

1 [Replacement Credit Facilities - Tax Exempt and Taxable Lease Revenue Commercial Paper
2 Certificates of Participation - To Fund Board-Approved Capital Projects - Not to Exceed
3 \$250,000,000]

4 **Resolution re-authorizing the issuance of Tax-Exempt (Series 1 and Series 2) and**
5 **Taxable Lease Revenue Commercial Paper Certificates of Participation (Series 1-T and**
6 **Series 2-T), in an aggregate principal amount not to exceed \$250,000,000 to finance the**
7 **acquisition, construction, and rehabilitation of capital improvements and capital**
8 **equipment approved by the Board of Supervisors and the Mayor; authorizing the**
9 **replacement of the existing credit facilities in the amount of \$150,000,000; and**
10 **approving and authorizing execution of a first supplement to trust agreement, a first**
11 **amendment to site lease, a first amendment to sublease, revolving credit agreements,**
12 **fee agreements, dealer agreements, and certain other related financing documents, and**
13 **authorizing other related actions.**

14
15 WHEREAS, Pursuant to Section 9.113(e) of the Charter the Board of Supervisors has
16 the power to borrow money through the issuance of commercial paper; and

17 WHEREAS, On March 17, 2009, and April 6, 2010, the Board of Supervisors adopted
18 Resolution No. 85-09, Resolution No. 136-10 and Resolution No. 247-13, respectively
19 (collectively, the "Program Resolutions"), to establish a general fund backed commercial
20 paper program with an authorization of not to exceed \$250,000,000 (the "Program") in
21 aggregate principal amount of tax-exempt or taxable Commercial Paper Certificates to provide
22 financing for certain public capital improvements (herein the "Capital Projects"); and

23 WHEREAS, For the purposes of re-authorizing the Program in the maximum amount of
24 \$250,000,000, the City has determined to cause to be executed and delivered, under and
25 pursuant to the provisions of the Trust Agreement, dated as of June 1, 2010, between the City

1 and U.S. Bank National Association, as trustee (the "Trustee") (as amended, supplemented or
2 modified from time to time, the "Trust Agreement"), its Tax-Exempt Lease Revenue
3 Commercial Paper Certificates of Participation, Series 1 and Series 2, and its Taxable Lease
4 Revenue Commercial Paper Certificates of Participation, Series 1-T and 2-T (collectively, the
5 "Commercial Paper Certificates") in the aggregate principal amount not to exceed
6 \$250,000,000, which will be sufficient to, among other things (i) pay costs of the Capital
7 Projects; (ii) fund capitalized interest with respect to the Commercial Paper Certificates; (iii)
8 fund Capitalized Fees and Expenses (as defined in the Trust Agreement); and (iv) pay costs
9 incurred in connection with the sale and delivery of the Commercial Paper Certificates; and

10 WHEREAS, Pursuant to a Site Lease (the "Site Lease"), the City, as lessor, leases the
11 property described therein, including the improvements located thereon (collectively, the
12 "Property") to the Trustee, as lessee, and, in return therefor, the Trustee causes to be applied
13 a portion of the proceeds of the Commercial Paper Certificates to the acquisition, construction
14 and rehabilitation of the Capital Projects; and

15 WHEREAS, Pursuant to a Sublease (the "Sublease"), the Trustee leases back the
16 Property to the City, and the City, pursuant to the Sublease, pays to the Trustee base rental
17 lease payments (the "Base Rental Payments") for the use and occupancy of the Property,
18 which Base Rental Payments will be used to (i) reimburse the credit or liquidity providers for
19 payments made by the credit or liquidity providers with respect to the Commercial Paper
20 Certificates or (ii) if necessary, make payments on the Commercial Paper Certificates; and

21 WHEREAS, Pursuant to an amendment to the Site Lease (the "First Amendment to
22 Site Lease") and an amendment to the Sublease (the "First Amendment to Sublease"), certain
23 additional property will be leased by and subleased to the City; and

24 WHEREAS, The payment of principal of and interest with respect to the Commercial
25 Paper Certificates is currently supported by separate irrevocable direct-pay letters of credit

1 (each, a "Letter of Credit") issued by JPMorgan Chase Bank, National Association
2 ("JPMorgan") and U.S. Bank, National Association ("U.S. Bank") pursuant to the terms of
3 separate Letter of Credit and Reimbursement Agreements; and

4 WHEREAS, JPMorgan has notified the City that it does not intend to provide a Letter of
5 Credit with respect to the Commercial Paper Certificates after June 10, 2016, and the City is
6 required, under the Trust Agreement, to replace JPMorgan as a credit provider with respect to
7 the Commercial Paper Certificates; and

8 WHEREAS, The Commercial Paper Certificates will be placed initially by one or more
9 banks (each, a "Dealer") to be selected pursuant to the terms of a request for qualifications
10 issued by the Controller (the "Controller"); and

11 WHEREAS, U.S. Bank and State Street Bank and Trust Company ("State Street" and,
12 together with U.S. Bank, the "Banks"), or another financial institution or institutions selected by
13 the Controller, propose to provide liquidity support to the Commercial Paper Certificates
14 through lines of credit (each, a "Line of Credit") provided pursuant to separate Revolving
15 Credit Agreements, each to be entered into between each Bank and the City (the "Liquidity
16 Agreements"); and

17 WHEREAS, Each Line of Credit constitutes an Alternate Credit Facility under the Trust
18 Agreement; and

19 WHEREAS, This Board has duly considered such transactions and wishes at this time
20 to approve said transactions in the public interests of the City; 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. Delivery of Certificates: Approval of First Supplement to Trust Agreement
24 and Related Documents. The Board hereby re-authorizes the Program in the maximum
25 amount of \$250,000,000 in aggregate principal amount of Commercial Paper Certificates to

1 be outstanding from time to time; provided, however, that the interest rate on any Commercial
2 Paper Certificate shall not exceed the maximum rate permitted by law, and the Commercial
3 Paper Certificates shall mature not later than 270 days from the date of issuance although
4 additional Commercial Paper Certificates may be marketed to repay maturing Commercial
5 Paper Certificates for periods also not to exceed 270 days. This Board hereby approves the
6 First Supplement to Trust Agreement in the form on file with the Clerk of the Board, together
7 with such additions thereto and changes therein as the Controller shall deem necessary,
8 desirable or appropriate upon consultation with the City Attorney, the execution of which by
9 the City shall be conclusive evidence of the approval of any such additions and changes. The
10 Controller and the Director of the Office of Public Finance (each, a "Designated Officer"), each
11 acting alone, are hereby authorized to execute and deliver the final form of the First
12 Supplement to Trust Agreement for and in the name and on behalf of the City. This Board
13 hereby authorizes the performance by the City of its obligations under the First Supplement to
14 Trust Agreement. This Board hereby approves any amendment to the existing Delivery and
15 Paying Agent Agreement as the Controller shall deem necessary, desirable or appropriate
16 upon consultation with the City Attorney, including an amended and restated Delivery and
17 Paying Agent Agreement, in order to conform the provisions of the Delivery and Paying Agent
18 Agreement to the Liquidity Agreements. The execution of any amendments to the Deliver and
19 Paying Agent Agreement shall be conclusive evidence of the approval of any such
20 amendments. This Board hereby authorizes the performance by the City of its obligations
21 under the Delivery and Paying Agent Agreement, as amended.

22 Section 2. Approval of Financing Documents. This Board hereby approves the form
23 of the First Amendment to Sublease and the form of the First Amendment to Site Lease, in
24 each case in the form on file with the Clerk of the Board, together with such additions thereto
25 and changes therein as the Controller shall deem necessary, desirable or appropriate upon

1 consultation with the City Attorney, the execution of which by the City shall be conclusive
2 evidence of the approval of any such additions and changes. The properties that may be
3 included in the Property under the Sublease and the Site Lease include, but are not limited to,
4 the properties of the City listed on the attached Exhibit A:. The Designated Officers, each
5 acting alone, are hereby authorized to execute and deliver the final form of the First
6 Amendment to Sublease and the final form of the First Amendment to Site Lease for and in
7 the name of and on behalf of the City. This Board hereby authorizes the performance by the
8 City of its obligations under the Sublease, as amended by the First Amendment to Sublease,
9 and the Site Lease, as amended by the First Amendment to Site Lease.

10 Section 3. Approval of Liquidity Agreements and Fee Agreements. This Board
11 hereby approves the form of each Liquidity Agreement and the form of each fee agreement
12 related thereto (each a “Fee Agreement”), in the forms on file with the Clerk of the Board,
13 together with such additions thereto and changes therein as the Controller shall deem
14 necessary, desirable or appropriate upon consultation with the City Attorney, the execution of
15 which by the City shall be conclusive evidence of the approval of any such additions and
16 changes. The Designated Officers, each acting alone, are hereby authorized to execute and
17 deliver the final form of each Liquidity Agreement and each Fee Agreement, with the Banks,
18 for and in the name of and on behalf of the City. This Board hereby authorizes the
19 performance by the City of its obligations under each Liquidity Agreement and each Fee
20 Agreement.

21 Section 4. Offering Memorandum. This Board hereby approves the form of the
22 Offering Memorandum to be used with respect to the sale from time to time of the Commercial
23 Paper Certificates, on file with the Clerk of the Board, together with such additions thereto and
24 changes therein as the Controller shall deem necessary, desirable or appropriate upon
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1 consultation with the City Attorney, the execution of which by the City shall be conclusive
2 evidence of the approval of any such additions and changes to the Offering Memorandum.

3 Section 5. Dealer Agreements. This Board hereby approves the form of the Dealer
4 Agreement, on file with the Clerk of the Board, to be negotiated, executed and delivered with
5 one or more Dealers, as deemed appropriate by the Controller, on such terms as the
6 Controller shall deem necessary, desirable or appropriate upon consultation with the City
7 Attorney for the Commercial Paper Certificates and any similar commercial paper certificates
8 executed and delivered by the City.

9 Section 6. Extension of Lines of Credit and Liquidity Agreements. The Board hereby
10 delegates the authority to the Designated Officers, each acting alone, to execute and deliver
11 one or more extensions to the Lines of Credit or the commitment available under the Lines of
12 Credit and the Liquidity Agreements for any duration of time that they deem necessary,
13 advisable or prudent, provided that no such extension shall (i) increase the principal amount
14 of Commercial Paper Certificates authorized hereunder, or (ii) require an annual commitment
15 fee, based upon the highest lease obligation rating of the City at the time of execution of a
16 Liquidity Agreement, in excess of 1.25% per year of the commitment available under the
17 Liquidity Agreements without the approval of this Board. In connection with obtaining such
18 extension, the Designated Officers shall be authorized to execute such amendments or
19 modifications and such contracts, assignments, certificates, requisitions, agreements, notices,
20 consents, instruments of conveyance, warrants and other documents as are necessary or
21 advisable to obtain such extensions, provided that such amendments or modifications and
22 such contracts, assignments, certificates, requisitions, agreements, notices, consents,
23 instruments of conveyance, warrants and other documents reflect customary provisions, as
24 determined by the Designated Officers in credit or liquidity facilities being executed at the time
25 the extension is obtained. Alternatively, the Board hereby authorizes the execution and

1 delivery of letter of credit and reimbursement agreements for the purpose of obtaining letters
2 of credit to support the Commercial Paper Certificates, provided that (i) the fees charged for
3 any letters of credit, based upon the highest lease obligation rating of the City at the time of
4 execution of a letter of credit and reimbursement agreement, do not exceed 1.25% per year of
5 the face amount thereof and (ii) the terms and conditions of the letter of credit and
6 reimbursement agreements are substantially similar to the terms of the Liquidity Agreements.

7 Section 7. Source of Repayment. Notwithstanding anything herein to the contrary, if
8 the ultimate source of repayment of the Commercial Paper Certificates delivered for Capital
9 Projects are bonds, notes, other indebtedness or certificates of participations (the
10 "Indebtedness") that are payable from or secured by funds or monies other than the General
11 Fund of the City, then in such event, prior to drawing on the proceeds of Commercial Paper
12 Certificates to fund such Capital Project, all approvals required for the issuance of said
13 Indebtedness shall have been obtained, including any prior approval by this Board of
14 Supervisors. This paragraph shall not apply to drawings under the program for emergencies
15 declared by the Mayor under Section 3.100 (14) of the City Charter.

16 Section 8. General Authority. The Controller, the Director of the Office of Public
17 Finance, the Clerk of the Board and any and all other officers of the City are hereby
18 authorized, for and in the name of and on behalf of the City, to do any and all things and take
19 any and all actions, including execution and delivery of any and all contracts, assignments,
20 certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants,
21 amendments and other documents, which they, or any of them, may deem necessary or
22 advisable in order to consummate the lawful issuance and sale of the Commercial Paper
23 Certificates and the consummation of the transactions as described herein, including without
24 limitation, such contracts, assignments, certificates, agreements, notices, consents,
25 instruments of conveyance, warrants, amendments and other documents as may be required

1 by the First Supplement to Trust Agreement, the First Amendment to Sublease, the First
2 Amendment to Site Lease, the Liquidity Agreements, the Delivery and Paying Agent
3 Agreement, the Dealer Agreements or the Fee Agreements. Any authority delegated under
4 this resolution to a specified official may also be exercised by either the Controller or by the
5 specified official's authorized designee. Any such actions are solely intended to further the
6 purposes of this Resolution, and are subject in all respect to the terms of this Resolution. No
7 such actions shall materially increase the risk to the City or require the City to spend any
8 resources not otherwise granted herein. Final revisions of any such documents shall be
9 provided to the Clerk of the Board for inclusion in the official file within 30 days of execution
10 (or as soon thereafter as final documents are available) by all parties.

11 Section 9. Modifications, Changes, Additions. The Controller, the Director of the
12 Office of Public Finance, the Clerk of the Board and any and all other officers of the City are
13 hereby authorized to approve and make such modifications, changes or additions to the forms
14 of First Supplement to Trust Agreement, First Amendment to Site Lease, First Amendment to
15 Sublease, Liquidity Agreements, Delivery and Paying Agent Agreement, Dealer Agreements
16 or Fee Agreements, upon consultation with the City Attorney, as may be necessary or
17 desirable in the interests of the City, and which changes do not materially increase the
18 obligations of the City under the First Supplement to Trust Agreement, First Amendment to
19 Site Lease, First Amendment to Sublease, Liquidity Agreements, Delivery and Paying Agent
20 Agreement, Dealer Agreements or Fee Agreements. Approval of such modifications, changes
21 or additions shall be conclusively evidenced by the execution and delivery by the Controller,
22 the Director of the Office of Public Finance, or the Clerk of the Board, as the case may be, of
23 the First Supplement to Trust Agreement, First Amendment to Site Lease, First Amendment to
24 Sublease, Liquidity Agreements, Dealer Agreements, Delivery and Paying Agent Agreement
25 or Fee Agreements.

1 Section 10. Ratification. All actions authorized and directed by this Resolution,
2 consistent with any documents presented herein, and heretofore taken are hereby ratified,
3 approved and confirmed by this Board. The Board hereby re-affirms its approval of the
4 Commercial Paper Program, all as set forth in Program Resolutions, and the terms of the
5 Program Resolutions are incorporated therewith as if set forth in full herein; provided,
6 however, that the maximum amount of outstanding Series 1, Series 1-T, Series 2 and Series
7 2-T Lease Revenue Commercial Paper Certificates of Participation shall not exceed
8 \$150,000,000, and the maximum amount of outstanding Series 3, Series 3-T, Series 4 and
9 Series 4-T Lease Revenue Commercial Paper Certificates of Participation shall not exceed
10 \$100,000,000.

11 Section 11. File. All documents referenced herein as being on file with the Clerk of
12 the Board are located in File No. _____, which is hereby declared to be a part of this
13 Resolution as if set forth fully herein.

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15 APPROVED AS TO FORM:
16 DENNIS J. HERRERA, City Attorney

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19 BY: _____
20 MARK D. BLAKE
21 Deputy City Attorney
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