonds to be designated as “City and County of
2 San Francisco General Obligation Bonds (Embarcadero Seawall Earthquake Safety, 2018)
3 Series 2024A [and any subseries designation],” for the purposes set forth in the Bond
4 Ordinances and Proposition A approved by the voters at the Bond Election. Prior to issuance,
5 the Series 2024A Bonds may be subdivided into more than one subseries. For purposes of
6 this Resolution, all of such subdivided series in the aggregate are referred to herein as the
7 “Series 2024A Bonds.”

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

20 Section 5. Authentication and Registration of the Series 2024A Bonds. Each of the
21 Series 2024A Bonds shall be in fully registered form without coupons in denominations of
22 \$5,000 or any integral multiple of that amount. The officers of the City are directed to cause
23 the Series 2024A Bonds to be prepared in sufficient quantity for delivery to or for the account
24 of their purchaser and the Director, Controller’s Office of Public Finance is directed to cause
25 the blanks in the Series 2024A Bonds to be completed in accordance with the Authorizing

1 Resolution, this Resolution, and the Bond Award or Purchase Contract (as defined below), to
2 procure their execution by the proper officers of the City (including by electronic or facsimile
3 signature if necessary or convenient, except that any signature for the Clerk of the Board of
4 Supervisors shall be required to be by manual signature) and authentication as provided in
5 this Section, and to deliver the Series 2024A Bonds when so executed and authenticated to
6 the purchaser in exchange for the purchase price, all in accordance with the Authorizing
7 Resolution.

8 The Series 2024A Bonds and the certificate of authentication and registration, to be
9 manually executed by the Treasurer of the City or designee thereof (“City Treasurer”), and the
10 form of assignment to appear on the Series 2024A Bonds shall be substantially in the form
11 attached as Exhibit A (a copy of which is on file with the Clerk of the Board of Supervisors and
12 which is declared to be a part of this Resolution as if fully set forth in this Resolution), with
13 necessary or appropriate variations, omissions and insertions as permitted or required by this
14 Resolution.

15 Only Series 2024A Bonds bearing a certificate of authentication and registration
16 executed by the City Treasurer shall be valid or obligatory for any purpose or entitled to the
17 benefits of the Authorizing Resolution and this Resolution, and such certificate of the City
18 Treasurer, executed as provided in this Resolution, shall be conclusive evidence that the
19 Series 2024A Bonds so authenticated have been duly authenticated and delivered under, and
20 are entitled to the benefits of, the Authorizing Resolution and this Resolution.

21 The Controller shall assign a distinctive letter, or number, or letter and number to each
22 Series 2024A Bond authenticated and registered by the City Treasurer and shall maintain a
23 record thereof which shall be available for inspection.

24 Section 6. Registration Books. The City Treasurer shall keep or cause to be kept, at
25 the office of the City Treasurer or at the designated office of any registrar appointed by the

1 City Treasurer, separate and sufficient books for the registration and transfer of Series 2024A
2 Bonds, which books shall at all times be open to inspection, and upon presentation for such
3 purpose, the City Treasurer shall, under such reasonable regulations as he or she may
4 prescribe, register or transfer or cause to be registered or transferred, on such books, Series
5 2024A Bonds as provided in this Resolution. The City and the City Treasurer may treat the
6 registered owner of each Series 2024A Bond as its absolute owner for all purposes, and the
7 City and the City Treasurer shall not be affected by any notice to the contrary.

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

14 Any Series 2024A Bond may be exchanged at the office of the City Treasurer for a like
15 aggregate principal amount of other authorized denominations of the same interest rate and
16 maturity.

17 Whenever any Series 2024A Bond shall be surrendered for transfer or exchange, the
18 designated City officials shall execute (as provided in Section 5) and the City Treasurer shall
19 authenticate and deliver a new Series 2024A Bond of the same interest rate and maturity in a
20 like aggregate principal amount. The City Treasurer shall require the payment by any bond
21 owner requesting any such transfer of any tax or other governmental charge required to be
22 paid with respect to such transfer or exchange.

23 No transfer or exchange of Series 2024A Bonds shall be required to be made by the
24 City Treasurer during the period from the Record Date (as defined in Section 8(b)) next
25

1 preceding each interest payment date to such interest payment date or after a notice of
2 redemption shall have been mailed with respect to such Series 2024A Bonds.

3 Section 8. Terms of the Series 2024A Bonds; General Redemption Provisions.

4 (a) Date of the Series 2024A Bonds. The Series 2024A Bonds shall be
5 dated the date of their delivery or such other date (“Dated Date”) as is specified in the
6 Bond Award or the Purchase Contract.

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

15 Except as may be otherwise provided in connection with any book-entry-only
16 system applicable to the Series 2024A Bonds, payment of the interest on any Series
17 2024A Bond shall be made by check mailed on the interest payment date to such
18 owner at such owner’s address as it appears on the registration books as of the Record
19 Date; provided, that if any interest payment date occurs on a day that banks in
20 California or New York are closed for business or the New York Stock Exchange is
21 closed for business, then such payment shall be made on the next succeeding day that
22 banks in both California and New York are open for business and the New York Stock
23 Exchange is open for business (each, a “Business Day”); and provided, further, that the
24 registered owner of an aggregate principal amount of at least \$1,000,000 of Series
25 2024A Bonds may submit a written request to the City Treasurer on or before a Record

1 Date preceding an interest payment date for payment of interest on the next
2 succeeding interest payment date and thereafter by wire transfer to a commercial bank
3 located within the United States of America.

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

8 (c) Interest on the Series 2024A Bonds. The Series 2024A Bonds shall bear
9 interest at rates to be determined upon the sale of the Series 2024A Bonds, calculated
10 on the basis of a 360-day year comprised of twelve 30-day months, payable on June
11 15, 2025 (or such other date as may be designated in the Bond Award or Purchase
12 Contract), and semiannually thereafter on June 15 and December 15 of each year.
13 Each Series 2024A Bond shall bear interest from the interest payment date next
14 preceding the date of its authentication unless it is authenticated as of a day during the
15 period from the Record Date next preceding any interest payment date to the interest
16 payment date, inclusive, in which event it shall bear interest from such interest payment
17 date, or unless it is authenticated on or before the first Record Date, in which event it
18 shall bear interest from the Dated Date; provided, that if, at the time of authentication of
19 any Series 2024A Bond, interest is in default on the Series 2024A Bonds, such Series
20 2024A Bond shall bear interest from the interest payment date to which interest has
21 previously been paid or made available for payment on the Series 2024A Bonds or
22 from the Dated Date if the first interest payment is not made.

23 (d) Optional Redemption. The Series 2024A Bonds shall be subject to
24 optional redemption prior to maturity as shall be provided in the Official Notice of Sale
25 or the Purchase Contract, as applicable.

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

4 The principal of and interest on the Series 2024A Bonds subject to mandatory
5 redemption shall be paid from the Series 2024A Bond Subaccount established in
6 Section 9, pursuant to Section 9. In lieu of any such mandatory redemption for Series
7 2024A Bonds, at any time prior to the selection of Series 2024A Bonds for mandatory
8 redemption, the City may apply amounts on deposit in the Series 2024A Bond
9 Subaccount to make such payment to the purchase, at public or private sale, of Series
10 2024A Bonds subject to such mandatory redemption, and when and at such prices not
11 in excess of the principal amount thereof (including sales commission and other
12 charges but excluding accrued interest), as the City may determine.

13 (f) Selection of Series 2024A Bonds for Redemption. Whenever less than
14 all of the outstanding Series 2024A Bonds are called for redemption on any date, the
15 Director of Public Finance will select the maturities of the Series 2024A Bonds to be
16 redeemed in the sole discretion of the Director of Public Finance. Whenever less than
17 all of the outstanding Series 2024A Bonds maturing on any one date are called for
18 redemption, the manner of selection of the portion of such Series 2024A Bonds called
19 for redemption shall be as specified in the Official Statement for the Series 2024A
20 Bonds.

21 (g) Notice of Redemption. The date on which Series 2024A Bonds that are
22 called for redemption are to be presented for redemption is called the "Redemption
23 Date." The City Treasurer shall mail, or cause to be mailed, notice of any redemption
24 of Series 2024A Bonds, postage prepaid, to the respective registered owners at the
25 addresses appearing on the bond registration books not less than 20 nor more than 60

1 days prior to the Redemption Date. The notice of redemption shall: (i) state the
2 Redemption Date; (ii) state the redemption price; (iii) state the maturity dates of the
3 Series 2024A Bonds to be redeemed and, if less than all of any such maturity is called
4 for redemption, the distinctive numbers of the Series 2024A Bonds of such maturity to
5 be redeemed, and in the case of any Series 2024A Bonds to be redeemed in part only,
6 the respective portions of the principal amount to be redeemed; (iv) state the CUSIP
7 number, if any, of each Series 2024A Bond to be redeemed; (v) require that such
8 Series 2024A Bonds be surrendered by the owners at the office of the City Treasurer
9 or his or her agent; and (vi) give notice that interest on such Series 2024A Bonds or
10 portions of Series 2024A Bonds to be redeemed will cease to accrue after the
11 Redemption Date. Notice of optional redemption may be conditional upon receipt of
12 funds or other event specified in the notice of redemption as provided in Section 8(j)
13 below.

14 The actual receipt by the owner of any Series 2024A Bond of notice of such
15 redemption shall not be a condition precedent to redemption, and failure to receive
16 such notice, or any defect in such notice so mailed, shall not affect the validity of the
17 proceedings for the redemption of such Series 2024A Bonds or the cessation of
18 accrual of interest on such Series 2024A Bonds on the Redemption Date. Notice of
19 redemption also shall be given, or caused to be given by the City Treasurer, by: (i)
20 registered or certified mail, postage prepaid; (ii) confirmed facsimile transmission; (iii)
21 overnight delivery service; or (iv) to the extent acceptable to the intended recipient,
22 email or similar electronic means, to (A) all organizations registered with the Securities
23 and Exchange Commission as securities depositories, and (B) such other services or
24 organizations as may be required in accordance with the Continuing Disclosure
25 Certificate described in Section 18.

1 The notice or notices required for redemption shall be given by the City
2 Treasurer or any agent appointed by the City. A certificate of the City Treasurer or
3 such other appointed agent of the City that notice of redemption has been given to the
4 owner of any Series 2024A Bond to be redeemed in accordance with this Resolution
5 shall be conclusive against all parties.

6 (h) Series 2024A Redemption Account. At the time the Director of Public
7 Finance determines to optionally call and redeem any of the Series 2024A Bonds, the
8 Controller or his or her agent shall establish a redemption account to be described or
9 known as the “General Obligation Bonds Embarcadero Seawall Earthquake Safety
10 2018, Series 2024A Redemption Account” (“Series 2024A Redemption Account”), and
11 prior to or on the Redemption Date there must be set aside in the Series 2024A
12 Redemption Account moneys available for the purpose and sufficient to redeem, as
13 provided in this Resolution, the Series 2024A Bonds designated in such notice of
14 redemption, subject to the provisions of Section 8(j) below. Such moneys must be set
15 aside in the Series 2024A Redemption Account solely for the purpose of, and shall be
16 applied on or after the Redemption Date to, payment of the redemption price of the
17 Series 2024A Bonds to be redeemed upon presentation and surrender of such Series
18 2024A Bonds. Any interest due on or prior to the Redemption Date may be paid from
19 the Series 2024A Bond Subaccount as provided in Section 9 or from the Series 2024A
20 Redemption Account. Moneys held from time to time in the Series 2024A Redemption
21 Account shall be invested by the City Treasurer pursuant to the City’s policies and
22 guidelines for investment of moneys in the general fund (“General Fund”) of the City.
23 If, after all of the Series 2024A Bonds have been redeemed and canceled or paid and
24 canceled, there are moneys remaining in the Series 2024A Redemption Account, such
25 moneys shall be transferred to the General Fund of the City or to such other fund or

1 account as required by applicable law; provided, that if such moneys are part of the
2 proceeds of refunding bonds, such moneys shall be transferred pursuant to the
3 resolution authorizing such refunding bonds.

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

18 (j) Conditional Notice of Redemption; Rescission of Redemption. Any notice
19 of optional redemption given as provided in Section 8(g) may provide that such
20 redemption is conditioned upon: (i) deposit in the Series 2024A Redemption Account of
21 sufficient moneys to redeem the Series 2024A Bonds called for optional redemption on
22 the anticipated Redemption Date, or (ii) the occurrence of any other event specified in
23 the notice of redemption. If conditional notice of redemption has been given
24 substantially as provided in this clause, and on the scheduled Redemption Date (A)
25 sufficient moneys to redeem the Series 2024A Bonds called for optional redemption on

1 the Redemption Date have not been deposited in the Series 2024A Redemption
2 Account, or (B) any other event specified in the notice of redemption as a condition to
3 the redemption has not occurred, then (1) the Series 2024A Bonds for which
4 conditional notice of redemption was given shall not be redeemed on the anticipated
5 Redemption Date and shall remain outstanding for all purposes of this Resolution, and
6 (2) the redemption not occurring shall not constitute a default under this Resolution or
7 the Authorizing Resolution.

8 The City may rescind any optional redemption and notice of it for any reason on
9 any date prior to any Redemption Date by causing written notice of the rescission to be
10 given to the owners of all Series 2024A Bonds so called for redemption. Notice of any
11 such rescission of redemption shall be given in the same manner notice of redemption
12 was originally given.

13 The actual receipt by the owner of any Series 2024A Bond of notice of such
14 rescission shall not be a condition precedent to rescission, and failure to receive such
15 notice or any defect in such notice so mailed shall not affect the validity of the
16 rescission.

17 Section 9. Series 2024A Bond Subaccount. There is established with the City
18 Treasurer a special subaccount in the General Obligation Bonds (Embarcadero Seawall
19 Earthquake Safety, 2018) Series 2024A Bond Account (“Bond Account”) created pursuant to
20 the Authorizing Resolution to be designated as the “General Obligation Bonds, Series 2024A
21 Bond Subaccount” (“Series 2024A Bond Subaccount”), to be held separate and apart from all
22 other accounts of the City. All interest earned on amounts on deposit in the Series 2024A
23 Bond Subaccount shall be retained in the Series 2024A Bond Subaccount.

24 On or prior to the date on which any payment of principal of or interest on the Series
25 2024A Bonds is due, including any Series 2024A Bonds subject to mandatory redemption on

1 such date, the City Treasurer shall allocate to and deposit in the Series 2024A Bond
2 Subaccount, from amounts held in the Bond Account, an amount which, when added to any
3 available moneys contained in the Series 2024A Bond Subaccount, is sufficient to pay
4 principal of and interest on the Series 2024A Bonds on such date.

5 On or prior to the date on which any Series 2024A Bonds are to be redeemed at the
6 option of the City pursuant to this Resolution, the City Treasurer may allocate to and deposit
7 in the Series 2024A Redemption Account, from amounts held in the Bond Account pursuant to
8 Section 8 of the Authorizing Resolution, an amount which, when added to any available
9 moneys contained in the Series 2024A Redemption Account, is sufficient to pay principal,
10 interest and premium, if any, with respect to such Series 2024A Bonds on such date. The
11 City Treasurer may make such other provision for the payment of principal of and interest and
12 any redemption premium on the Series 2024A Bonds as is necessary or convenient to permit
13 the optional redemption of the Series 2024A Bonds.

14 Amounts in the Series 2024A Bond Subaccount may be invested in any investment of
15 the City in which moneys in the General Fund of the City are invested. The City Treasurer
16 may (a) commingle any of the moneys held in the Series 2024A Bond Subaccount with other
17 City moneys, or (b) deposit amounts credited to the Series 2024A Bond Subaccount into a
18 separate fund or funds for investment purposes only; provided, that all of the moneys held in
19 the Series 2024A Bond Subaccount shall be accounted for separately notwithstanding any
20 such commingling or separate deposit by the City Treasurer.

21 Section 10. Appointment of Depositories and Other Agents. The City Treasurer is
22 authorized and directed to appoint one or more depositories as he or she may deem desirable
23 and the procedures set forth in Section 5, Section 6, Section 7 and Section 8 relating to
24 registration of ownership of the Series 2024A Bonds and payments and redemption notices to
25 owners of the Series 2024A Bonds may be modified to comply with the policies and

1 procedures of such depository. The City will not have any responsibility or obligation to any
2 purchaser of a beneficial ownership interest in any Series 2024A Bonds or to any participants
3 in such a depository with respect to (a) the accuracy of any records maintained by such
4 securities depository or any participant therein; (b) any notice that is permitted or required to
5 be given to the owners of Series 2024A Bonds under this Resolution; (c) the selection by such
6 securities depository or any participant therein of any person to receive payment in the event
7 of a partial redemption of Series 2024A Bonds; (d) the payment by such securities depository
8 or any participant therein of any amount with respect to the principal or redemption premium,
9 if any, or interest due with respect to Series 2024A Bonds; (e) any consent given or other
10 action taken by such securities depository as the owner of Series 2024A Bonds; or (f) any
11 other matter.

12 The Depository Trust Company (“DTC”) is appointed as depository for the Series
13 2024A Bonds. The Series 2024A Bonds shall be initially issued in book-entry form. Upon
14 initial issuance, the ownership of each Series 2024A Bond shall be registered in the bond
15 register in the name of Cede & Co., as nominee of DTC. So long as each Series 2024A Bond
16 is registered in book-entry form, each Series 2024A Bond shall be registered in the name of
17 Cede & Co. or in the name of such successor nominee as may be designated from time to
18 time by DTC or any successor as depository.

19 The City Treasurer is also authorized and directed to appoint one or more agents as he
20 or she may deem necessary or desirable, to the extent permitted by applicable law and under
21 the supervision of the City Treasurer, such agents may serve as paying agent, fiscal agent,
22 rebate calculation agent, escrow agent or registrar for the Series 2024A Bonds or may assist
23 the City Treasurer in performing any or all of such functions and such other duties as the City
24 Treasurer shall determine. Such agents shall serve under such terms and conditions as the
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1 City Treasurer shall determine. The City Treasurer may remove or replace agents appointed
2 pursuant to this paragraph at any time.

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

7 (a) an amount of cash equal to the principal amount of all of such Series
8 2024A Bonds or a portion thereof, and all unpaid interest thereon to maturity, except
9 that in the case of Series 2024A Bonds which are to be redeemed prior to such Series
10 2024A Bonds' respective stated maturities and in respect of which notice of such
11 redemption shall have been given as provided in Section 8 hereof or an irrevocable
12 election to give such notice shall have been made by the City, the amount to be
13 deposited shall be the principal amount thereof, all unpaid interest thereon to the
14 Redemption Date, and any premium due on such Redemption Date; or

15 (b) Defeasance Securities (as herein defined) not subject to call, except as
16 provided below in the definition thereof, maturing and paying interest at such times and
17 in such amounts; together with interest earnings and cash, if required, as will, without
18 reinvestment, as certified by an independent certified public accountant, be fully
19 sufficient to pay the principal and all unpaid interest to maturity, or to the Redemption
20 Date, as the case may be, and any premium due on the Series 2024A Bonds to be
21 paid or redeemed, as such principal and interest come due; provided, that, in the case
22 of the Series 2024A Bonds which are to be redeemed prior to maturity, notice of such
23 redemption shall be given as provided in Section 8 hereof or an irrevocable election to
24 give such notice shall have been made by the City; then, all obligations of the City with
25 respect to such outstanding Series 2024A Bonds shall cease and terminate, except

1 only the tax covenants under Section 23 and the obligation of the City to pay or cause
2 to be paid from the funds deposited pursuant to clause (a) or (b) of this Section 11, to
3 the owners of such Series 2024A Bonds all sums due with respect thereto; and
4 provided further, that the City shall have received an opinion of nationally recognized
5 bond counsel, that provision for the payment of such Series 2024A Bonds has been
6 made in accordance with this Section 11.

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

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

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

1 the rating then maintained by such Rating Agencies on such United States
2 Obligations.

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

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

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

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

23 (a) Official Notice of Sale. If the Series 2024A Bonds are sold through a
24 solicitation of competitive bids, then the form of proposed Official Notice of Sale inviting
25 bids for the Series 2024A Bonds ("Official Notice of Sale") submitted to the Board of

1 Supervisors is approved and adopted as the Official Notice of Sale inviting bids for the
2 Series 2024A Bonds, with such changes, additions and modifications as may be made
3 in accordance with Section 19. The Director of Public Finance is authorized and
4 directed to cause to be mailed or otherwise circulated to prospective bidders for the
5 Series 2024A Bonds copies of one or more Official Notice of Sale, subject to such
6 corrections, revisions or additions as may be acceptable to the Director of Public
7 Finance.

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

10 (c) Bond Award. As provided in the Official Notice of Sale, the City may
11 reject any and all bids received for any reason. The Authorized Officer is authorized to
12 award the Series 2024A Bonds to the responsible bidder whose bid (i) is timely
13 received and conforms to the Official Notice of Sale, except to the extent informalities
14 and irregularities are waived by the City as permitted by the Official Notice of Sale; and
15 (ii) represents the lowest true interest cost to the City in accordance with the
16 procedures described in the Official Notice of Sale. The award, if made, shall be set
17 forth in one or more certificates signed by the Controller or Director of Public Finance
18 setting forth the terms of the Series 2024A Bonds and the original purchaser(s) (“Bond
19 Award”). The Director of Public Finance shall provide a copy of the Bond Award, if
20 such award is not signed by the Controller, as soon as practicable to the Controller;
21 provided, that failure to provide such copy shall not affect the validity of the Bond
22 Award.

23 Section 14. Publication of Notice of Intention to Sell Bonds. If the Series 2024A Bonds
24 are sold through a solicitation of competitive bids, then the form of proposed Notice of
25 Intention to Sell the Series 2024A Bonds (“Notice of Intention to Sell Bonds”) submitted to the

1 Board of Supervisors is approved and adopted as the Notice of Intention to Sell the Series
2 2024A Bonds, and the Director of Public Finance is authorized and directed to cause one or
3 more Notices of Intention to Sell Bonds, subject to such corrections, revisions or additions as
4 may be made in accordance with Section 19, to be published once in *The Bond Buyer* or
5 another financial publication generally circulated throughout the State of California meeting
6 the requirements of Section 53692 of the Government Code at least five (5) days prior to the
7 date fixed for receipt of bids for the Series 2024A Bonds, or as otherwise set forth in Section
8 53692 of the Government Code.

9 Section 15. Authorization of Negotiated Sale; Authorization to Select Underwriters;
10 Form of Purchase Contract Approval. The Authorized Officer is hereby authorized to conduct
11 the sale of the Series 2024A Bonds by negotiated sale pursuant to one or more Purchase
12 Contracts (each, a “Purchase Contract”), each by and between the City and the underwriter(s)
13 named therein (“Underwriters”) or by and between the City and a placement agent named
14 therein (“Placement Agent”), if the Controller determines that such manner of sale (negotiated
15 or private placement) is in the best financial interest of the City (in accordance with the criteria
16 set forth in the City’s debt policy), such determination to be conclusively evidenced by the
17 execution and delivery of such Purchase Contract as hereinafter approved. The form of such
18 Purchase Contract as presented to this Board of Supervisors, a copy of which is on file with
19 the Clerk of the Board of Supervisors, is hereby approved. The Authorized Officer is hereby
20 authorized to execute such Purchase Contract with such changes, additions and modifications
21 as the Authorized Officer may make or approve in accordance with Section 19 hereof
22 (including such changes as may be required for a private placement); provided however, that
23 the Underwriters’ discount or placement agent fee under any such Purchase Contract shall
24 not exceed 1.0% of the principal amount of the Series 2024A Bonds. In order to facilitate the
25 sale of the Series 2024A Bonds by negotiated sale, the Authorized Officer is hereby

1 authorized and directed to appoint one or more financial institutions to act as underwriter or
2 placement agent for the Series 2024A Bonds.

3 Section 16. Disposition of Proceeds of Sale. The proceeds of sale of the Series
4 2024A Bonds shall be applied by the City Treasurer as follows: (a) accrued interest, if any,
5 shall be deposited into the Series 2024A Bond Subaccount; (b) premium, if any, shall be
6 deposited into the Series 2024A Bond Subaccount in such amount not to exceed three years
7 of interest on the Series 2024A Bonds; and (c) remaining proceeds of sale shall be deposited
8 into the Project Account established under Resolution No. 323-19.

9 Section 17. Preliminary Official Statement and Official Statement. The form of
10 proposed Preliminary Official Statement describing the Series 2024A Bonds (“Preliminary
11 Official Statement”) submitted to the Board of Supervisors is approved and adopted as the
12 Preliminary Official Statement describing the Series 2024A Bonds, with such additions,
13 corrections and revisions as may be determined to be necessary or desirable made in
14 accordance with Section 19. The Controller is authorized to cause the distribution of one or
15 more Preliminary Official Statement deemed final for purposes of Securities and Exchange
16 Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as
17 amended (“Rule”), and to sign one or more certificates to that effect. The Director of Public
18 Finance is authorized and directed to cause to be printed and mailed or electronically
19 distributed to prospective bidders for the Series 2024A Bonds the Preliminary Official
20 Statement in substantially the form of the Preliminary Official Statement approved and
21 adopted by this Resolution, as completed, supplemented, corrected or revised. The
22 Authorized Officer is authorized and directed to approve, execute, and deliver one or more
23 final Official Statements with respect to the Series 2024A Bonds, which final Official
24 Statement(s) shall be in the form of the Preliminary Official Statement, with such additions,
25 corrections and revisions as may be determined to be necessary or desirable made in

1 accordance with Section 19 and as are permitted under the Rule. The Director of Public
2 Finance is authorized and directed to cause to be printed and mailed or electronically
3 distributed the final Official Statement(s) to all actual initial purchasers of the Series 2024A
4 Bonds.

5 Section 18. Continuing Disclosure Certificate. The form of Continuing Disclosure
6 Certificate (“Continuing Disclosure Certificate”), to be signed by the City to permit the original
7 purchasers of the Series 2024A Bonds to comply with the Rule, submitted to the Board of
8 Supervisors is approved and adopted as the Continuing Disclosure Certificate, with such
9 additions, corrections and revisions as may be determined to be necessary or desirable made
10 in accordance with Section 19. The Controller is authorized and directed to execute one or
11 more Continuing Disclosure Certificates on behalf of the City and deliver the Continuing
12 Disclosure Certificate to the original purchasers of the Series 2024A Bonds.

13 Section 19. Modification to Documents. Any City official authorized by this Resolution
14 to execute any document is further authorized, in consultation with the City Attorney and co-
15 bond counsel, to approve and make such changes, additions, amendments or modifications to
16 the document or documents such official is authorized to execute as may be necessary or
17 advisable (provided, that such changes, additions, amendments or modifications shall not
18 authorize an aggregate principal amount of Series 2024A Bonds in excess of \$124,000,000 or
19 conflict with the provisions of Section 4). The approval of any change, addition, amendment
20 or modification to any of the aforementioned documents shall be evidenced conclusively by
21 the execution and delivery of the document in question.

22 Section 20. Ratification. All actions previously taken by officials, employees and
23 agents of the City with respect to the sale and issuance of the Series 2024A Bonds,
24 consistent with any documents presented and this Resolution, are approved, confirmed and
25 ratified.

1 Section 21. Relationship to Authorizing Resolution. In the event of any conflict
2 between this Resolution and the Authorizing Resolution, the terms of this Resolution shall
3 control. Without limiting the foregoing and notwithstanding the provisions of the Authorizing
4 Resolution, the City is not obligated to transfer money from the General Fund of the City to the
5 Bond Account to pay the principal of or interest on the Series 2024A Bonds.

6 Section 22. Accountability Reports. The Series 2024A Bonds are subject to
7 accountability requirements under the Administrative Code and the Bond Ordinances. The
8 deadline for submission of the Accountability report(s) under Administrative Code
9 Sections 2.71(a) and 2.71(b) are hereby waived with respect to the Series 2024A Bonds.
10 Accountability report(s) with respect to the Series 2024A Bonds shall be submitted in all other
11 respects in the manner required by the Administrative Code and the Bond Ordinances.

12 Section 23. Covenants to Maintain Tax-Exempt Status. The following covenants shall
13 be applicable to any Series 2024A Bonds (including any subseries) issued as bonds the
14 interest on which is intended to be excludable from gross income for federal or state income
15 tax purposes (“Tax-Exempt Bonds”):

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

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

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

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

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

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

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

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

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

11 “*Regulations*” means any proposed, temporary, or final Income Tax Regulations
12 issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the
13 Internal Revenue Code of 1954, which are applicable to the Tax-Exempt Bonds. Any
14 reference to any specific Regulation shall also mean, as appropriate, any proposed,
15 temporary or final Income Tax Regulation designed to supplement, amend or replace
16 the specific Regulation referenced.

17 “*Yield*” of:

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

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

22 (b) Not to Cause Interest to Become Taxable. The City shall not use, permit
23 the use of, or omit to use Gross Proceeds or any other amounts (or any property the
24 acquisition, construction or improvement of which is to be financed directly or indirectly
25 with Gross Proceeds) in a manner which if made or omitted, respectively, would cause

1 the interest on any Bond to become includable in the gross income, as defined in
2 Section 61 of the Code, of the owner thereof for federal income tax purposes. Without
3 limiting the generality of the foregoing, unless and until the City receives a written
4 opinion of counsel nationally recognized in the field of municipal bond law to the effect
5 that failure to comply with such covenant will not adversely affect the exemption from
6 federal income tax of the interest on any Bond, the City shall comply with each of the
7 specific covenants in this Section.

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

11 (i) exclusively own, operate and possess all property, the acquisition,
12 construction or improvement of which is to be financed or refinanced directly or
13 indirectly with Gross Proceeds of the Tax-Exempt Bonds, and not use or permit
14 the use of such Gross Proceeds (including all contractual arrangements with
15 terms different than those applicable to the general public) or any property
16 acquired, constructed or improved with such Gross Proceeds in any activity
17 carried on by any person or entity (including the United States or any agency,
18 department and instrumentality thereof) other than a state or local government,
19 unless such use is solely as a member of the general public; and

20 (ii) not directly or indirectly impose or accept any charge or other
21 payment by any person or entity who is treated as using Gross Proceeds of the
22 Tax-Exempt Bonds or any property the acquisition, construction or improvement
23 of which is to be financed or refinanced directly or indirectly with such Gross
24 Proceeds, other than taxes of general application within the City or interest
25

1 earned on investments acquired with such Gross Proceeds pending application
2 for their intended purposes.

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

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

21 (f) Not Federally Guaranteed. Except to the extent permitted by
22 Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall
23 not take or omit to take any action which would cause the Tax-Exempt Bonds to be
24 federally guaranteed within the meaning of Section 149(b) of the Code and the
25 Regulations and rulings thereunder.

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

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

6 (i) The City shall account for all Gross Proceeds (including all
7 receipts, expenditures and investments thereof) on its books of account
8 separately and apart from all other funds (and receipts, expenditures and
9 investments thereof) and shall retain all records of accounting for at least six
10 years after the day on which the last outstanding Series 2024A Bond is
11 discharged. However, to the extent permitted by law, the City may commingle
12 Gross Proceeds of the Tax-Exempt Bonds with other money of the City;
13 provided that the City separately accounts for each receipt and expenditure of
14 Gross Proceeds and the obligations acquired therewith.

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

21 (iii) As additional consideration for the purchase of the Tax-Exempt
22 Bonds by the initial purchasers and the loan of the money represented thereby
23 and in order to induce such purchase by measures designed to ensure the
24 excludability of the interest thereon from gross income for federal income tax
25 purposes, the City shall pay to the United States the amount that when added to

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

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

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

24 (j) Elections. The City directs and authorizes the Director of Public Finance
25 and the Controller, either or any combination of them, to make elections permitted or

1 required pursuant to the provisions of the Code or the Regulations, as they deem
2 necessary or appropriate in connection with the Tax-Exempt Bonds, in the Certificate
3 as to Tax Exemption or similar or other appropriate certificate, form or document.

4 Section 24. Reimbursement. The City declares its official intent to reimburse prior
5 expenditures of the City incurred prior to the issuance and sale of the Tax-Exempt Bonds in
6 connection with the Project or portions thereof to be financed by the Tax-Exempt Bonds. The
7 Board of Supervisors declares the City's intent to reimburse the City with the proceeds of the
8 Tax-Exempt Bonds for the expenditures with respect to the Project ("Expenditures" and each
9 an "Expenditure") made on and after that date that is no more than 60 days prior to adoption
10 of this Resolution. The City reasonably expects on the date of adoption of this Resolution that
11 it will reimburse the Expenditures with the proceeds of the Tax-Exempt Bonds.

12 Each Expenditure was and will be either (a) of a type properly chargeable to a capital
13 account under general federal income tax principles (determined in each case as of the date
14 of the Expenditure), (b) a cost of issuance with respect to the Tax-Exempt Bonds, (c) a
15 nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a
16 party that is not related to or an agent of the City so long as such grant does not impose any
17 obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the
18 City. The maximum aggregate principal amount of the Tax-Exempt Bonds expected to be
19 issued for the Project is \$124,000,000. The City shall make a reimbursement allocation, which
20 is a written allocation by the City that evidences the City's use of proceeds of the Tax-Exempt
21 Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on
22 which the Expenditure is paid or the Project is placed in service or abandoned, but in no event
23 more than three years after the date on which the Expenditure is paid. The City recognizes
24 that exceptions are available for certain "preliminary expenditures," costs of issuance, certain
25

1 *de minimis* amounts, expenditures by "small issuers" (based on the year of issuance and not
2 the year of expenditure) and expenditures for construction projects of at least 5 years.

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

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

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

22 n:\financlas2022\1300182\01641980.docx

1 EXHIBIT A

2
3 FORM OF BOND

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

13 Number Principal Amount
14 R-__ UNITED STATES OF AMERICA \$_____
15 STATE OF CALIFORNIA
16 CITY AND COUNTY OF SAN FRANCISCO
17 GENERAL OBLIGATION BONDS
18 (EMBARCADERO SEAWALL EARTHQUAKE SAFETY, 2018)
19 SERIES 2024A

20 Interest Rate Maturity Date Dated Date CUSIP Number
21 _____

22 REGISTERED OWNER: Cede & Co.

23 PRINCIPAL AMOUNT: _____

24 The City and County of San Francisco, State of California (“City”), acknowledges itself
25 indebted to and promises to pay to the Registered Owner specified above or registered

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

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

3 This Bond is one of a duly authorized issue of City and County of San Francisco
4 General Obligation Bonds (Embarcadero Seawall Earthquake Safety, 2018) Series 2024A
5 (“Bonds”) of like tenor (except for such variations, if any, as may be required to designate
6 varying numbers, denominations, interest rates and maturities), in the aggregate principal
7 amount of \$_____, which is part of a bond authorization in the aggregate original
8 principal amount of \$425,000,000 authorized by the affirmative votes of more than two-thirds
9 of the voters voting at a special election duly and legally called, held and conducted in the City
10 on November 6, 2018 and is issued and sold by the City pursuant to and in strict conformity
11 with the provisions of the Constitution and laws of the State of California, the Charter of the
12 City and a Resolution of Necessity adopted by the Board of Supervisors of the City (“Board of
13 Supervisors”) on June 12, 2018, and duly approved by the Mayor of the City on June 20,
14 2018, and Resolution No. _____, adopted by the Board of Supervisors on _____, 20__
15 and duly approved by the Mayor of the City on _____, 20__ (together with the related
16 Certificate Awarding the Bonds and Fixing Definitive Interest Rates for the Bonds, dated
17 _____, 20__, the “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.

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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 **ASSIGNMENT**

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

3 _____
4 _____

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

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

11 Dated:

12 _____

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

18 Signature Guaranteed:

19 _____
20 _____

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