

1 [Sale of General Obligation Bonds (Health and Recovery, 2020), Series 2026B - Not to
2 Exceed \$83,475,000]

3
4 **Resolution authorizing the issuance and sale of not to exceed \$83,475,000 aggregate**
5 **principal amount of one or more series of bonds on a tax-exempt or taxable basis of**
6 **City and County of San Francisco General Obligation Bonds (Health and Recovery,**
7 **2020), Series 2026B; prescribing the form and terms of such bonds and any subseries**
8 **designation; providing for the appointment of depositories and other agents for such**
9 **bonds; providing for the establishment of accounts and/or subaccounts related to such**
10 **bonds; authorizing the sale of such bonds by competitive or negotiated sale;**
11 **approving the forms of the Official Notice of Sale and Notice of Intention to Sell Bonds**
12 **and directing the publication of the Notice of Intention to Sell Bonds; approving the**
13 **form of the Purchase Contract; approving the form of the Preliminary Official Statement**
14 **and the execution of the Official Statement relating to the sale of such bonds;**
15 **approving the form of the Continuing Disclosure Certificate; authorizing and approving**
16 **modifications to such documents; ratifying certain actions previously taken, as defined**
17 **herein; and granting general authority to City officials to take necessary actions in**
18 **connection with the authorization, issuance, sale, and delivery of such bonds, as**
19 **defined herein.**

20
21 WHEREAS, By Resolution No. 317-20, adopted by the Board of Supervisors ("Board of
22 Supervisors") of the City and County of San Francisco ("City") on July 14, 2020, and signed by
23 the Mayor ("Mayor") on July 23, 2020, it was determined and declared that public interest and
24 necessity demand the acquisition or improvement of real property, including: facilities to
25 house and/or deliver services for persons experiencing mental health challenges, substance

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

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

13 WHEREAS, By Resolution No. 234-21, adopted by the Board of Supervisors on
14 May 18, 2021 and approved by the Mayor on May 28, 2021 ("Authorizing Resolution"), the
15 City was authorized to issue its General Obligation Bonds (Health and Recovery, 2020) in one
16 or more series or subseries on a tax-exempt or taxable basis (collectively, "Bonds") in the not-
17 to-exceed amount of \$487,500,000; and

18 WHEREAS, The City has previously issued its General Obligation Bonds (Health and
19 Recovery, 2020), Series 2021D-1 in the aggregate principal amount of \$194,255,000 and
20 General Obligation Bonds (Health and Recovery, 2020), Series 2021D-2 in the aggregate
21 principal amount of \$64,250,000; and

22 WHEREAS, The City has previously issued its General Obligation Bonds (Health and
23 Recovery, 2020), Series 2023A in the initial aggregate principal amount of \$28,785,000; and

24 WHEREAS, The City has previously issued its General Obligation Bonds (Health and
25 Recovery, 2020), Series 2025G in the aggregate principal amount of \$87,515,000; and

1 WHEREAS, It is necessary and desirable to deliver a subsequent series of the Bonds
2 in one or more subseries on a tax-exempt or taxable basis, in an aggregate principal amount
3 not to exceed \$83,475,000 (collectively, "Series 2026B Bonds"), to finance a portion of the
4 remaining costs of the Project; and

5 WHEREAS, The Series 2026B 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 Bond Ordinance and the
8 Bond Election; and

9 WHEREAS, In accordance with Government Code, Section 5852.1, the Board has
10 obtained and disclosed the information required thereby, as more fully set forth in the staff
11 report prepared by the Controller's Office of Public Finance; and

12 WHEREAS, Pursuant to the applicable provisions of the San Francisco Administrative
13 Code ("Administrative Code") Sections 5.30-5.36, the Citizens' General Obligation Bond
14 Oversight Committee shall conduct an annual review of bond spending and shall provide an
15 annual report on the management of the program to the Mayor and the Board of Supervisors,
16 and, to the extent permitted by law, one-tenth of one percent (0.1%) of the gross proceeds of
17 the Series 2026B Bonds shall be deposited in a fund established by the Office of the City
18 Controller ("Controller") and appropriated by the Board of Supervisors at the direction of the
19 Citizens' General Obligation Bond Oversight Committee to cover the costs of such committee
20 and its review process; now, therefore, be it

21 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as
22 follows:

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

24 Section 2. Conditions Precedent. All conditions, things and acts required by law to
25 exist, to happen and to be performed precedent to and in connection with the issuance of the

1 Series 2026B Bonds and any subseries thereof exist, have happened and have been
2 performed in due time, form and manner in accordance with applicable law, and the City is
3 now authorized pursuant to the Bond Election, the Authorizing Resolution, the Charter and
4 applicable law to incur indebtedness in the manner and form provided in this Resolution.

5 Section 3. Documents. The documents presented to the Board of Supervisors and on
6 file with the Clerk of the Board of Supervisors ("Clerk of the Board of Supervisors") are
7 contained in File No. _____.

8 Section 4. Issuance and Sale of Series 2026B Bonds; Determination of Certain Terms;
9 Designation. The Board of Supervisors authorizes the issuance and sale of not to exceed
10 \$83,475,000 in aggregate principal amount of Bonds to be designated as "City and County of
11 San Francisco General Obligation Bonds (Health and Recovery, 2020), Series 2026B [and
12 any subseries designation]," for the purposes set forth in the Bond Ordinance and Proposition
13 A approved by the voters at the Bond Election.

14 The Director of Public Finance of the City ("Director of Public Finance"), the Controller
15 or any designee thereof (each, an "Authorized Officer") are authorized to determine, for the
16 Series 2026B Bonds, the sale date, the interest rates, the definitive principal amount, the
17 maturity dates and the redemption dates, if any, and the terms of any optional or mandatory
18 redemption, subject to the other specific provisions of this Resolution, including the following
19 terms and conditions: (a) the Series 2026B Bonds shall not have a true interest cost (as such
20 term is defined in the Official Notice of Sale (as defined in Section 13) for the Series 2026B
21 Bonds) in excess of 12%; and (b) the Series 2026B Bonds may have a duration up to 30
22 years from their date of issuance. The Director of Public Finance is further authorized to give
23 the Series 2026B Bonds such additional or other series or subseries designation, or to modify
24 such series or subseries designation, as may be necessary or appropriate to distinguish the
25 Series 2026B Bonds and any subseries thereof from every other series or subseries of Bonds

1 and from other bonds issued by the City and reflect the sequence of their issuance, and in the
2 event the Series 2026B Bonds shall consist of multiple series or subseries, there may be one
3 or more maturities in the first year following the issuance of the Series 2026B Bonds, which
4 maturity dates may be determined by the Director of Public Finance.

5 Section 5. Authentication and Registration of the Series 2026B Bonds. Each of the
6 Series 2026B Bonds shall be in fully registered form without coupons in denominations of
7 \$5,000 or any integral multiple of that amount. The officers of the City are directed to cause
8 the Series 2026B Bonds to be prepared in sufficient quantity for delivery to or for the account
9 of their purchaser and an Authorized Officer is directed to cause the blanks in the Series
10 2026B Bonds to be completed in accordance with the Authorizing Resolution, this Resolution,
11 and the Bond Award or Purchase Contract (each as defined below), to procure their execution
12 by the proper officers of the City (including by electronic or facsimile signature if necessary or
13 convenient, except that any signature for the Clerk of the Board of Supervisors shall be
14 required to be by manual signature) and authentication as provided in this Section, and to
15 deliver the Series 2026B Bonds when so executed and authenticated to the purchaser in
16 exchange for the purchase price, all in accordance with the Authorizing Resolution.

17 The Series 2026B Bonds and the certificate of authentication and registration, to be
18 manually executed by the City Treasurer or designee thereof ("City Treasurer"), and the form
19 of assignment to appear on the Series 2026B Bonds shall be substantially in the form
20 attached as Exhibit A (a copy of which is on file with the Clerk of the Board of Supervisors and
21 which is declared to be a part of this Resolution as if fully set forth in this Resolution), with
22 necessary or appropriate variations, omissions and insertions as permitted or required by this
23 Resolution.

24 Only Series 2026B Bonds bearing a certificate of authentication and registration
25 executed by the City Treasurer shall be valid or obligatory for any purpose or entitled to the

benefits of the Authorizing Resolution and this Resolution, and such certificate of the City Treasurer, executed as provided in this Resolution, shall be conclusive evidence that the Series 2026B Bonds so authenticated have been duly authenticated and delivered under, and are entitled to the benefits of, the Authorizing Resolution and this Resolution.

The Controller shall assign a distinctive letter, or number, or letter and number to each Series 2026B Bond authenticated and registered by the City Treasurer and shall maintain a record thereof which shall be available for inspection.

Section 6. Registration Books. The City Treasurer shall keep or cause to be kept, at the office of the City Treasurer or at the designated office of any registrar appointed by the City Treasurer, separate and sufficient books for the registration and transfer of Series 2026B Bonds, which books shall at all times be open to inspection, and upon presentation for such purpose, the City Treasurer shall, under such reasonable regulations as the City Treasurer may prescribe, register or transfer or cause to be registered or transferred, on such books, Series 2026B Bonds as provided in this Resolution. The City and the City Treasurer may treat the registered owner of each Series 2026B Bond as its absolute owner for all purposes, and the City Treasurer shall not be affected by any notice to the contrary.

Section 7. Transfer or Exchange of Series 2026B Bonds. Any Series 2026B Bond may, in accordance with its terms, be transferred upon the books required to be kept pursuant to the provisions of Section 6, by the person in whose name it is registered, in person or by the duly authorized attorney of such person in writing, upon surrender of such Series 2026B Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the City Treasurer.

Any Series 2026B Bond may be exchanged at the office of the City Treasurer for a like aggregate principal amount of other authorized denominations of the same interest rate and maturity.

1 Whenever any Series 2026B Bond shall be surrendered for transfer or exchange, the
2 designated City officials shall execute (as provided in Section 5) and the City Treasurer shall
3 authenticate and deliver a new Series 2026B Bond of the same interest rate and maturity in a
4 like aggregate principal amount. The City Treasurer shall require the payment by any bond
5 owner requesting any such transfer of any tax or other governmental charge required to be
6 paid with respect to such transfer or exchange.

7 No transfer or exchange of Series 2026B Bonds shall be required to be made by the
8 City Treasurer during the period from the Record Date (as defined in Section 8(b)) next
9 preceding each interest payment date to such interest payment date or after a notice of
10 redemption shall have been mailed with respect to such Series 2026B Bonds.

11 Section 8. Terms of the Series 2026B Bonds; General Redemption Provisions.

12 (a) Date of the Series 2026B Bonds. The Series 2026B Bonds shall be dated the
13 date of their delivery or such other date ("Dated Date") as is specified in the Bond Award or
14 the Purchase Contract.

15 (b) Payment of the Series 2026B Bonds. The principal of the Series 2026B Bonds
16 shall be payable in lawful money of the United States of America to their owners, upon
17 surrender at maturity or earlier redemption at the office of the City Treasurer. The interest on
18 the Series 2026B Bonds shall be payable in like lawful money to the person whose name
19 appears on the bond registration books of the City Treasurer as the owner as of the close of
20 business on the last day of the month immediately preceding an interest payment date
21 ("Record Date"), whether or not such day is a Business Day (as defined below).

22 Except as may be otherwise provided in connection with any book-entry-only system
23 applicable to the Series 2026B Bonds, payment of the interest on any Series 2026B Bond
24 shall be made by check mailed on the interest payment date to such owner at such owner's
25 address as it appears on the registration books as of the Record Date; provided, that if any

1 interest payment date occurs on a day that banks in California or New York are closed for
2 business or the New York Stock Exchange is closed for business, then such payment shall be
3 made on the next succeeding day that banks in both California and New York are open for
4 business and the New York Stock Exchange is open for business (each, a "Business Day");
5 and provided, further, that the registered owner of an aggregate principal amount of at least
6 \$1,000,000 of Series 2026B Bonds may submit a written request to the City Treasurer on or
7 before a Record 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 2026B Bonds are held in book-entry form by a securities
11 depository selected by the City pursuant to Section 10, payment shall be made to the
12 registered owner of the Series 2026B Bonds designated by such securities depository by wire
13 transfer of immediately available funds.

14 (c) Interest on the Series 2026B Bonds. The Series 2026B Bonds shall bear
15 interest at rates to be determined upon the sale of the Series 2026B Bonds, calculated on the
16 basis of a 360-day year comprised of twelve 30-day months, payable on June 15, 2027 (or
17 such other date as may be designated in the Bond Award or Purchase Contract), and
18 semiannually thereafter on June 15 and December 15 of each year. Each Series 2026B Bond
19 shall bear interest from the interest payment date next preceding the date of its authentication
20 unless it is authenticated as of a day during the period from the Record Date next preceding
21 any interest payment date to the interest payment date, inclusive, in which event it shall bear
22 interest from such interest payment date, or unless it is authenticated on or before the first
23 Record Date, in which event it shall bear interest from the Dated Date; provided, that if, at the
24 time of authentication of any Series 2026B Bond, interest is in default on the Series 2026B
25 Bonds, such Series 2026B Bond shall bear interest from the interest payment date to which

1 interest has previously been paid or made available for payment on the Series 2026B Bonds
2 or from the Dated Date if the first interest payment is not made.

3 (d) Optional Redemption. The Series 2026B Bonds shall be subject to optional
4 redemption prior to maturity as shall be provided in the Official Notice of Sale or the Purchase
5 Contract, as applicable.

6 (e) Mandatory Redemption. The Series 2026B Bonds shall be subject to mandatory
7 redemption as shall be designated by the purchaser pursuant to the terms of the Official
8 Notice of Sale or as designated in the Purchase Contract, as applicable.

9 The principal of and interest on the Series 2026B Bonds subject to mandatory
10 redemption shall be paid from the Series 2026B Bond Subaccount established in Section 9,
11 pursuant to Section 9. In lieu of any such mandatory redemption for Series 2026B Bonds, at
12 any time prior to the selection of Series 2026B Bonds for mandatory redemption, the City may
13 apply amounts on deposit in the Series 2026B Bond Subaccount to make such payment to
14 the purchase, at public or private sale, of Series 2026B Bonds subject to such mandatory
15 redemption, and when and at such prices not in excess of the principal amount thereof
16 (including sales commission and other charges but excluding accrued interest), as the City
17 may determine.

18 (f) Selection of Series 2026B Bonds for Redemption. Whenever less than all of the
19 outstanding Series 2026B Bonds are called for redemption on any date, the Director of Public
20 Finance will select the maturities of the Series 2026B Bonds to be redeemed in the sole
21 discretion of the Director of Public Finance. Whenever less than all of the outstanding Series
22 2026B Bonds maturing on any one date are called for redemption, the manner of selection of
23 the portion of such Series 2026B Bonds called for redemption shall be as specified in the
24 Official Statement for the Series 2026B Bonds.

1 (g) Notice of Redemption. The date on which Series 2026B Bonds that are called
2 for redemption are to be presented for redemption is called the "Redemption Date." The City
3 Treasurer shall mail, or cause to be mailed, notice of any redemption of Series 2026B Bonds,
4 postage prepaid, to the respective registered owners at the addresses appearing on the bond
5 registration books not less than 20 nor more than 60 days prior to the Redemption Date. The
6 notice of redemption shall: (i) state the Redemption Date; (ii) state the redemption price; (iii)
7 state the maturity dates of the Series 2026B Bonds to be redeemed and, if less than all of any
8 such maturity is called for redemption, the distinctive numbers of the Series 2026B Bonds of
9 such maturity to be redeemed, and in the case of any Series 2026B Bonds to be redeemed in
10 part only, the respective portions of the principal amount to be redeemed; (iv) state the CUSIP
11 number, if any, of each Series 2026B Bond to be redeemed; (v) require that such Series
12 2026B Bonds be surrendered by the owners at the office of the City Treasurer or his or her
13 agent; and (vi) give notice that interest on such Series 2026B Bonds or portions of Series
14 2026B Bonds to be redeemed will cease to accrue after the Redemption Date. Notice of
15 optional redemption may be conditional upon receipt of funds or other event specified in the
16 notice of redemption as provided in Section 8(j) below.

17 The actual receipt by the owner of any Series 2026B Bond of notice of such
18 redemption shall not be a condition precedent to redemption, and failure to receive such
19 notice, or any defect in such notice so mailed, shall not affect the validity of the proceedings
20 for the redemption of such Series 2026B Bonds or the cessation of accrual of interest on such
21 Series 2026B Bonds on the Redemption Date.

22 Notice of redemption also shall be given, or caused to be given by the City Treasurer,
23 to The Depository Trust Company, New York, New York ("DTC") (and its successors and
24 assigns) by electronic transmission or such other method acceptable to The Depository Trust
25 Company at the time of such notice, and to such other services or organizations as may be

1 required in accordance with the Continuing Disclosure Certificate described in Section 18
2 hereof.

3 The notice or notices required for redemption shall be given by the City Treasurer or
4 any agent appointed by the City. A certificate of the City Treasurer or such other appointed
5 agent of the City that notice of redemption has been given to the owner of any Series 2026B
6 Bond to be redeemed in accordance with this Resolution shall be conclusive against all
7 parties.

8 (h) Series 2026B Redemption Account. At the time the Director of Public Finance
9 determines to optionally call and redeem any of the Series 2026B Bonds, the Controller or his
10 or her agent shall establish a redemption account to be described or known as the "General
11 Obligation Bonds (Health and Recovery, 2020), Series 2026B Redemption Account" ("Series
12 2026B Redemption Account"), and prior to or on the Redemption Date there must be set
13 aside in the Series 2026B Redemption Account moneys available for the purpose and
14 sufficient to redeem, as provided in this Resolution, the Series 2026B Bonds designated in
15 such notice of redemption, subject to the provisions of Section 8(j) below. Such moneys must
16 be set aside in the Series 2026B Redemption Account solely for the purpose of, and shall be
17 applied on or after the Redemption Date to, payment of the redemption price of the Series
18 2026B Bonds to be redeemed upon presentation and surrender of such Series 2026B Bonds.
19 Any interest due on or prior to the Redemption Date may be paid from the Series 2026B Bond
20 Subaccount as provided in Section 9 or from the Series 2026B Redemption Account. Moneys
21 held from time to time in the Series 2026B Redemption Account shall be invested by the City
22 Treasurer pursuant to the City's policies and guidelines for investment of moneys in the
23 general fund ("General Fund") of the City. If, after all of the Series 2026B Bonds have been
24 redeemed and canceled or paid and canceled, there are moneys remaining in the Series
25 2026B Redemption Account, said moneys shall be transferred to such fund or account of the

1 City as required or permitted 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 resolution
3 authorizing such refunding bonds.

4 (i) Effect of Redemption. When notice of optional redemption has been given
5 substantially as provided in this Resolution, and when the amount necessary for the
6 redemption of the Series 2026B Bonds called for redemption (principal, premium, if any, and
7 accrued interest to such Redemption Date) is set aside for that purpose in the Series 2026B
8 Redemption Account, the Series 2026B Bonds designated for redemption shall become due
9 and payable on the Redemption Date, and upon presentation and surrender of such Series
10 2026B Bonds at the place specified in the notice of redemption, such Series 2026B Bonds
11 shall be redeemed and paid at the redemption price out of the Series 2026B Redemption
12 Account. No interest will accrue on such Series 2026B Bonds called for redemption after the
13 Redemption Date and the registered owners of such Series 2026B Bonds shall look for
14 payment of such Series 2026B Bonds only to the Series 2026B Redemption Account. All
15 Series 2026B Bonds redeemed shall be canceled immediately by the City Treasurer and shall
16 not be reissued.

17 (j) Conditional Notice of Redemption; Rescission of Redemption. Any notice of
18 optional redemption given as provided in Section 8(g) may provide that such redemption is
19 conditioned upon: (i) deposit in the Series 2026B Redemption Account of sufficient moneys to
20 redeem the Series 2026B Bonds called for optional redemption on the anticipated
21 Redemption Date, or (ii) the occurrence of any other event specified in the notice of
22 redemption. If conditional notice of redemption has been given substantially as provided in
23 this clause, and on the scheduled Redemption Date (A) sufficient moneys to redeem the
24 Series 2026B Bonds called for optional redemption on the Redemption Date have not been
25 deposited in the Series 2026B Redemption Account, or (B) any other event specified in the

1 notice of redemption as a condition to the redemption has not occurred, then (1) the Series
2 2026B Bonds for which conditional notice of redemption was given shall not be redeemed on
3 the anticipated Redemption Date and shall remain outstanding for all purposes of this
4 Resolution, and (2) the redemption not occurring shall not constitute a default under this
5 Resolution or the Authorizing Resolution.

6 The City may rescind any optional redemption and notice of it for any reason on any
7 date on or prior to any Redemption Date by causing written notice of the rescission to be
8 given to the owners of all Series 2026B Bonds so called for redemption. Notice of any such
9 rescission of redemption shall be given in the same manner notice of redemption was
10 originally given.

11 The actual receipt by the owner of any Series 2026B Bond of notice of such rescission
12 shall not be a condition precedent to rescission, and failure to receive such notice or any
13 defect in such notice so mailed shall not affect the validity of the rescission.

14 Section 9. Series 2026B Bond Subaccount. There is established with the City
15 Treasurer a special subaccount in the General Obligation Bonds (Health and Recovery, 2020)
16 Series 2026B Bond Account (“Bond Account”) created pursuant to the Authorizing Resolution
17 to be designated as the “General Obligation Bonds (Health and Recovery, 2020), Series
18 2026B Bond Subaccount” and, in the event the Series 2026B Bonds shall consist of multiple
19 series or subseries, a special subaccount therein for each such series or subseries
20 (individually and collectively, “Series 2026B Bond Subaccount”), to be held separate and apart
21 from all other accounts of the City. All interest earned on amounts on deposit in the Series
22 2026B Bond Subaccount shall be retained in the Series 2026B Bond Subaccount.

23 On or prior to the date on which any payment of principal of or interest on the Series
24 2026B Bonds is due, including any Series 2026B Bonds subject to mandatory redemption on
25 such date, the City Treasurer shall allocate to and deposit in the Series 2026B Bond

1 Subaccount, from amounts held in the Bond Account, an amount which, when added to any
2 available moneys contained in the Series 2026B Bond Subaccount, is sufficient to pay
3 principal of and interest on the Series 2026B Bonds on such date.

4 On or prior to the date on which any Series 2026B Bonds are to be redeemed at the
5 option of the City pursuant to this Resolution, the City Treasurer may allocate to and deposit
6 in the Series 2026B Redemption Account, from amounts held in the Bond Account pursuant to
7 Section 8 of the Authorizing Resolution, an amount which, when added to any available
8 moneys contained in the Series 2026B Redemption Account, is sufficient to pay principal,
9 interest and premium, if any, with respect to such Series 2026B Bonds on such date. The
10 City Treasurer may make such other provision for the payment of principal of and interest and
11 any redemption premium on the Series 2026B Bonds as is necessary or convenient to permit
12 the optional redemption of the Series 2026B Bonds.

13 Amounts in the Series 2026B Bond Subaccount may be invested in any investment of
14 the City in which moneys in the General Fund of the City are or can be invested. The City
15 Treasurer may (a) commingle any of the moneys held in the Series 2026B Bond Subaccount
16 with other City moneys, or (b) deposit amounts credited to the Series 2026B Bond
17 Subaccount into a separate fund or funds for investment purposes only; provided, that all of
18 the moneys held in the Series 2026B Bond Subaccount shall be accounted for separately
19 notwithstanding any such commingling or separate deposit by the City Treasurer.

20 Section 10. Appointment of Depositories and Other Agents. The City Treasurer is
21 authorized and directed to appoint one or more depositories as the City Treasurer may deem
22 desirable and the procedures set forth in Section 5, Section 6, Section 7 and Section 8
23 relating to registration of ownership of the Series 2026B Bonds and payments and redemption
24 notices to owners of the Series 2026B Bonds may be modified to comply with the policies and
25 procedures of such depository. The City will not have any responsibility or obligation to any

1 purchaser of a beneficial ownership interest in any Series 2026B Bonds or to any participants
2 in such a depository with respect to (a) the accuracy of any records maintained by such
3 securities depository or any participant therein; (b) any notice that is permitted or required to
4 be given to the owners of Series 2026B Bonds under this Resolution; (c) the selection by such
5 securities depository or any participant therein of any person to receive payment in the event
6 of a partial redemption of Series 2026B Bonds; (d) the payment by such securities depository
7 or any participant therein of any amount with respect to the principal or redemption premium,
8 if any, or interest due with respect to Series 2026B Bonds; (e) any consent given or other
9 action taken by such securities depository as the owner of Series 2026B Bonds; or (f) any
10 other matter.

11 Depository Trust Company, New York, New York ("DTC") is appointed as depository
12 for the Series 2026B Bonds. The Series 2026B Bonds shall be initially issued in book-entry
13 form. Upon initial issuance, the ownership of each Series 2026B Bond shall be registered in
14 the bond register in the name of Cede & Co., as nominee of DTC. So long as each Series
15 2026B Bond is registered in book-entry form, each Series 2026B Bond shall be registered in
16 the name of Cede & Co. or in the name of such successor nominee as may be designated
17 from time to time by DTC or any successor as depository.

18 The City Treasurer is also authorized and directed to appoint one or more agents as
19 the City Treasurer may deem necessary or desirable, to the extent permitted by applicable
20 law and under the supervision of the City Treasurer, such agents may serve as paying agent,
21 fiscal agent, escrow agent or registrar for the Series 2026B Bonds or may assist the City
22 Treasurer in performing any or all of such functions and such other duties as the City
23 Treasurer shall determine. Such agents shall serve under such terms and conditions as the
24 City Treasurer shall determine. The City Treasurer may remove or replace agents appointed
25 pursuant to this paragraph at any time.

1 The Authorized Officer is also authorized and directed to appoint a rebate calculation
2 agent as the Authorized Officer may deem necessary or desirable. Such agent shall serve
3 under such terms and conditions as the Authorized Officer shall determine. The Authorized
4 Officer may remove or replace such agent appointed pursuant to this paragraph at any time.

5 Section 11. Defeasance Provisions. Payment of all or any portion of the Series 2026B
6 Bonds may be provided for prior to such Series 2026B Bonds' respective stated maturities by
7 irrevocably depositing with the City Treasurer (or any commercial bank or trust company
8 designated by the City Treasurer to act as escrow agent with respect thereto):

9 (a) an amount of cash equal to the principal amount of all of such Series 2026B
10 Bonds or a portion thereof, and all unpaid interest thereon to maturity, except that in the case
11 of Series 2026B Bonds which are to be redeemed prior to such Series 2026B Bonds'
12 respective stated maturities and in respect of which notice of such redemption shall have
13 been given as provided in Section 8 hereof or an irrevocable election to give such notice shall
14 have been made by the City, the amount to be deposited shall be the principal amount
15 thereof, all unpaid interest thereon to the Redemption Date, and any premium due on such
16 Redemption Date; or

17 (b) Defeasance Securities (as herein defined) not subject to call, except as provided
18 below in the definition thereof, maturing and paying interest at such times and in such
19 amounts; together with interest earnings and cash, if required, as will, without reinvestment,
20 as certified by an independent certified public accountant, be fully sufficient to pay the
21 principal and all unpaid interest to maturity, or to the Redemption Date, as the case may be,
22 and any premium due on the Series 2026B Bonds to be paid or redeemed, as such principal
23 and interest come due; provided, that, in the case of the Series 2026B Bonds which are to be
24 redeemed prior to maturity, notice of such redemption shall be given as provided in Section 8
25 hereof or an irrevocable election to give such notice shall have been made by the City; then,

1 all obligations of the City with respect to such outstanding Series 2026B Bonds shall cease
2 and terminate, except only the tax covenants under Section 23 and the obligation of the City
3 to pay or cause to be paid from the funds deposited pursuant to clause (a) or (b) of this
4 Section 11, to the owners of such Series 2026B Bonds all sums due with respect thereto; and
5 provided further, that the City shall have received an opinion of nationally recognized bond
6 counsel, that provision for the payment of such Series 2026B Bonds has been made in
7 accordance with this Section 11.

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

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

1 the escrow fund, by any two Rating Agencies (as defined below) not lower than
2 the rating then maintained by such Rating Agencies on such United States
3 Obligations.

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

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

19 Section 12. Sale of Series 2026B Bonds By Competitive or Negotiated Sale. The
20 Board of Supervisors authorizes the sale of the Series 2026B Bonds by solicitation of
21 competitive bids or by negotiated sale to one or more underwriters to be appointed in
22 accordance with City policies, if so, determined by the Director of Public Finance.

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

24 (a) Official Notice of Sale. If the Series 2026B Bonds are sold through a solicitation
25 of competitive bids, then the form of proposed Official Notice of Sale inviting bids for the

1 Series 2026B Bonds ("Official Notice of Sale") submitted to the Board of Supervisors and on
2 file with the Clerk of the Board of Supervisors is approved and adopted as the Official Notice
3 of Sale inviting bids for the Series 2026B Bonds, with such changes, additions and
4 modifications as may be made in accordance with Section 19. The Director of Public Finance
5 is authorized and directed to cause to be mailed or otherwise circulated to prospective bidders
6 for the Series 2026B Bonds copies of the Official Notice of Sale, subject to such corrections,
7 revisions or additions as may be acceptable to the Director of Public Finance.

8 (b) Receipt of Bids. Bids shall be received on the sale date(s) 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 reject any
11 and all bids received for any reason. The Authorized Officer is authorized to award the Series
12 2026B Bonds to the responsible bidder whose bid (i) is timely received and conforms to the
13 Official Notice of Sale, except to the extent informalities and irregularities are waived by the
14 City as permitted by the Official Notice of Sale; and (ii) represents the lowest true interest cost
15 to the City in accordance with the procedures described in the Official Notice of Sale. The
16 award, if made, shall be set forth in a certificate signed by Authorized Officer setting forth the
17 terms of the Series 2026B Bonds and the original purchasers ("Bond Award"). The Director of
18 Public Finance shall provide a copy of the Bond Award, if such award is not signed by the
19 Controller, as soon as practicable to the Controller; provided, that failure to provide such copy
20 shall not affect the validity of the Bond Award.

21 Section 14. Publication of Notice of Intention to Sell Bonds. If the Series 2026B Bonds
22 are sold through a solicitation of competitive bids, then the form of proposed Notice of
23 Intention to Sell the Series 2026B Bonds ("Notice of Intention to Sell Bonds") submitted to the
24 Board of Supervisors and on file with the Clerk of the Board of Supervisors is approved and
25 adopted as the Notice of Intention to Sell the Series 2026B Bonds, and the Director of Public

1 Finance is authorized and directed to cause the Notice of Intention to Sell Bonds, subject to
2 such corrections, revisions or additions as may be made in accordance with Section 19, to be
3 published once in *The Bond Buyer* or another financial publication generally circulated
4 throughout the State of California meeting the requirements of Section 53692 of the
5 Government Code at least five (5) days prior to the date fixed for receipt of bids for the Series
6 2026B Bonds, or as otherwise set forth in Section 53692 of the Government Code.

7 Section 15. Authorization of Negotiated Sale; Authorization to Select Underwriters;
8 Form of Purchase Contract Approval. The Authorized Officer is hereby authorized to conduct
9 the sale of the Series 2026B Bonds by negotiated sale pursuant to one or more Purchase
10 Contracts (each, a "Purchase Contract"), each by and between the City and the underwriter(s)
11 named therein ("Underwriters") or by and between the City and a placement agent named
12 therein ("Placement Agent"), if the Controller determines that such manner of sale (negotiated
13 or private placement) is in the best financial interest of the City (in accordance with the criteria
14 set forth in the City's debt policy), such determination to be conclusively evidenced by the
15 execution and delivery of such Purchase Contract as hereinafter approved. The form of such
16 Purchase Contract as presented to this Board of Supervisors, a copy of which is on file with
17 the Clerk of the Board of Supervisors, is hereby approved. The Authorized Officer is hereby
18 authorized to execute one or more such Purchase Contracts with such changes, additions
19 and modifications as the Authorized Officer may make or approve in accordance with Section
20 19 hereof (including such changes as may be required for a private placement); provided
21 however, that the Underwriters' discount or Placement Agent fee under any such Purchase
22 Contract shall not exceed 1.0% of the principal amount of the Series 2026B Bonds. In order
23 to facilitate the sale of the Series 2026B Bonds by negotiated sale, the Authorized Officer is
24 hereby authorized and directed to appoint one or more financial institutions to act as
25 underwriter or placement agent for the Series 2026B Bonds.

1 Section 16. Disposition of Proceeds of Sale. The proceeds of sale of the Series
2 2026B Bonds shall be applied by the City Treasurer as follows: (a) accrued interest, if any,
3 shall be deposited into the Series 2026B Bond Subaccount; (b) premium, if any, shall be
4 deposited into the Series 2026B Bond Subaccount in such amount not to exceed three years
5 of interest on the Series 2026B Bonds; and (c) remaining proceeds of sale shall be deposited
6 into the Project Account established under Resolution No. 234-21.

7 Section 17. Preliminary Official Statement and Official Statement. The form of
8 proposed Preliminary Official Statement describing the Series 2026B Bonds ("Preliminary
9 Official Statement") submitted to the Board of Supervisors and on file with the Clerk of the
10 Board of Supervisors is approved and adopted as the Preliminary Official Statement
11 describing the Series 2026B Bonds, with such additions, corrections and revisions as may be
12 determined to be necessary or desirable made in accordance with Section 19. The Authorized
13 Officer is authorized to cause the distribution of a Preliminary Official Statement deemed final
14 for purposes of Securities and Exchange Commission Rule 15c2-12 promulgated under the
15 Securities Exchange Act of 1934, as amended ("Rule"), and to sign a certificate to that effect.
16 The Director of Public Finance is authorized and directed to cause to be printed and mailed or
17 electronically distributed to prospective bidders for the Series 2026B Bonds the Preliminary
18 Official Statement in substantially the form of the Preliminary Official Statement approved and
19 adopted by this Resolution, as completed, supplemented, corrected, or revised. The
20 Authorized Officer is authorized and directed to approve, execute, and deliver the final Official
21 Statement with respect to the Series 2026B Bonds, which final Official Statement shall be in
22 the form of the Preliminary Official Statement, with such additions, corrections, and revisions
23 as may be determined to be necessary or desirable to be made in accordance with Section 19
24 and as are permitted under the Rule. The Director of Public Finance is authorized and
25

1 directed to cause to be signed, printed, and mailed or electronically distributed the final Official
2 Statement to all actual initial purchasers of the Series 2026B Bonds.

3 Section 18. Continuing Disclosure Certificate. The form of Continuing Disclosure
4 Certificate ("Continuing Disclosure Certificate"), to be signed by the City to permit the original
5 purchasers of the Series 2026B Bonds to comply with the Rule, submitted to the Board of
6 Supervisors is approved and adopted as the Continuing Disclosure Certificate, with such
7 additions, corrections, and revisions as may be determined to be necessary or desirable
8 made in accordance with Section 19. The Authorized Officer is authorized and directed to
9 execute the Continuing Disclosure Certificate on behalf of the City and deliver the Continuing
10 Disclosure Certificate to the original purchasers of the Series 2026B Bonds.

11 Section 19. Modification to Documents. Any City official authorized by this Resolution
12 to execute any document is further authorized, in consultation with the City Attorney and co-
13 bond counsel, to approve and make such changes, additions, amendments, or modifications
14 to the document or documents such official is authorized to execute as may be necessary or
15 advisable (provided, that such changes, additions, amendments, or modifications shall not
16 authorize an aggregate principal amount of Series 2026B Bonds in excess of the maximum
17 principal amount authorized under Section 4 or conflict with the provisions of Section 4). The
18 approval of any change, addition, amendment, or modification to any of the aforementioned
19 documents shall be evidenced conclusively by the execution and delivery of the document in
20 question.

21 Section 20. Ratification. All actions previously taken by officials, employees, and
22 agents of the City with respect to the sale and issuance of the Series 2026B Bonds,
23 consistent with any documents presented and this Resolution, are approved, confirmed and
24 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 2026B Bonds.

6 Section 22. Accountability Reports. The Series 2026B Bonds are subject to
7 accountability requirements under the Administrative Code and the Bond Ordinance. 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 2026B Bonds.
10 Accountability report(s) with respect to the Series 2026B Bonds shall be submitted in all other
11 respects in the manner required by the Administrative Code and the Bond Ordinance.

12 Section 23. Covenants to Maintain Tax-Exempt Status. The following covenants shall
13 be applicable to any Series 2026B Bonds (including any subseries) issued as bonds the
14 interest on which is intended to be excludable from gross income for federal income tax
15 purposes:

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

18 “*Closing Date*” means the date on which the Series 2026B 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 Series 2026B 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 Series 2026B Bonds are invested
7 and which is not acquired to carry out the governmental purposes of the Series 2026B Bonds.

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

10 “*Regulations*” means any proposed, temporary, or final Income Tax Regulations
11 issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal
12 Revenue Code of 1954, which are applicable to the Series 2026B Bonds. Any reference to
13 any specific Regulation shall also mean, as appropriate, any proposed, temporary or final
14 Income Tax Regulation designed to supplement, amend, or replace the specific Regulation
15 referenced.

16 “*Yield*” of:

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

19 (ii) the Series 2026B Bonds has the meaning set forth in Section 1.148-4 of
20 the Regulations.

21 (b) Not to Cause Interest to Become Taxable. The City shall not use, permit the
22 use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition,
23 construction or improvement of which is to be financed or refinanced directly or indirectly with
24 Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest
25 on any Series 2026B Bond to become includable in the gross income, as defined in Section

61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on any Series 2026B Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the final payment on the Series 2026B Bonds:

(i) exclusively own, operate and possess all property, the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Series 2026B Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Series 2026B Bonds or any property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

1 (d) No Private Loan. Except to the extent permitted by Section 141 of the Code and
2 the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Series
3 2026B Bonds to make or finance loans to any person or entity other than a state or local
4 government. For purposes of the foregoing covenant, such Gross Proceeds are considered
5 to be “loaned” to a person or entity if: (i) property acquired, constructed, or improved with such
6 Gross Proceeds is sold or leased to such person or entity in a transaction that creates a debt
7 for federal income tax purposes; (ii) capacity in or service from such property is committed to
8 such person or entity under a take-or-pay, output, or similar contract or arrangement; or (iii)
9 indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any
10 property acquired, constructed, or improved with such Gross Proceeds are otherwise
11 transferred in a transaction which is the economic equivalent of a loan.

12 (e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of
13 the Code and the Regulations and rulings thereunder, the City shall not at any time prior to
14 the final stated maturity of the Series 2026B Bonds directly or indirectly invest Gross
15 Proceeds in any Investment, if as a result of such investment the Yield of any Investment
16 acquired with Gross Proceeds, whether then held or previously disposed of, exceeds the Yield
17 of the Series 2026B Bonds.

18 (f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of
19 the Code and the Regulations and rulings thereunder, the City shall not take or omit to take
20 any action that would cause the Series 2026B Bonds to be federally guaranteed within the
21 meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

22 (g) Information Reporting. The City shall timely file the information required by
23 Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other
24 form and in such place as the Secretary of the Treasury may prescribe.
25

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

3 (i) The City shall account for all Gross Proceeds (including all receipts,
4 expenditures and investments thereof) on its books of account separately and apart
5 from all other funds (and receipts, expenditures and investments thereof) and shall
6 retain all records of accounting for at least six years after the day on which the last
7 outstanding Series 2026B Bond is discharged. However, to the extent permitted by
8 law, the City may commingle Gross Proceeds of the Series 2026B Bonds with other
9 money of the City; provided that the City separately accounts for each receipt and
10 expenditure of Gross Proceeds and the obligations acquired therewith.

11 (ii) Not less frequently than each Computation Date, the City shall calculate
12 the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and
13 the Regulations and rulings thereunder. The City shall maintain such calculations with
14 its official transcript of proceedings relating to the issuance of the Series 2026B Bonds
15 until six years after the Final Computation Date.

16 (iii) As additional consideration for the purchase of the Series 2026B Bonds
17 by the initial purchasers and the loan of the money represented thereby and in order to
18 induce such purchase by measures designed to ensure the excludability of the interest
19 thereon from gross income for federal income tax purposes, the City shall pay to the
20 United States the amount that, when added to the future value of previous rebate
21 payments made for the Series 2026B Bonds, equals (i) in the case of a Final
22 Computation Date, 100% of the Rebate Amount on such date; and (ii) in the case of
23 any other Computation Date, 90% of the Rebate Amount on such date. In all cases,
24 the rebate payments shall be made at the times, in the installments, to the place and in
25 the manner as is or may be required by Section 148(f) of the Code and the Regulations

1 and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms
2 and information as is or may be required by Section 148(f) of the Code and the
3 Regulations and rulings thereunder.

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

10 (i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of
11 the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to
12 the final payment on the Series 2026B Bonds, enter into any transaction that reduces the
13 amount required to be paid to the United States pursuant to Section 23(h) above because
14 such transaction results in a smaller profit or a larger loss than would have resulted if the
15 transaction had been at arm's length and had the Yield of the Series 2026B Bonds not been
16 relevant to either party.

17 (j) Elections. The City directs and authorizes the Director of Public Finance and
18 the Controller, either or any combination of them, to make elections permitted or required
19 pursuant to the provisions of the Code or the Regulations, as they deem necessary or
20 appropriate in connection with the Series 2026B Bonds, in the Certificate as to Tax Exemption
21 or similar or other appropriate certificate, form, or document.

22 Section 24. Reimbursement. The City hereby declares its official intent to reimburse
23 prior expenditures of the City paid prior to the issuance and sale of the Series 2026B Bonds in
24 connection with the Project or portions thereof to be financed by the Series 2026B Bonds. The
25 Board of Supervisors hereby declares the City's intent to reimburse the City with the proceeds

1 of the Series 2026B Bonds for expenditures paid with respect to the Project (the
2 “Expenditures” and each an “Expenditure”) made on and after that date that is no more than
3 60 days prior to adoption of this Resolution. The City reasonably expects on the date of
4 adoption of this Resolution that it will reimburse the Expenditures with the proceeds of the
5 Series 2026B Bonds.

6 Each Expenditure was and will be either (a) of a type properly chargeable to a capital
7 account under general federal income tax principles (determined in each case as of the date
8 of the Expenditure), (b) a cost of issuance with respect to the Series 2026B Bonds, (c) a
9 nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a
10 party that is not related to or an agent of the City so long as such grant does not impose any
11 obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the
12 City. The maximum aggregate principal amount of the Series 2026B Bonds expected to be
13 issued for the Project is \$83,475,000. The City shall make a reimbursement allocation, which
14 is a written allocation by the City that evidences the City's use of proceeds of the Series
15 2026B Bonds to reimburse an Expenditure, no later than 18 months after the later of the date
16 on which the Expenditure is paid or the Project is placed in service or abandoned, but in no
17 event more than three years after the date on which the Expenditure is paid. The City
18 recognizes that exceptions are available for certain “preliminary expenditures,” costs of
19 issuance, certain de minimis amounts and expenditures for construction projects of at least 5
20 years.

21 Section 25. City Services Auditor Fee. To the extent permitted by law, one-fifth of one
22 percent (0.2%) of the amount of gross proceeds of the Series 2026B Bonds deposited into the
23 Project Account shall be applied to pay the City Services Auditor Fee.
24
25

1 Section 26. General Authority. The Clerk of the Board of Supervisors, the Mayor, the
2 City Treasurer, the Controller, the Director of Public Finance, and the City Attorney 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,
5 consents, and other documents as may be necessary to give effect to the provisions of this
6 Resolution, including but not limited to a private placement agreement and investor letter, tax
7 compliance certificates, and letters of representations to any depository or depositories, which
8 they or any of them might deem necessary or appropriate in order to consummate the lawful
9 issuance, sale, and delivery of the Series 2026B Bonds. Any such actions are solely intended
10 to further the purposes of this Resolution, and are subject in all respects to the terms of this
11 Resolution. No such actions shall increase the risk to the City or require the City to spend any
12 resources not otherwise granted herein. Final versions of any such documents shall be
13 provided to the Clerk of the Board of Supervisors for inclusion in the official file within 30 days
14 (or as soon thereafter as is practicable) of execution by all parties.

15 Section 27. Effective Date. This Resolution shall take effect upon its enactment.
16 Enactment occurs when the Mayor signs the resolution, the Mayor returns the resolution
17 unsigned or does not sign the resolution within ten days of receiving it, or the Board of
18 Supervisors overrides the Mayor's veto of the resolution.

19 APPROVED AS TO FORM:
20 DAVID CHIU, City Attorney

21 By: /s/ Kenneth D. Roux
22 KENNETH D. ROUX
23 Deputy City Attorney
24
25

EXHIBIT A
FORM OF BOND

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

<u>Number</u>		<u>Principal Amount</u>
R-__	UNITED STATES OF AMERICA STATE OF CALIFORNIA CITY AND COUNTY OF SAN FRANCISCO GENERAL OBLIGATION BONDS (HEALTH AND RECOVERY, 2020) SERIES 2026B [and any subseries designation]	\$_____

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>CUSIP Number</u>
_____	_____	_____	_____

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: \$ _____

The City and County of San Francisco, State of California ("City"), acknowledges itself indebted to and promises to pay to the Registered Owner specified above or registered assigns, on the Maturity Date specified above, the Principal Amount of this Bond specified above in lawful money of the United States of America, and to pay interest on the Principal Amount in like lawful

1 money from the Interest Payment Date (as defined below) next preceding the date of
2 authentication of this Bond (unless this Bond is authenticated as of the day during the period
3 from the last day of the month immediately preceding any Interest Payment Date ("Record
4 Date") to such Interest Payment Date, inclusive, in which event it shall bear interest from such
5 Interest Payment Date, or unless this Bond is authenticated on or before June 15, 2027, in
6 which event it shall bear interest from its Dated Date (specified above) until payment of such
7 Principal Amount, at the Interest Rate per year specified above calculated on the basis of a
8 360-day year comprised of twelve 30-day months, payable on June 15, 2027 and semiannually
9 thereafter on June 15 and December 15 in each year (each, an "Interest Payment Date");
10 provided, that if any Interest Payment Date occurs on a day that banks in California or New
11 York are closed for business or the New York Stock Exchange is closed for business, then such
12 payment shall be made on the next succeeding day that banks in both California and New York
13 are open for business and the New York Stock Exchange is open for business (a "Business
14 Day"). The Principal Amount of this Bond is payable to the Registered Owner of this Bond upon
15 the surrender of this Bond at the office of the City Treasurer ("City Treasurer") in San Francisco,
16 California. The interest on this Bond is payable to the person whose name appears on the Bond
17 registration books of the City Treasurer as the Registered Owner of this Bond as of the close of
18 business on the Record Date immediately preceding an Interest Payment Date, whether or not
19 such day is a Business Day, such interest to be paid by check mailed on the Interest Payment
20 Date to such Registered Owner at the owner's address as it appears on such registration books;
21 *provided*, that the Registered Owner of Bonds in an aggregate principal amount of at least
22 \$1,000,000 may submit a written request to the City Treasurer on or before the Record Date
23 preceding any Interest Payment Date for payment of interest by wire transfer to a commercial
24 bank located in the United States of America.

1 This Bond is one of a duly authorized issue of City and County of San Francisco General
2 Obligation Bonds (Health and Recovery, 2020), Series 2026B (“Bonds”) of like tenor (except for
3 such variations, if any, as may be required to designate varying numbers, denominations,
4 interest rates and maturities), in the aggregate principal amount of \$[____], which is part of
5 a bond authorization in the aggregate original principal amount of \$487,500,000 authorized by
6 the affirmative votes of more than two-thirds of the voters voting at a special election duly and
7 legally called, held and conducted in the City on November 3, 2020 and is issued and sold by
8 the City pursuant to and in strict conformity with the provisions of the Constitution and laws of
9 the State of California, the City Charter and a Resolution of Necessity adopted by the City Board
10 of Supervisors (“Board of Supervisors”) on July 14, 2020, and duly approved by the Mayor on
11 July 23, 2020, and Resolution No. [____], adopted by the Board of Supervisors on
12 [____], 2026 and duly approved by the Mayor on [____], 2026 (together with the
13 related [Certificate Awarding the Bonds and Fixing Definitive Interest Rates for the
14 Bonds][Purchase Contract], dated [____], 2026, “Resolutions”).

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

21 This Bond is transferable by its Registered Owner, in person or by its attorney duly
22 authorized in writing, at the office of the City Treasurer, but only in the manner, subject to the
23 limitations and upon payment of the charges provided in the Resolutions, and upon surrender
24 and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized
25

1 denomination or denominations for the same interest rate and same aggregate principal amount
2 will be issued to the transferee in exchange for this Bond.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

IN WITNESS WHEREOF the Board of Supervisors has caused this Bond to be executed by the [Mayor][Controller][City Administrator] and to be countersigned by the Clerk of the Board of Supervisors, all as of _____.

[Mayor][Controller][City Administrator] of
the City and County of San Francisco

Countersigned:

Clerk of the Board of Supervisors

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

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

4 _____

5 _____

6 **(Please print or typewrite Name, Address, and Tax Identification or Social**

7 **Security Number of Assignee/Transferee)**

8 the within-mentioned registered bond and all rights thereunder and hereby irrevocably

9 constitute(s) and appoint(s) _____ attorney to

10 transfer the same on the books of the paying agent with full power of substitution in the

11 premises.

12 Dated: _____

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 or

17 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.

4935-7980-2558, v. 1
4935-7980-2558, v. 1