FILE NO. RESOLUTION NO.

[Sale of General Obligation Bonds (Social Bonds - Affordable Housing, 2019), Series 2026D - Not to Exceed $107,540,000]

Resolution authorizing the issuance and sale of not to exceed $107,540,000 aggregate principal amount on a tax-exempt or taxable basis of City and County of San Francisco General Obligation Bonds (Social Bonds-Affordable Housing, 2019) Series 2026D; prescribing the form and terms of such bonds; providing for the appointment of depositories and other agents for such bonds; providing for the establishment of accounts and/or subaccounts related to such bonds; authorizing the sale of such bonds by competitive or negotiated sale; approving the forms of the Official Notice of Sale and Notice of Intention to Sell Bonds and directing the publication of the Notice of Intention to Sell Bonds; approving the form of the Purchase Contract; approving the form of the Preliminary Official Statement and the execution of the Official Statement relating to the sale of such bonds; approving the form of the Continuing Disclosure Certificate; authorizing and approving modifications to such documents; ratifying certain actions previously taken, as defined herein; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale, and delivery of such bonds, as defined herein.

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

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

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

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

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

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

WHEREAS, The City previously issued a portion of the Bonds, Series 2025C in the principal amount of $67,095,000; and

WHEREAS, It is necessary and desirable to deliver a subsequent series of the Bonds in one or more subseries on a tax-exempt or a taxable basis, in an aggregate principal amount not to exceed $107,540,000 ("Series 2026D Bonds"), to finance a portion of the remaining costs of the projects that qualify under Proposition A; and

WHEREAS, The Series 2026D Bonds are being issued pursuant to the Authorizing Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the California Government Code ("Government Code"), the Charter of the City ("Charter"), the 2019 Bond Ordinance and the Proposition A Bond Election; and

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

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

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

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

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

Series 2026D Bonds exist, have happened and have been performed in due time, form and manner in accordance with applicable law, and the City is now authorized pursuant to the Proposition A Bond Election, the Authorizing Resolution, the Charter and applicable law to incur indebtedness in the manner and form provided in this Resolution.

Section 3. Documents. The documents presented to the Board of Supervisors and on file with the Clerk of the Board of Supervisors ("Clerk of the Board of Supervisors") are contained in File No. [______].

Section 4. Issuance and Sale of Series 2026D Bonds; Determination of Certain Terms; Designation. The Board of Supervisors authorizes the issuance and sale of not to exceed $107,540,000 in aggregate principal amount of Bonds to be designated as "City and County of San Francisco General Obligation Bonds (Social Bonds - Affordable Housing, 2019) Series 2026D [and any subseries designation]," for the purposes set forth in the 2019 Bond Ordinance and Proposition A approved by the voters at the Proposition A Bond Election. Prior to issuance, the Series 2026D Bonds may be subdivided into more than one subseries. For purposes of this Resolution, all of such subdivided series in the aggregate are referred to herein as the "Series 2026D Bonds."

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

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

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

Only Series 2026D Bonds bearing a certificate of authentication and registration 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 2026D 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 2026D 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 2026D 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 2026D Bonds as provided in this Resolution. The City and the City Treasurer may treat the registered owner of each Series 2026D Bond as its absolute owner for all purposes, and the City and the City Treasurer shall not be affected by any notice to the contrary.

Section 7. Transfer or Exchange of Series 2026D Bonds. Any Series 2026D 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 2026D Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the City Treasurer.

Any Series 2026D 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.

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

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

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

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

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

Except as may be otherwise provided in connection with any book-entry-only system applicable to the Series 2026D Bonds, payment of the interest on any Series 2026D Bond shall be made by check mailed on the interest payment date to such owner at such owner's address as it appears on the registration books as of the Record Date; provided, that if any interest payment date occurs on a day that banks in California or New York are closed for business or the New York Stock Exchange is closed for business, then such payment shall be made on the next succeeding day that banks in both California and New York are open for business and the New York Stock Exchange is open for business (each, a "Business Day"); and provided, further, that the registered owner of an aggregate principal amount of at least $1,000,000 of Series 2026D Bonds may submit a written request to the City Treasurer on or before a Record Date preceding an interest payment date for payment of interest on the next succeeding interest payment date and thereafter by wire transfer to a commercial bank located within the United States of America.

For so long as any Series 2026D Bonds are held in book-entry form by a securities depository selected by the City pursuant to Section 10, payment shall be made to the registered owner of the Series 2026D Bonds designated by such securities depository by wire transfer of immediately available funds.

(c) Interest on the Series 2026D Bonds. The Series 2026D Bonds shall bear interest at rates to be determined upon the sale of the Series 2026D Bonds, calculated on the basis of a 360-day year comprised of twelve 30-day months, payable on June 15, 2027 (or such other date as may be designated in the Bond Award or Purchase Contract), and semiannually thereafter on June 15 and December 15 of each year. Each Series 2026D Bond shall bear interest from the interest payment date next preceding the date of its authentication unless it is authenticated as of a day during the period from the Record Date next preceding any interest payment date to the interest payment date, inclusive, in which event it shall bear interest from such interest payment date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from the Dated Date; provided, that if, at the time of authentication of any Series 2026D Bond, interest is in default on the Series 2026D Bonds, such Series 2026D Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on the Series 2026D Bonds or from the Dated Date if the first interest payment is not made.

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

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

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

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

(g) Notice of Redemption. The date on which Series 2026D Bonds that are called for redemption are to be presented for redemption is called the “Redemption Date.”

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

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

Notice of redemption also shall be given, or caused to be given by the City Treasurer, to The Depository Trust Company, New York, New York (“DTC”) (and its successors and assigns) by electronic transmission or such other method acceptable to The Depository Trust Company at the time of such notice, and to such other services or organizations as may be required in accordance with the Continuing Disclosure Certificate described in Section 18 hereof.

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

(h) Series 2026D Redemption Account. At the time the Director of Public Finance determines to optionally call and redeem any of the Series 2026D Bonds, the Controller or his or her agent shall establish a redemption account to be described or known as the "General Obligation Bonds, Series 2026D Redemption Account" ("Series 2026D Redemption Account"), and prior to or on the Redemption Date there must be set aside in the Series 2026D Redemption Account moneys available for the purpose and sufficient to redeem, as provided in this Resolution, the Series 2026D Bonds designated in such notice of redemption, subject to the provisions of Section 8(j) below. Such moneys must be set aside in the Series 2026D Redemption Account solely for the purpose of, and shall be applied on or after the Redemption Date to, payment of the redemption price of the Series 2026D Bonds to be redeemed upon presentation and surrender of such Series 2026D Bonds. Any interest due on or prior to the Redemption Date may be paid from the Series 2026D Bond Subaccount as provided in Section 9 or from the Series 2026D Redemption Account. Moneys held from time to time in the Series 2026D Redemption Account shall be invested by the City Treasurer pursuant to the City's policies and guidelines for investment of moneys in the general fund ("General Fund") of the City. If, after all of the Series 2026D Bonds have been redeemed and canceled or paid and canceled, there are moneys remaining in the Series 2026D Redemption Account, said moneys shall be transferred to such fund or account of the City as required or permitted by applicable law; provided, that if such moneys are part of the proceeds of refunding bonds, such moneys shall be transferred pursuant to the resolution authorizing such refunding bonds.

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

(j) Conditional Notice of Redemption; Rescission of Redemption. Any notice of optional redemption given as provided in Section 8(g) may provide that such redemption is conditioned upon: (i) deposit in the Series 2026D Redemption Account of sufficient moneys to redeem the Series 2026D Bonds called for optional redemption on the anticipated Redemption Date, or (ii) the occurrence of any other event specified in the notice of redemption. If conditional notice of redemption has been given substantially as provided in this clause, and on the scheduled Redemption Date (A) sufficient moneys to redeem the Series 2026D Bonds called for optional redemption on the Redemption Date have not been deposited in the Series 2026D Redemption Account, or (B) any other event specified in the notice of redemption as a condition to the redemption has not occurred, then (1) the Series 2026D Bonds for which conditional notice of redemption was given shall not be redeemed on the anticipated Redemption Date and shall remain outstanding for all purposes of this Resolution, and (2) the redemption not occurring shall not constitute a default under this Resolution or the Authorizing Resolution.

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

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

Section 9. Series 2026D Bond Subaccount. There is established with the City Treasurer a special subaccount in the General Obligation Bonds (Social Bonds – Affordable Housing, 2019) Bond Account ("Bond Account") created pursuant to the Authorizing Resolution to be designated as the "General Obligation Bonds, Series 2026D Bond Subaccount" ("Series 2026D Bond Subaccount"), to be held separate and apart from all other accounts of the City. All interest earned on amounts on deposit in the Series 2026D Bond Subaccount shall be retained in the Series 2026D Bond Subaccount.

On or prior to the date on which any payment of principal of or interest on the Series 2026D Bonds is due, including any Series 2026D Bonds subject to mandatory redemption on such date, the City Treasurer shall allocate to and deposit in the Series 2026D Bond Subaccount, from amounts held in the Bond Account, an amount which, when added to any available moneys contained in the Series 2026D Bond Subaccount, is sufficient to pay principal of and interest on the Series 2026D Bonds on such date.

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

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

Section 10. Appointment of Depositories and Other Agents. The City Treasurer is authorized and directed to appoint one or more depositories as the City Treasurer may deem desirable and the procedures set forth in Section 5, Section 6, Section 7 and Section 8 relating to registration of ownership of the Series 2026D Bonds and payments and redemption notices to owners of the Series 2026D Bonds may be modified to comply with the policies and procedures of such depository. The City will not have any responsibility or obligation to any purchaser of a beneficial ownership interest in any Series 2026D Bonds or to any participants in such a depository with respect to (a) the accuracy of any records maintained by such securities depository or any participant therein; (b) any notice that is permitted or required to be given to the owners of Series 2026D Bonds under this Resolution; (c) the selection by such securities depository or any participant therein of any person to receive payment in the event of a partial redemption of Series 2026D Bonds; (d) the payment by such securities depository or any participant therein of any amount with respect to the principal or redemption premium, if any, or interest due with respect to Series 2026D Bonds; (e) any consent given or other action taken by such securities depository as the owner of Series 2026D Bonds; or (f) any other matter.

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

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

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

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

(b) Defeasance Securities (as herein defined) not subject to call, except as provided below in the definition thereof, maturing and paying interest at such times and in such amounts; together with interest earnings and cash, if required, as will, without reinvestment, as certified by an independent certified public accountant, be fully sufficient to pay the principal and all unpaid interest to maturity, or to the Redemption Date, as the case may be, and any premium due on the Series 2026D Bonds to be paid or redeemed, as such principal and interest come due; provided, that, in the case of the Series 2026D Bonds which are to be redeemed prior to maturity, notice of such redemption shall be given as provided in Section 8 hereof or an irrevocable election to give such notice shall have been made by the City; then, all obligations of the City with respect to such outstanding Series 2026D Bonds shall cease and terminate, except only the tax covenants under Section 23 and the obligation of the City to pay or cause to be paid from the funds deposited pursuant to clause (a) or (b) of this Section 11, to the owners of such Series 2026D Bonds all sums due with respect thereto; and provided further, that the City shall have received an opinion of nationally recognized bond counsel, that provision for the payment of such Series 2026D Bonds has been made in accordance with this Section 11.

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

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

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

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

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

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

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

(a) Official Notice of Sale. The form of proposed Official Notice of Sale inviting bids for the Series 2026D Bonds (“Official Notice of Sale”) submitted to the Board of Supervisors is approved and adopted as the Official Notice of Sale inviting bids for the Series 2026D Bonds, with such changes, additions and modifications as may be made in accordance with Section 19. The Director of Public Finance is authorized and directed to cause to be mailed or otherwise circulated to prospective bidders for the Series 2026D Bonds copies of one or more Official Notice of Sale, subject to such corrections, revisions or additions as may be acceptable to the Director of Public Finance.

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

(c) Bond Award. As provided in the Official Notice of Sale, the City may reject any and all bids received for any reason. The Authorized Officer is authorized to award the Series 2026D Bonds to the responsible bidder whose bid (i) is timely received and conforms to the Official Notice of Sale, except to the extent informalities and irregularities are waived by the City as permitted by the Official Notice of Sale; and (ii) represents the lowest true interest cost to the City in accordance with the procedures described in the Official Notice of Sale. The award, if made, shall be set forth in one or more certificates signed by the Authorized Officer setting forth the terms of the Series 2026D Bonds and the original purchasers ("Bond Award"). The Director of Public Finance shall provide a copy of the Bond Award, if such award is not signed by the Controller, as soon as practicable to the Controller; provided, that failure to provide such copy shall not affect the validity of the Bond Award.

Section 14. Publication of Notice of Intention to Sell Bonds. If the Series 2026D Bonds are sold through a solicitation of competitive bids, then the form of proposed Notice of Intention to Sell the Series 2026D Bonds ("Notice of Intention to Sell Bonds") submitted to the Board of Supervisors is approved and adopted as the Notice of Intention to Sell the Series 2026D Bonds, and the Director of Public Finance is authorized and directed to cause one or more Notices of Intention to Sell Bonds, subject to such corrections, revisions or additions as may be made in accordance with Section 19, to be published once in *The Bond Buyer* or another financial publication generally circulated throughout the State of California meeting the requirements of Section 53692 of the Government Code at least five (5) days prior to the date fixed for receipt of bids for the Series 2026D Bonds, or as otherwise set forth in Section 53692 of the Government Code.

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

Section 16. Disposition of Proceeds of Sale. The proceeds of sale of the Series 2026D Bonds shall be applied by the City Treasurer as follows: (a) accrued interest, if any, shall be deposited into the Series 2026D Bond Subaccount; (b) premium, if any, shall be deposited into the Series 2026D Bond Subaccount in such amount not to exceed three years of interest on the Series 2026D Bonds; and (c) remaining proceeds of sale shall be deposited into the Project Account established under Resolution No. 448-20.

Section 17. Preliminary Official Statement and Official Statement. The form of proposed Preliminary Official Statement describing the Series 2026D Bonds ("Preliminary Official Statement") submitted to the Board of Supervisors is approved and adopted as the Preliminary Official Statement describing the Series 2026D Bonds, with such additions, corrections and revisions as may be determined to be necessary or desirable made in accordance with Section 19. The Authorized Officer is authorized to cause the distribution of one or more Preliminary Official Statements deemed final for purposes of Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule"), and to sign a certificate to that effect. The Director of Public Finance is authorized and directed to cause to be printed and mailed or electronically distributed to prospective bidders for the Series 2026D Bonds the Preliminary Official Statement(s) in substantially the form of the Preliminary Official Statement approved and adopted by this Resolution, as completed, supplemented, corrected or revised. The Authorized Officer is authorized and directed to approve, execute, and deliver one or more final Official Statements with respect to the Series 2026D Bonds, which final Official Statement shall be in the form of the Preliminary Official Statement, with such additions, corrections and revisions as may be determined to be necessary or desirable made in accordance with Section 19 and as are permitted under the Rule. The Director of Public Finance is authorized and directed to cause to be printed and mailed or electronically distributed the final Official Statement(s) to all actual initial purchasers of the Series 2026D Bonds.

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

Section 19. Modification to Documents. Any City official authorized by this Resolution to execute any document is further authorized, in consultation with the City Attorney and co-bond counsel, to approve and make such changes, additions, amendments or modifications to the document or documents such official is authorized to execute as may be necessary or advisable (provided, that such changes, additions, amendments or modifications shall not authorize an aggregate principal amount of Series 2026D Bonds in excess of $107,540,000 or conflict with the provisions of Section 4). The approval of any change, addition, amendment or modification to any of the aforementioned documents shall be evidenced conclusively by the execution and delivery of the document in question.

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

Section 21. Relationship to Authorizing Resolution. In the event of any conflict between this Resolution and the Authorizing Resolution, the terms of this Resolution shall control. Without limiting the foregoing and notwithstanding the provisions of the Authorizing Resolution, the City is not obligated to transfer money from the General Fund of the City to the Bond Account to pay the principal of or interest on the Series 2026D Bonds.

Section 22. Accountability Reports. The Series 2026D Bonds are subject to accountability requirements under the Administrative Code and the 2019 Bond Ordinance. The deadline for submission of the Accountability report(s) under Administrative Code Sections 2.71(a) and 2.71(b) are hereby waived with respect to the Series 2026D Bonds. Accountability report(s) with respect to the Series 2026D Bonds shall be submitted in all other respects in the manner required by the Administrative Code and the 2019 Bond Ordinance.

Section 23. Covenants to Maintain Tax-Exempt Status. The following covenants shall be applicable to any Series 2026D Bonds (including any subseries) issued as bonds the interest on which is intended to be excludable from gross income for federal or state income tax purposes (together "Tax Exempt Bonds"), if any:

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

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

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

"*Computation Date*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

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

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

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

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

"*Rebate Amount*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Regulations*" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal

Revenue Code of 1954, which are applicable to the Tax Exempt Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"*Yield*" of:

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

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

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Tax Exempt 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 exemption from federal income tax of the interest on any Tax Exempt 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 Tax Exempt 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 Tax Exempt 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 Tax Exempt 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.

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

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

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

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

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

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

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

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

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

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

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

Section 24. Reimbursement. The City declares its official intent to reimburse prior expenditures of the City incurred prior to the issuance and sale of the Tax Exempt Bonds in connection with the Project or portions thereof to be financed by the Tax Exempt Bonds. The Board of Supervisors declares the City's intent to reimburse the City with the proceeds of the Tax Exempt Bonds for the expenditures with respect to the project ("Expenditures" and each an "Expenditure") made on and after that date that is no more than 60 days prior to adoption of this Resolution. The City reasonably expects on the date of adoption of this Resolution that it will reimburse the Expenditures with the proceeds of the Tax Exempt Bonds.
Each Expenditure was and will be either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Series 2026D Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the City so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the City. The maximum aggregate principal amount of the Tax Exempt Bonds expected to be issued for the Project is $107,540,000. The City shall make a reimbursement allocation, which

is a written allocation by the City that evidences the City's use of proceeds of the Tax Exempt Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The City recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain *de minimis* amounts, expenditures by "small issuers" (based on the year of issuance and not the year of expenditure) and expenditures for construction projects of at least 5 years.

Section 25. General Authority. The Clerk of the Board of Supervisors, the Mayor, the City Treasurer, the Director of Public Finance, the City Attorney and the Controller are each authorized and directed in the name and on behalf of the City to take any and all steps and to issue, deliver or enter into any and all certificates, requisitions, agreements, notices, consents, and other documents as may be necessary to give effect to the provisions of this Resolution, including but not limited to a private placement agreement and investor letter, tax compliance certificates and letters of representations to any depository or depositories, which they or any of them might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Series 2026D Bonds. Any such actions are solely intended to further the purposes of this Resolution, and are subject in all respects to the terms of this Resolution. No such actions shall increase the risk to the City or require the City to spend any resources not otherwise granted herein. Final versions of any such documents shall be provided to the Clerk of the Board of Supervisors for inclusion in the official file within 30 days (or as soon thereafter as final documents are available) of execution by all parties.

Section 26. Effective Date. This Resolution shall take effect upon its enactment. Enactment occurs when the Mayor signs the resolution, the Mayor returns the resolution unsigned or does not sign the resolution within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the resolution.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: /s/ Kenneth D. Roux
KENNETH D. ROUX
Deputy City Attorney

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 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.

Number		Principal Amount
R-__	UNITED STATES OF AMERICA STATE OF CALIFORNIA	$_________

CITY AND COUNTY OF SAN FRANCISCO
GENERAL OBLIGATION BONDS
(SOCIAL BONDS - AFFORDABLE HOUSING, 2019)
SERIES 2026D

Interest Rate	Maturity Date	Dated Date	CUSIP Number
			__________

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

This Bond is one of a duly authorized issue of City and County of San Francisco General Obligation Bonds (Social Bonds-Affordable Housing, 2019) Series 2026D (“Bonds”) of like tenor (except for such variations, if any, as may be required to designate varying numbers, denominations, interest rates and maturities), in the aggregate principal amount of $__________, which is part of a bond authorization in the aggregate original principal amount of $600,000,000 authorized by the affirmative votes of more than two-thirds of the voters voting at a special election duly and legally called, held and conducted in the City on November 5, 2019 and is issued and sold by the City pursuant to and in strict conformity with the provisions of the Constitution and laws of the State of California, the Charter of the City and a Resolution of Necessity adopted by the Board of Supervisors of the City (“Board of Supervisors”) on [DATE], and duly approved by the Mayor of the City on [DATE], and Resolution No. _____, adopted by the Board of Supervisors on _________, 20__ and duly approved by the Mayor of the City on _________, 20__ (together with the related Certificate Awarding the Bonds and Fixing Definitive Interest Rates for the Bonds, dated ________, 20__, “Resolutions”).

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

This Bond is transferable by its Registered Owner, in person or by its attorney duly authorized in writing, at the office of the City Treasurer, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolutions, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations for the same interest rate and same aggregate principal amount will be issued to the transferee in exchange for this Bond.

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

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

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

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

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

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

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

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

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

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

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

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

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

This Bond shall not be entitled to any benefit under the Resolutions, or become valid or obligatory for any purpose, until the certificate of authentication and registration on this Bond 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 of the City and to be countersigned by the Clerk of the Board of Supervisors, all as of _____________.

____

Mayor 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

ASSIGNMENT

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

____

____

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

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

Dated: ________________________________

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

Signature Guaranteed:

____

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

4931-8009-5421, v. 1