

[General Obligation Refunding Bonds - Series 2011-R1- Not to Exceed \$1,355,991,219]

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

**Resolution authorizing the issuance from time to time, in one or more series, of not to exceed \$1,355,991,219 aggregate principal amount of the City and County of San Francisco General Obligation Refunding Bonds, including the initial series or series of such bond to be designated as “City and County of San Francisco General Obligation Refunding Bonds, Series 2011-R1”, to refund certain outstanding General Obligation Bonds; approving the form and terms of said bonds; authorizing the execution, authentication and registration of said bonds; providing for the appointment of depositories, verification agents and other agents for said bonds; approving the form and authorizing the execution and delivery of escrow agreements relating to the refunded bonds; approving and directing the tax levy for repayment of said bonds; approving procedures for competitive or negotiated sales including approving forms of official notice of sale and notice of intention to sell said bonds and authorizing the selection of underwriters and the execution and delivery of bond purchase agreements; approving the form and authorizing the execution and delivery of continuing disclosure certificates; approving the form and authorizing the distribution of the preliminary official statement and authorizing the execution, delivery and distribution of the official statement for the Series 2011 R1 Bonds; authorizing payment of costs of issuance of said bonds; approving modifications to documents; ratifying actions previously taken; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale and delivery of the bonds and the refunding of certain outstanding General Obligation Bonds.**

1           WHEREAS, the Board of Supervisors (the "Board") of the City and County of San  
2           Francisco (the "City") has, pursuant to the applicable laws of the State of California (the  
3           "State"), the Charter of the City (the "Charter"), and previous resolutions duly adopted and  
4           proceedings duly conducted by the Board, previously authorized the issuance, sale and  
5           delivery of the City's outstanding general obligation bonds (the "Prior Bonds") listed in Exhibit  
6           A attached hereto (a copy of which is on file with the Clerk of Board of Supervisors and which  
7           is hereby declared to be a part of this Resolution as if fully set forth herein) to assist in the  
8           financing, or refinancing, of the acquisition, construction, and improvement of certain  
9           municipal facilities or programs; and

10           WHEREAS, the Board desires to issue and sell, from time to time, the City's General  
11           Obligation Refunding Bonds (referred to herein as the "Bonds") in the aggregate principal  
12           amount not to exceed \$1,355,991,219, pursuant to this Resolution of the Board (the  
13           "Resolution"), the laws of the State of California including Title 5, Division 2, Part 1, Chapter 3,  
14           Article 9 of the California Government Code, the Charter, the Administrative Code of the City  
15           (the "Administrative Code") and any ordinance now or hereinafter in effect, in order to reduce  
16           the amount of debt service payments on the Prior Bonds by refunding and setting aside funds  
17           to retire all or a portion of the Prior Bonds and to pay the costs of issuance of the Bonds.

18           NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the City, as  
19           follows:

20           Section 1. Recitals. All of the recitals herein are true and correct.

21           Section 2. Conditions Precedent. All conditions, things and acts required by law to  
22           exist, to happen and to be performed precedent to the adoption of this Resolution exist, have  
23           happened and have been performed in due time, form and manner in accordance with  
24           applicable law, and the City is now authorized pursuant to the Charter and applicable law to  
25           issue the Bonds and incur indebtedness in the manner and form provided in this Resolution.

1           Section 3. Documents. The documents presented to the Board and on file with the  
2 Clerk of the Board of Supervisors or his or her designee (the “Clerk of the Board of  
3 Supervisors”) are contained in File No. 111010.

4           Section 4. Authorization of Issuance of the Bonds. (a) The Board hereby authorized  
5 the issuance, from time to time and in one or more series and on a parity basis (each a  
6 “Series”), of the City’s General Obligation Refunding Bonds in an aggregate amount not to  
7 exceed \$1,355,991,219. The Bonds shall be designated generally as “City and County of San  
8 Francisco General Obligation Refunding Bonds, Series \_\_\_\_\_-R\_\_\_,” or such other designation  
9 as the Director of Public Finance (as defined below) shall determine, with each Series of  
10 Bonds to bear such additional designation as may be necessary or appropriate to distinguish  
11 such Series from every other Series of Bonds, as provided in Section 5 hereof.

12           Each Series of Bonds shall be issued in accordance with this Resolution, the applicable  
13 laws of the State, the Charter, the Administrative Code and any ordinance now or hereinafter  
14 in effect.

15           (b)    The initial Series of such Bonds shall be designated the “City and County of San  
16 Francisco General Obligation Refunding Bonds, Series 2011-R1” (and if issued in more than  
17 one series, then “Series 2011-R2”), and will be issued in accordance with the provisions of  
18 this Resolution.

19           (c)    The Director of Public Finance, or such other officer carrying out such duties on  
20 behalf of the City, or his or her designee (the “Director of Public Finance”), is hereby  
21 authorized and directed to determine which issues (or maturities within any issue) of the Prior  
22 Bonds shall be refunded from proceeds of any Series of Bonds and to provide for the sale of  
23 any Series of Bonds by public or private sale as herein provided, subject to the following  
24 terms and conditions applicable to each Series of Bonds:  
25

1           (i)     The (A) total present value of the aggregated debt service to maturity on each  
2 Series of Bonds to be issued at any time, shall not exceed (B) the total present value of the  
3 aggregated debt service to maturity on the Prior Bonds to be refunded by such Series,  
4 calculated as of the date of the issuance of such Series of Bonds and using an assumed rate  
5 of interest equal to the yield (as to defined below) on such Series; provided, however, that the  
6 present value of (B) less (A) must be at least 3% of outstanding principal amount of the Prior  
7 Bonds to be refunded by such Series. As used herein, "yield" shall mean the yield on the  
8 applicable Series of Bonds as calculated pursuant to the provisions of the Internal Revenue  
9 Code of 1986, as amended from time to time. The Controller shall determine compliance with  
10 the requirements of this Section 4(c)(i) in a written certificate.

11           (ii)    The Series of Bonds shall not have a true interest cost in excess of twelve  
12 percent (12%) (for purposes of this paragraph, true interest cost means that nominal annual  
13 interest rate which, when compounded semiannually and used to discount all payments of  
14 principal and interest payable on such Series of Bonds to the dated date of such Series of  
15 Bonds, results in an amount equal to the principal amount of such Series of Bonds plus the  
16 amount of any premium offered (disregarding for the purposes of the calculation the accrued  
17 interest, if any, to the date of delivery of the Series of Bonds));

18           (iii)   The Series of Bonds shall not have a final maturity date later than the final  
19 maturity date of all of the Prior Bonds to be refunded;

20           (iv)    Costs of issuance with respect to the Series of Bonds (excluding underwriter's  
21 discount and any cost of credit enhancement) shall not exceed two percent (2%) of the  
22 principal amount of such Series of Bonds;

23           (v)     The purchase price of the Series of Bonds shall not be less than the par amount  
24 of such Series of Bonds;

25

1 (vi) In the event of a private (negotiated) sale of the Series of Bonds as provided  
2 under Section 19 hereof, underwriter's discount shall not exceed one percent (1%);

3 (vii) In the event the Director of Public Finance determines to sell any Series of  
4 Bonds (or portion thereof) with credit enhancement, such as a municipal bond insurance  
5 policy or a letter of credit, the present value savings, as calculated by the Financial Advisors  
6 to the City, resulting from the purchase of such credit enhancement shall equal or exceed the  
7 cost thereof; and

8 (viii) No Series of Bonds shall be issued or sold after December 31, 2016, as such  
9 date may be extended by resolution of the Board.

10 (d) For the avoidance of any doubt, subject to compliance with the limitation of  
11 Section 4(c)(i) hereof, the principal amount of any Series of Bonds may be more than, less  
12 than or the same as, the principal amount of the Prior Bonds to be refunded by such Series.

13 (e) The Director of Public Finance is hereby authorized to determine for each Series  
14 of Bonds: the sale date, the interest rates, the definitive principal amount thereof (provided  
15 that the aggregate principal amount for all Bonds shall not exceed \$1,355,991,219), the  
16 maturity dates and the redemption dates, if any, and the terms of any optional or mandatory  
17 redemption thereof, subject to the provisions of this Resolution.

18 (f) In connection with the issuance of each Series of Bonds, the Controller shall  
19 determine which Prior Bonds, or portions thereof, shall be redeemed with the proceeds  
20 thereof and specify the date or dates upon which such redemption shall occur, and the  
21 Controller shall set forth such determinations in the Bond Award (as defined in Section 17  
22 hereof) or the Bond Purchase Agreement (as identified in Section 19 hereof), applicable to  
23 such Series of Bonds.

24 Section 5. Form, Execution, Authentication and Registration of the Bonds. Each  
25 Series of Bonds shall be in fully registered form without coupons in denominations of \$5,000

1 or any integral multiple thereof. The officers of the City are hereby directed to cause each  
2 Series of Bonds to be prepared in sufficient quantity for delivery to or for the account of the  
3 purchaser thereof, and the Controller is hereby directed to cause the blanks therein to be  
4 completed in accordance with this Resolution, to procure their execution by the Mayor of the  
5 City and countersigned by the Clerk of the Board of Supervisors (including by facsimile  
6 signature, if necessary or convenient), and to deliver each Series of Bonds when so executed  
7 to said purchaser in exchange for the purchase price thereof, all in accordance with this  
8 Resolution.

9 The form of each Series of Bonds and the Certificate of Authentication and registration,  
10 to be manually executed by the Treasurer of the City or his or her designee (the "City  
11 Treasurer"), shall be substantially in the form attached hereto as Exhibit B (a copy of which is  
12 on file with the Clerk of the Board of Supervisors and which is hereby declared to be a part of  
13 this Resolution as if fully set forth herein), with such necessary or appropriate variations,  
14 omissions and insertions as permitted or required by this Resolution and made in accordance  
15 with Section 24 hereof.

16 Only those Bonds as shall bear thereon a Certificate of Authentication and Registration  
17 in the form in Exhibit B, manually executed by the City Treasurer, shall be valid or obligatory  
18 for any purpose or entitled to the benefits of this Resolution, and such Certificate of the City  
19 Treasurer, executed as herein provided, shall be conclusive evidence that those Bonds so  
20 authenticated have been duly authenticated and delivered hereunder and are entitled to the  
21 benefits of this Resolution.

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

1           Section 6. Registration Books for the Bonds. The City Treasurer shall keep or cause  
2 to be kept, at the office of the City Treasurer, or at the designated office of any bond registrar  
3 appointed by the City Treasurer, separate and sufficient books for the registration and transfer  
4 of each Series of Bonds, which bond registration books shall at all times be open to  
5 inspection, and upon presentation for such purpose, the City Treasurer shall, under such  
6 reasonable regulations as he or she may prescribe, register or transfer or cause to be  
7 registered or transferred, on said books each Series of Bonds, as herein provided. The City  
8 and the City Treasurer may treat the registered owners of each Series of Bonds shown in  
9 such registration books (the "Registered Owners") as the absolute owners thereof for all  
10 purposes, and the City and the City Treasurer shall not be affected by any notice to the  
11 contrary.

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

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

21           Whenever any Bond shall be surrendered for transfer or exchange, the designated City  
22 officials shall execute (as provided in Section 5 hereof) and the City Treasurer shall  
23 authenticate and deliver a new Bond of the same Series, interest rate and maturity in a like  
24 aggregate principal amount. The City Treasurer shall require the payment by any Registered  
25

1 Owner requesting any such transfer of any tax or other governmental charge required to be  
2 paid with respect to such transfer or exchange.

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

7 Section 8. General Terms of the Bonds; Redemption Provisions. (a) General Terms.  
8 Each Series of Bonds shall be dated the date of their delivery or such other date (the “Dated  
9 Date”) as specified in the applicable Bond Award (as defined in Section 17 hereof) or in the  
10 applicable Bond Purchase Agreement (as defined in Section 19 hereof). Each Series of  
11 Bonds shall bear interest at rates to be determined upon the sale of such Series of Bonds,  
12 calculated on the basis of a 360 day year comprised of twelve 30-day months, payable on the  
13 first interest payment date designated in the applicable Bond Award or the applicable Bond  
14 Purchase Agreement, and semiannually thereafter on December 15 and June 15 of each  
15 year.

16 The principal of each Bonds shall be payable in lawful money of the United States of  
17 America to the Registered Owner thereof, upon the surrender thereof at maturity or earlier  
18 redemption at the office of the City Treasurer. The interest on each Bonds shall be payable in  
19 like lawful money to the Registered Owner whose name appears on the applicable bond  
20 registration books of the City Treasurer as the Registered Owner thereof as of the close of  
21 business on the last day of the month immediately preceding an interest payment date (the  
22 “Record Date”), whether or not such day is a Business Day (as defined below).

23 Each Series of Bonds shall bear interest from the interest payment date next preceding  
24 the date of authentication thereof unless it is authenticated: (i) as of a day during the period  
25 from the Record Date next preceding any interest payment date to the interest payment date,



1 inclusive, in which event it shall bear interest from such interest payment date; or (ii) on or  
2 before the first Record Date, in which event it shall bear interest from the Dated Date;  
3 provided, however, that if, at the time of authentication of any Bond, interest is in default on  
4 such Bond, such Bond shall bear interest from the interest payment date to which interest has  
5 previously been paid or made available for payment on such Bond or from the Dated Date if  
6 the first interest payment is not made. Except as may be otherwise provided in connection  
7 with any book-entry only system applicable to a Series of Bonds, payment of the interest on  
8 any Series of Bonds shall be made by check mailed on the interest payment date to its  
9 Registered Owner at such Owner's address as it appears on the applicable registration books  
10 as of the Record Date; provided, however, if any interest payment date occurs on a day that  
11 banks in California or New York are closed for business or the New York Stock Exchange is  
12 closed for business, then such payment shall be made on the next succeeding day that banks  
13 in both California and New York are open for business and the New York Stock Exchange is  
14 open for business (each, a "Business Day"); and provided, further, that the Registered Owner  
15 of an aggregate principal amount of at least \$1,000,000 of a Series of Bonds may submit a  
16 written request to the City Treasurer on or before a Record Date preceding an interest  
17 payment date for payment of interest by wire transfer to a commercial bank located within the  
18 United States of America. For so long as any Series of Bonds are held in book-entry form by  
19 a securities depository selected by the City pursuant to Section 15(b) hereof, payment shall  
20 be made to the Registered Owner of the Series of Bonds designated by such securities  
21 depository by wire transfer of immediately available funds.

22 (b) Optional Redemption. Each Series of Bonds shall be subject to optional  
23 redemption prior to maturity as provided in the applicable Official Notice of Sale or the  
24 applicable Bond Award or the applicable Bond Purchase Agreement.

25

1 (c) Sinking Fund Redemption. Each Series of Bonds shall be subject to mandatory  
2 redemption at par, by lot, in any year for which the purchaser thereof has designated that the  
3 principal amount payable with respect to that year shall constitute a mandatory sinking fund  
4 payment, as and to the extent permitted by the applicable Official Notice of Sale or provided in  
5 the applicable Bond Purchase Agreement. Any Series of Bonds subject to mandatory  
6 redemption shall be designated as such in the applicable Official Notice of Sale or the  
7 applicable Bond Award or the applicable Bond Purchase Agreement.

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

16 (d) Redemption - Selection. Whenever less than all of the Outstanding Bonds (as  
17 defined in Section 8(i) hereof) of a Series maturing on any one date are called for redemption  
18 on any one date, the City Treasurer will select the Bonds of such Series or portions thereof, in  
19 denominations of \$5,000 or any integral multiple thereof, to be redeemed from the  
20 Outstanding Bonds of such Series maturing on such date not previously selected for  
21 redemption, by lot in any manner which the City Treasurer deems fair.

22 The date on which the Bonds of a Series that are called for redemption are to be  
23 presented for redemption is herein called the "Redemption Date."

24 (e) Redemption - Notice. The City Treasurer shall mail, or cause to be mailed,  
25 notice of any redemption of each Series of Bonds, postage prepaid, to the respective

1 Registered Owner thereof at the addresses appearing on the applicable bond registration  
2 books not less than twenty (20) days prior to the Redemption Date. The notice of redemption  
3 shall: (i) state the Redemption Date; (ii) state the redemption price; (iii) state the maturity  
4 dates of such Series of Bonds and, if less than all of any such maturity is called for  
5 redemption, the distinctive numbers of such Series of such maturity to be redeemed, and in  
6 the case of any Series of Bonds redeemed in part only, the respective portions of the principal  
7 amount thereof to be redeemed; (iv) state the CUSIP number, if any, of each Series of Bonds  
8 to be redeemed; (v) require that such Series of Bonds be surrendered by the Registered  
9 Owner at the office of the City Treasurer or his or her agent; and (vi) give notice that interest  
10 on such Series of Bonds will cease to accrue after the designated Redemption Date. Such  
11 notice of redemption may be conditional as provided in Section 8(g).

12 Notice of such redemption also shall be given, or caused to be given, by the City  
13 Treasurer, by (i) registered or certified mail, postage prepaid, (ii) confirmed facsimile  
14 transmission or (iii) overnight delivery service, to (A) all organizations registered with the  
15 Securities and Exchange Commission as securities depositories and (B) such other services  
16 or organizations as may be required in accordance with the Continuing Disclosure Certificate  
17 described in Section 22 hereof.

18 The notice or notices required for redemption shall be given by the City Treasurer, or  
19 any agent appointed by the City. A certificate of the City Treasurer or such other appointed  
20 agent of the City that notice of redemption has been given to the Registered Owner of any  
21 Bond and any organization identified in (A) in prior paragraph in accordance with this  
22 Resolution shall be conclusive against all parties.

23 Provided, however, the actual receipt by the Registered Owner of any Series of Bonds,  
24 or by any organization identified in (A) in the second preceding paragraph, of notice of such  
25 redemption shall not be a condition precedent to redemption, and failure to receive such

1 notice, or any defect in such notice so mailed, shall not affect the validity of the proceedings  
2 for the redemption of such Series of Bonds or the cessation of accrual of interest on such  
3 Series of Bonds on the Redemption Date.

4 (f) Payment for Optional Redemption; Redemption Account. At the time the City  
5 Treasurer or the Controller of the City, or his or her designee (the "Controller"), determines to  
6 optionally call and redeem any Series of Bonds, the City Treasurer or his or her agent shall  
7 establish a redemption account to be described or known as the "General Obligation  
8 Refunding Bonds, Series \_\_\_\_-R\_\_ Redemption Account" (the "Series \_\_\_\_-R\_\_ Redemption  
9 Account"), and prior to or on the Redemption Date there must be set aside in the Redemption  
10 Account for such Series moneys available for the purpose and sufficient to redeem, as  
11 provided in this Resolution, the Series of Bonds designated in said notice of redemption,  
12 subject to rescission as hereinafter provided. Said moneys must be set aside in the  
13 Redemption Account for such Series solely for the purpose of, and shall be applied on or after  
14 the Redemption Date to, payment of the redemption price of such Series of Bonds to be  
15 redeemed upon presentation and surrender of such Series of Bonds. Any interest due on or  
16 prior to the Redemption Date may be paid from the Bond Fund for such Series as provided in  
17 Section 10 hereof or from the Redemption Account for such Series. Subject to the provisions  
18 of Section 13 hereof, moneys held from time to time in any Redemption Account may be  
19 invested by the City Treasurer pursuant to the City's policies and guidelines for investment of  
20 moneys in the General Fund of the City. If, after all of the Bonds of a Series have been  
21 redeemed and canceled or paid and canceled, there are moneys remaining in the  
22 Redemption Account for such Series, said moneys shall be transferred to the Bond Fund of  
23 the City established in Section 10 hereof.

24 When notice of optional redemption has been given, substantially as provided herein,  
25 and when the amount necessary for the redemption of any Series of Bonds called for

1 redemption (principal, premium, if any, and accrued interest to such Redemption Date) is set  
2 aside for that purpose in the Redemption Account for said Series of Bonds, as provided  
3 herein, the Bonds of such Series designated for redemption shall become due and payable on  
4 the Redemption Date therefor, and upon presentation and surrender of said Series of Bonds  
5 at the place specified in the notice of redemption, said Series of Bonds shall be redeemed and  
6 paid at said redemption price out of the Redemption Account for said Series; provided no  
7 interest will accrue on said Series of Bonds called for redemption after the Redemption Date  
8 and the Registered Owner of such Bonds shall look for payment of such Bonds only to the  
9 Redemption Account for such Series of Bonds. All Series of Bonds redeemed shall be  
10 canceled forthwith by the City Treasurer and shall not be reissued.

11 (g) Conditional Notice of Optional Redemption. Any notice of optional redemption  
12 given as provided in Section 8(e) may provide that such redemption is conditioned upon: (i)  
13 deposit in the Redemption Account of the applicable Series of Bonds of sufficient moneys to  
14 redeem such Bonds called for redemption on the anticipated Redemption Date, or (ii) any  
15 other event specified in the notice of redemption. In the event that (A) such conditional notice  
16 of optional redemption has been given, substantially as provided herein and (B) on the  
17 scheduled Redemption Date (I) sufficient moneys to redeem the applicable Series of Bonds  
18 have not been deposited in the Redemption Account for such Series of Bonds, or (II) any  
19 other even specified in the notice of redemption did not occur, then such Series of Bonds for  
20 which notice of conditional optional redemption was given shall not be redeemed and shall  
21 remain Outstanding for all purposes of this Resolution and the redemption not occurring shall  
22 not constitute an event of default under this Resolution.

23 (h) Rescission of Optional Redemption. The City may also rescind any optional  
24 redemption and notice thereof for any reason on any date prior to any Redemption Date by  
25 causing written notice of the rescission to be given to the Registered Owner of all Series of

1 Bonds so called for redemption. Notice of such rescission of redemption shall be given in the  
2 same manner notice of redemption was originally given. The actual receipt by the Registered  
3 Owner of any Series of Bonds of notice of such rescission shall not be a condition precedent  
4 to rescission, and failure to receive such notice or any defect in such notice so mailed shall  
5 not affect the validity of the rescission.

6 (i) Definition of "Outstanding". As used herein, the term "Outstanding" means all  
7 Bonds except:

8 (i) Bonds theretofore canceled by the City and the Treasurer or surrendered to the  
9 Treasurer for cancellation;

10 (ii) Bonds paid or deemed to have been paid within the meaning of Section 13; and

11 (iii) Bonds in lieu of or in substitution for which other Bonds shall have been  
12 executed, issued and delivered by the City and the Treasurer pursuant hereto.

13 Section 9. Tax Levy. For the purpose of paying the principal of and interest on each  
14 Series of Bonds, the City at the time of fixing the general tax levy shall continue to fix, and in  
15 the manner provided for such general tax levy, levy and collect taxes annually each year until  
16 all Outstanding Bonds of each Series have been paid, or provision for their payment has been  
17 made in accordance with Section 13 hereof; provided, however, that if the Board expects to  
18 sell any Series of Bonds at such time that the principal of or interest on such Series of Bonds  
19 will become due before the proceeds of a tax levied after such sale would be available to pay  
20 such principal or interest, the City, at the time of fixing the annual tax levy, may levy a tax in  
21 an amount sufficient to pay that portion of the principal of and interest on such Series of  
22 Bonds which it expects will become due before the proceeds of the next succeeding tax levy  
23 will be available.

24 Said tax shall be in addition to all other taxes levied for City purposes and shall be  
25 collected at the same time and in the same manner as other taxes of the City are collected.

1 Pursuant to the terms of this Resolution, the City hereby pledges as security for each  
2 Series of Bonds and the interest thereon, and the Treasurer is hereby directed to deposit the  
3 proceeds of the aforementioned tax into the Bond Fund for such Series established under  
4 Section 10. Such fund or funds shall be kept separate and apart from all other funds. So long  
5 as any Bonds of a Series are Outstanding, moneys in the related Bond Fund shall be used  
6 solely for the purpose of paying the principal of and interest on such Series of Bonds as such  
7 principal and interest shall become due and payable; provided, however, that when all of the  
8 principal and interest on all such Series of Bonds has been paid or provided for, any balance  
9 of money then remaining in said Bond Fund shall be transferred to the General Fund of the  
10 City.

11 Section 10. Establishment and Application of the Bond Fund for Each Series. (a)  
12 There is hereby established in trust for each Series of Bonds a special fund designated  
13 “General Obligation Refunding Bonds, Series \_\_\_\_\_-R\_\_ Bond Fund” (the “Series \_\_\_\_\_-R\_\_\_\_  
14 Bond Fund”), which will be held by the Treasurer and shall be kept separate and apart from all  
15 other funds and accounts held hereunder.

16 All taxes levied pursuant to this Resolution for payment of a Series of Bonds shall be  
17 deposited upon collection by the City into the Bond Fund for such Series of Bonds, and used  
18 for the payment of the principal of, premium, if any, and interest on, such Series of Bonds  
19 (collectively, the “Debt Service”). On or prior to the date on which any Debt Service on each  
20 Series of Bonds is due, including by mandatory redemption on said date, the City Treasurer  
21 shall transfer from the Bond Fund for such Series the amount necessary to pay the Debt  
22 Service on the applicable Series of Bonds on such date.

23 (b) On or prior to the date on which any Series of Bonds are to be redeemed at the  
24 option of the City pursuant to this Resolution, the City Treasurer shall allocate to and deposit  
25 in the Redemption Account for such Series, from amounts held in the Bond Fund, an amount

1 which, when added to any available moneys contained in such Redemption Account, is  
2 sufficient to pay Debt Service with respect to such Series of Bonds on such redemption date.

3 The City Treasurer may make such other provisions for the payment of Debt Service  
4 on any Series of Bonds as is necessary or convenient to permit payment, including the  
5 optional redemption, of any Series of Bonds.

6 (c) Amounts in any Bond Fund may be invested in any investment of the City in  
7 which moneys in the General Fund of the City are invested. The City Treasurer may  
8 commingle any of the moneys held in the any Bond Fund with other City moneys for  
9 investment purposes only; provided, however, that all of the moneys held in each Bond Fund  
10 established hereunder shall be accounted for separately notwithstanding any such  
11 commingling by the City Treasurer.

12 (d) Any amounts on deposit in any Bond Fund when there are no longer any related  
13 Series of Bonds Outstanding shall be transferred to the General Fund, subject to any  
14 conditions set forth in the tax certificate for such Series.

15 (e) If at any time it is deemed necessary or desirable by the City, the Treasurer may  
16 establish additional funds under this Resolution and/or accounts within any of the funds or  
17 accounts established hereunder.

18 Section 11. Establishment and Application of the Rebate Fund for Each Series. There  
19 is hereby established in trust for each Series of Bonds a special fund designated "General  
20 Obligation Refunding Bonds, Series \_\_\_\_-R\_\_\_ Rebate Fund" (the "Series \_\_\_ R\_\_\_ Rebate  
21 Fund"), which shall be held by the Treasurer and which shall be kept separate and apart from  
22 all other funds and accounts held hereunder. The Treasurer shall deposit moneys into each  
23 Rebate Fund in accordance with the provisions of the tax certificate for the related Series of  
24 Bonds. Amounts on deposit in the Rebate Fund shall only be applied to payments made to  
25



1 the United States or otherwise transferred to other accounts or funds established hereunder,  
2 in accordance with the tax certificate for the related Series of Bonds.

3 Section 12. Establishment and Application of Costs of Issuance Fund for Each Series.

4 There is hereby established in trust for each Series of Bonds a special fund designated  
5 “General Obligation Refunding Bonds, Series \_\_\_\_-R\_\_\_ Costs of Issuance Fund” (the  
6 “Series \_\_\_\_-R\_\_\_ Costs of Issuance Fund”), to be maintained by the Treasurer and which  
7 shall be kept separate and apart from all other funds and accounts held hereunder.

8 The portion of the proceeds of the sale of each Series of Bonds, which is so specified  
9 by the Controller, shall be deposited by the Treasurer to the credit of the Costs of Issuance  
10 Fund for each Series of Bonds.

11 The City Treasurer is hereby authorized to pay or cause to be paid from the Cost of  
12 Issuance Fund for each Series, on behalf of the City, the costs of issuance associated with  
13 such Series of Bonds. Costs of issuance of any Series of Bonds shall include, without  
14 limitation: bond and financial printing expenses, mailing and publication expenses, rating  
15 agency fees, the fees and expenses of paying agents, registrars, financial consultants, escrow  
16 agents, verification agents, all expenses incident to the calling, retiring or paying of the Prior  
17 Bonds to be refunded by such Series, disclosure counsel and co-bond counsel and the  
18 reimbursement of departmental expenses in connection with the issuance of such Series of  
19 Bonds.

20 All moneys on deposit in the Costs of Issuance Fund twelve months after issuance of  
21 the applicable Series of Bonds shall be transferred to the applicable Bond Fund and applied to  
22 pay interest on the applicable Series of Bonds; provided that the Treasurer first shall receive a  
23 certificate of the Director of Public Finance consenting to such transfer.

24 Section 13. Defeasance Provisions for Each Series. (a) Payment of all or any portion  
25 of each Series of Bonds may be provided for prior to such Series of Bonds’ respective stated

1 maturities by irrevocably depositing with the City Treasurer (or any commercial bank or trust  
2 company designated by the City Treasurer to act as escrow agent with respect thereto):

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

10 (ii) Defeasance Securities (as defined in (b) below) not subject to call, except as  
11 provided below in the definition thereof, maturing and paying interest at such times and in  
12 such amounts, together with interest earnings and cash, if any, as will, without reinvestment,  
13 as certified by an independent certified public accountant to be sufficient to pay the principal  
14 and all unpaid interest to maturity, or to the Redemption Date, as the case may be, and  
15 premium, if any, due on the portion of the Series of Bonds to be paid or redeemed, as such  
16 principal, premium, if any, and interest come due; provided, that, in the case of a Series of  
17 Bonds that are to be redeemed prior to maturity, notice of such redemption shall be given as  
18 provided in Section 8 hereof or an irrevocable election to give such notice shall have been  
19 made by the City.

20 Upon the deposit described in (i) or (ii), all obligations of the City with respect to said  
21 Series of Bonds shall cease and terminate, except only the obligation of the City to pay or  
22 cause to be paid from the funds deposited pursuant to paragraphs (i) or (ii) of this Section 13  
23 to the Registered Owners of such Series of Bonds all sums due with respect thereto and the  
24 obligations of the City pursuant to Section 21 hereof; provided, that the City shall have  
25

1 received an opinion of nationally recognized bond counsel that provision for the payment of  
2 such Series of Bonds has been made in accordance with this Section 13.

3 (b) For purposes of this Section 13, "Defeasance Securities" shall mean any of the  
4 following that at the time are legal investments under the laws of the State of California for the  
5 moneys proposed to be invested therein:

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

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

22 For purposes of this Section 13, "United States Obligations" shall mean (i) direct and  
23 general obligations of the United States of America, or obligations that are unconditionally  
24 guaranteed as to principal and interest by the United States of America, including without  
25 limitation, the interest component of Resolution Funding Corporation (REFCORP) bonds that

1 have been stripped by request to the Federal Reserve Bank of New York in book-entry form,  
2 or (ii) any security issued by an agency or instrumentality of the United States of America  
3 which is selected by the Director of Public Finance and which is rated (without regard to any  
4 numerical modifier, plus or minus sign or other modifier), at the time of initial deposit to the  
5 escrow fund for the Prior Bonds to be refunded, and upon any substitution or subsequent  
6 deposit to such escrow fund, by any two Rating Agencies not lower than the rating then  
7 maintained by the respective Rating Agency on United States Obligations described in (i) of  
8 this definition.

9 For purposes of this Section 13, "Rating Agencies" shall mean Moody's Investors  
10 Service, Inc., Fitch Ratings, and Standard and Poor's Rating Services, a division of The  
11 McGraw-Hill Companies, Inc., or any other nationally recognized bond rating agency that is  
12 the successor to any of the foregoing rating agencies or that is otherwise established after the  
13 date hereof.

14 Section 14. Escrow Agreement for Refunded Prior Bonds. The form of Escrow  
15 Agreement (the "Escrow Agreement"), in substantially the form presented to this Board,  
16 copies of which are on file with the Clerk of the Board and by this reference incorporated  
17 herein, is hereby approved. The Controller or the Director of Public Finance is hereby  
18 authorized and directed to execute and deliver an Escrow Agreement(s) for each Series or  
19 multiple Series of Bonds in substantially such form, with such changes, additions,  
20 amendments or modifications made in accordance with Section 24 hereof.

21 A portion of the proceeds of the sale of each Series of Bonds, which is so specified by  
22 the Controller, shall be deposited by the Treasurer to the credit of the Escrow Agreement(s)  
23 for each Series of Bonds to be applied to the redemption of the Prior Bonds to be redeemed  
24 by such Series. Such money so deposited shall constitute the "refunding fund" within the  
25 meaning of Section 53555 of the California Government Code.

1           The Controller or Director of Public Finance is hereby authorized and directed,  
2 pursuant to the Escrow Agreement applicable to the Prior Bonds being refunded, to provide  
3 for the investment of the funds deposited under the Escrow Agreement, which deposits shall  
4 be secured in accordance to the law applicable to the investment of City funds.

5           Section 15. Appointment of Verification Agents, Securities Depositories, Paying  
6 Agents and Other Agents. (a) The Director of Public Finance is hereby authorized and  
7 directed to appoint and compensate, from time to time, one or more verification agents as he  
8 or she may deem necessary or desirable to certify that the proceeds of a Series of Bonds are  
9 sufficient to satisfy the requirements of Section 53558 of the California Government Code with  
10 respect to the Prior Bonds to be redeemed by such Series of Bonds. Such verification agents  
11 shall serve under such terms and conditions as the Director of Public Finance shall determine.  
12 The Director of Public Finance may remove or replace verification agents appointed pursuant  
13 to this Section at any time.

14           (b) The Depository Trust Company (“DTC”) is hereby appointed as securities  
15 depository for each Series of Bonds. Each Series of Bonds shall be initially issued only in  
16 book-entry form. Upon initial issuance, the ownership of each Series of Bonds shall be  
17 registered in the bond registration books in the name of Cede & Co., or such other nominee  
18 as DTC may in writing direct the Treasurer. So long as each Series of Bonds is registered in  
19 book-entry form, each such Series of Bonds shall be registered in the name of Cede &. Co. or  
20 such other nominee as DTC may direct in writing. The City will not have any responsibility or  
21 obligation to any purchaser of a beneficial ownership interest in any Series of Bonds or to any  
22 participants in DTC, or to any successor securities depository appointed by the City, with  
23 respect to: (i) the accuracy of any records maintained by such securities depository or any  
24 participant therein; (ii) any notice that is permitted or required to be given to the Registered  
25 Owner of such Series of Bonds under this Resolution; (iii) the selection by such securities

1 depository or any participant therein of any person to receive payment in the event of a partial  
2 redemption of such Series of Bonds; (iv) the payment by such securities depository or any  
3 participant therein of any amount with respect to the principal or redemption premium, if any,  
4 or interest due with respect to such Series of Bonds; (v) any consent given or other action  
5 taken by such securities depository as the Registered Owner of such Series of Bonds; or (vi)  
6 any other matter.

7 (c) The City Treasurer is hereby also authorized to appoint one or more agents, as  
8 he or she may deem necessary or desirable. To the extent permitted by applicable law and  
9 under the supervision of the City Treasurer, such agents may serve as paying agent, fiscal  
10 agent, rebate calculation agent, escrow agent or registrar for any Series of Bonds, or may  
11 assist the City Treasurer in performing any or all of such functions and such other duties as  
12 the City Treasurer shall determine. If the City Treasurer appoints one or more paying agents  
13 or registrars, the procedures set forth in Section 8 hereof relating to registration of ownership  
14 of each Series of Bonds and payments and redemption notices to Registered Owner of each  
15 Series of Bonds may be modified to comply with the policies and procedures of such paying  
16 agent or registrar. Such agents shall serve under such terms and conditions as the City  
17 Treasurer shall determine. The City Treasurer may remove or replace agents appointed  
18 pursuant to this Section at any time.

19 Section 16. Competitive Sale and Award of Bonds. In the event the Director of Public  
20 Finance determines to sell any Series of Bonds by public (competitive) sale, (a) the Director of  
21 Public Finance is hereby authorized and directed (i) to determine a date for such sale, and (ii)  
22 on behalf of the Controller, to receive bids for the purchase of such Series of Bonds, and (b)  
23 the Controller is hereby authorized and directed to award such Series of Bonds as provided in  
24 Section 17 hereof.

1           Section 17. Official Notices of Sale. The form of proposed Official Notice of Sale  
2 inviting public (competitive) bids for the purchase of a Series of Bonds (the “Official Notice of  
3 Sale”), in substantially the form presented to this Board, copies of which are on file with the  
4 Clerk of the Board and by this reference incorporated herein, is hereby approved and adopted  
5 as the Official Notice of Sale inviting bids for the purchase of Series of Bonds, with such  
6 changes, additions and modifications as may be made in accordance with Section 24 hereof.

7           In the event of a public sale of any Series of Bonds, bids shall be received on the date  
8 designated by the Director of Public Finance pursuant to the applicable Official Notice of Sale.  
9 The Director of Public Finance is hereby authorized and directed to cause to be mailed or  
10 otherwise circulated to prospective bidders for each Series of Bonds copies of the applicable  
11 Official Notice of Sale, subject to such corrections, revisions or additions as may be  
12 acceptable to the Director of Public Finance.

13           The Controller is hereby authorized to award each Series of Bonds to the bidder whose  
14 bid represents the lowest true interest cost to the City, all in accordance with the procedures  
15 described in the applicable Official Notice of Sale, which award shall be set forth in a  
16 certificate signed by the Controller setting forth the terms of the applicable Series of Bonds  
17 and the original purchaser thereof (each, a “Bond Award”). The Controller shall provide a  
18 copy of each Bond Award as soon as practicable to the Clerk of the Board of Supervisors and  
19 the Director of Public Finance; provided, however, that failure to provide such copies shall not  
20 affect the validity of any Bond Award.

21           Section 18. Publication of Notice of Intention to Sell Bonds. The form of proposed  
22 Notice of Intention to Sell a Series of Bonds (the “Notice of Intention to Sell Bonds”), in  
23 substantially the form presented to this Board, copies of which are on file with the Clerk of the  
24 Board and by this reference incorporated herein, is hereby approved and adopted as the  
25 Notice of Intention to Sell. The Director of Public Finance is hereby authorized and directed to

1 cause the Notice of Intention to Sell Bonds, subject to such corrections, revisions or additions  
2 as may be made in accordance with Section 24 hereof, to be published once in The Bond  
3 Buyer at least 10 days before the date of such public sale (or by such other deadline as may  
4 be specified by applicable law) and in a newspaper of general circulation within the City.

5 Section 19. Negotiated Sale of Bonds; Approval of Purchase Contract; Selection of  
6 Underwriters. In the event the Director of Public Finance determines to sell any Series of  
7 Bonds by private (negotiated) sale, the Director of Public Finance is hereby authorized and  
8 directed to sell such Series of Bonds by private (negotiated) sale pursuant to one or more  
9 purchase contracts (each, a "Purchase Contract") by and between the City and the  
10 underwriter named therein. The form of such Purchase Contract as presented to this Board, a  
11 copy of which is on file with the Clerk, is hereby approved. The Controller is hereby  
12 authorized to execute the Purchase Contract with such charges, additions and modifications  
13 as the Controller may make or approve in accordance with Section 24 hereof.

14 Section 20. Official Statements. (a) The form of proposed Preliminary Official  
15 Statement describing the Series 2011-R1 Bonds including all appendices (the "Preliminary  
16 Official Statement") submitted to the Board, in substantially the form presented to this Board,  
17 copies of which are on file with the Clerk of the Board and by this reference incorporated  
18 herein, is hereby approved and adopted as the Preliminary Official Statement for the Series  
19 2011-R1 Bonds, with such additions, corrections and revisions as may be determined by the  
20 Controller to be necessary or desirable. The Controller is hereby authorized to deem final the  
21 Preliminary Official Statement for purposes of Securities and Exchange Commission Rule  
22 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"),  
23 and to sign a certificate to that effect. The Director of Public Finance is hereby authorized and  
24 directed to cause to be printed and mailed or electronically distributed to prospective bidders  
25 for the Series 2011-R1 Bonds copies of the Preliminary Official Statement deemed final by the



1 Controller. The Controller is authorized and directed to approve, execute, and deliver the final  
2 Official Statement with respect to the Series 2011-R1 Bonds, which final Official Statement  
3 shall be in the form of the deemed final Preliminary Official Statement, with such additions,  
4 corrections and revisions as may be determined to be necessary or desirable made in  
5 accordance with Section 24 hereof and as are permitted under the Rule. The Director of  
6 Public Finance is hereby authorized and directed to cause to be printed and mailed or  
7 electronically distributed copies of the final Official Statement to all actual initial purchasers of  
8 the Series 2011-R1 Bonds.

9 (b) The Controller is hereby authorized and directed, in consultation with the City  
10 Attorney, to prepare a Preliminary Official Statement for each Series of Bonds issued  
11 subsequent to the Series 2011-R1 Bonds. The Preliminary Official Statement and the final  
12 Official Statement for such subsequent Series of Bonds shall be approved in accordance with  
13 City procedures applicable at the time such Preliminary Official Statement and final Official  
14 Statement are approved.

15 Section 21. Tax Covenants. (a) General. The City hereby covenants with the  
16 Registered Owners of each Series of the Bonds that, notwithstanding any other provisions of  
17 this Resolution, it shall not take any action, or fail to take any action, if any such action or  
18 failure to take action would adversely affect the exclusion from gross income of interest on  
19 such Series of Bonds under Section 103 of the Code, and the regulations of the United States  
20 Department of the Treasury issued thereunder (the "Regulations"), as the same may be  
21 amended from time to time, and any successor provisions of law. Reference to a particular  
22 section of the Code shall be deemed to be a reference to any successor to any such section.  
23 The City shall not, directly or indirectly, use or permit the use of proceeds of any Series of  
24 Bonds or any of the property financed or refinanced with proceeds of any Series of Bonds or  
25 any portion thereof, by any person other than a governmental unit (as such term is used in

1 Section 141 of the Code), in such manner or to such extent as would result in the loss of  
2 exclusion of interest on any Series of Bonds from gross income for federal income tax  
3 purposes.

4 (b) Use of Proceeds. The City shall not take any action, or fail to take any action, if  
5 any such action or failure to take action would cause any Series of Bonds to be “private  
6 activity bonds” within the meaning of Section 141 of the Code, and in furtherance thereof,  
7 shall not make any use of the proceeds of any Series of Bonds or any of the property financed  
8 or refinanced with proceeds of any Series of Bonds or any portion thereof, or any other funds  
9 of the City, that would cause any Series of Bonds to be “private activity bonds” within the  
10 meaning of Section 141 of the Code. To that end, so long as any Series of Bonds are unpaid,  
11 the City, with respect to such proceeds and property and such other funds, will comply with  
12 applicable requirements of the Code and all regulations of the United States Department of  
13 the Treasury issued thereunder and under Section 103 of the Internal Revenue Code of 1954,  
14 as amended (the “1954 Code”), to the extent such requirements are, at the time, applicable  
15 and in effect. The City shall establish reasonable procedures necessary to ensure continued  
16 compliance with Section 141 of the Code (or, if applicable, the 1954 Code) and the continued  
17 qualification of each of the Series of Bonds as “governmental bonds.”

18 (c) Arbitrage. The City shall not, directly or indirectly, use or permit the use of any  
19 proceeds of any Series of Bonds, or of any property financed or refinanced thereby, or other  
20 funds of the City, or take or omit to take any action, that would cause any Series of Bonds to  
21 be “arbitrage bonds” within the meaning of Section 148 of the Code. To that end, the City  
22 shall comply with all requirements of Section 148 of the Code and all Regulations to the extent  
23 such requirements are, at the time, in effect and applicable to any Series of Bonds.

24 (d) Federal Guarantee. The City shall not make any use of the proceeds of any  
25 Series of Bonds or any other funds of the City, or take or omit to take any other action, that

1 would cause any Series of Bonds to be “federally guaranteed” within the meaning of Section  
2 149(b) of the Code.

3 (e) Information Reporting. The City shall take or cause to be taken all necessary  
4 action to comply with the informational reporting requirement of Section 149(e) of the Code  
5 with respect to each Series of Bonds.

6 (f) Hedge Bonds. The City shall not make any use of the proceeds of any Series of  
7 Bonds or any other amounts or property, regardless of the source, or take any action or  
8 refrain from taking any action, that would cause any Series of Bonds to be considered “hedge  
9 bonds” within the meaning of Section 149(g) of the Code unless the City takes all necessary  
10 action to assure compliance with the requirements of Section 149(g) of the Code.

11 (g) Compliance with Tax Certificates. In furtherance of the foregoing tax covenants  
12 of this Section 21, the City covenants that it will comply with the provisions of each tax  
13 certificate to be executed by the City with respect to each Series of Bonds, dated the date of  
14 issuance of each Series of Bonds, as each such tax certificate may be amended from time to  
15 time in accordance with its terms. This covenant shall survive payment in full or defeasance  
16 of any Series of Bonds.

17 Section 22. Continuing Disclosure Certificate. The form of Continuing Disclosure  
18 Certificate (the “Continuing Disclosure Certificate”) to be signed by the City to permit the  
19 original purchasers of each Series of Bonds to comply with the Rule, submitted to the Board,  
20 in substantially the form presented to this Board, copies of which are on file with the Clerk of  
21 the Board and by this reference incorporated herein, is hereby approved and adopted as the  
22 Continuing Disclosure Certificate, with such additions, corrections and revisions as may be  
23 determined to be necessary or desirable to be made in accordance with Section 24 hereof,  
24 including, without limitation, the use of a separate Continuing Disclosure Certificate for each  
25 Series of Bonds. The Controller is hereby authorized and directed to execute the Continuing

1 Disclosure Certificate on behalf of the City and deliver the Continuing Disclosure Certificate to  
2 the original purchasers of each Series of Bonds.

3 Section 23. Moneys Held in Trust. All amounts held in any fund or account  
4 established hereunder (other than the Costs of Issuance Fund and the Rebate Fund), subject  
5 to the limitations set forth herein, (a) are held in trust for the benefit of the Registered Owners  
6 of the Series of Bonds secured thereby as provided herein; (b) are hereby irrevocably pledged  
7 to the payment of the interest and premium, if any, and principal of the Series of Bonds  
8 secured thereby as provided herein; and (c) such amounts shall not be used for any other  
9 purpose while any of the Bonds of such Series remain Outstanding; provided, however, that  
10 out of such amounts, there may be applied such sums for such purposes as are permitted  
11 hereunder. This pledge shall constitute a first pledge of and charge and lien upon all moneys  
12 on deposit in the funds and accounts established hereunder (other than the Costs of Issuance  
13 Fund and the Rebate Fund) for the payment of the interest on and principal of the applicable  
14 Series of Bonds in accordance with the terms hereof and thereof.

15 Section 24. Modification to Documents. Any City official authorized by this Resolution  
16 to execute any document is hereby further authorized, in consultation with the City Attorney,  
17 to approve and make such changes, additions, amendments or modifications to the document  
18 or documents such official is authorized to execute as may be necessary or advisable  
19 (provided that such changes, additions, amendments or modifications shall not authorize an  
20 aggregate principal amount of Bonds in excess of \$1,355,991,219 or conflict with the  
21 provisions of Section 4 hereof). The approval of any change, addition, amendment or  
22 modification to any of the aforementioned documents shall be evidenced conclusively by the  
23 execution and delivery of the document in question.

1           Section 25. Ratification. All actions heretofore taken by officials, employees and  
2 agents of the City with respect to the sale and issuance of any Series of Bonds are hereby  
3 approved, confirmed and ratified.

4           Section 26. General Authority. The Clerk of the Board of Supervisors, the Mayor, the  
5 City Treasurer, the Director of Public Finance, the City Attorney and the Controller are each  
6 hereby authorized and directed in the name and on behalf of the City: (a) to take any and all  
7 actions and steps, and to (b) issue, deliver or enter into any and all certificates, requisitions,  
8 agreements, notices, consents, and other documents, in each case as may be necessary to  
9 give effect to the provisions of this Resolution, including but not limited to letters of  
10 representations to any depository or depositories, which they or any of them might deem  
11 necessary or appropriate in order to consummate the lawful issuance, sale and delivery of any  
12 Series of Bonds and the refunding of the Prior Bonds.

13  
14  
15 APPROVED AS TO FORM:

16 DENNIS J. HERRERA  
17 City Attorney

18  
19 By: \_\_\_\_\_  
20           Kenneth David Roux  
21           Deputy City Attorney

**EXHIBIT A**

**LIST OF PRIOR BONDS**

<b>Description of Issue (Date of Authorization or Issuance)</b>	<b>Series</b>	<b>Original Principal Amount</b>
Golden Gate Park Improvements (6/2/92)	2001A	\$17,060,000
Seismic Safety Loan Program (11/3/92)	2007A	25,995,228
Steinhart Aquarium Improvement (11/7/95)	2005F	29,245,000
Affordable Housing Bonds (11/5/96)	2001D	23,000,000
Educational Facilities – Unified School District (6/3/97)	2003B	29,480,000
Zoo Facilities Bonds (6/3/97)	2002A 2005H	6,210,000 7,505,000
Laguna Honda Hospital (11/2/99)	2005A 2005I	110,000,000 69,000,000
Neighborhood Recreation and Park (3/7/00)	2001B 2003A 2004A	14,060,000 20,960,000 68,800,000
California Academy of Sciences Improvement (3/7/00)	2004B 2005E	8,075,000 79,370,000
Clean & Safe Neighborhood Parks (2/5/08)	2008B 2010B 2010D	42,520,000 24,785,000 35,645,000
San Francisco General Hospital and Trauma Center (11/4/08)	2009A 2010A 2010C	131,650,000 120,890,000 173,805,000
Earthquake Safety and Emergency Response Bond (6/8/10)	2010E	79,520,000
General Obligation Refunding Bonds (issued 4/23/02)	2002-R1	118,945,000
General Obligation Refunding Bonds (issued 6/16/04)	2004-R1	21,930,000
General Obligation Refunding Bonds (issued 10/31/06)	2006-R1	90,690,000
General Obligation Refunding Bonds (issued 12/18/06)	2006-R2	66,565,000
General Obligation Refunding Bonds (issued 5/29/08)	2008-R1	232,075,000
General Obligation Refunding Bonds (issued 5/29/08)	2008-R2	39,320,000
General Obligation Refunding Bonds (issued 7/3/08)	2008-R3	118,130,000

1 **EXHIBIT B**

2 **FORM OF SERIES \_\_\_\_-R BOND**

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

11 Number UNITED STATES OF AMERICA Amount  
12 \_\_\_\_\_ STATE OF CALIFORNIA \$\_\_\_\_\_

14 CITY AND COUNTY OF SAN FRANCISCO  
15 GENERAL OBLIGATION REFUNDING BONDS  
16 SERIES \_\_\_\_-R\_\_\_\_

18 Interest Rate Maturity Date Dated Date CUSIP Number

20 June 15, \_\_\_\_\_

21 REGISTERED OWNER: \_\_\_\_\_

22 PRINCIPAL AMOUNT: \$\_\_\_\_\_ (\_\_\_\_ DOLLARS)

23 THE CITY AND COUNTY OF SAN FRANCISCO, State of California (the "City"),  
24 acknowledges itself indebted to and promises to pay the registered owner set forth above or  
25

1 registered assigns (the "Registered Owner"), on the Maturity Date set forth above the  
2 Principal Amount set forth above in lawful money of the United States of America, and to pay  
3 interest thereon in like lawful money from the interest payment date next preceding the date of  
4 authentication of this Bond (unless this Bond is authenticated as of the day during the period  
5 from the last day of the month next preceding any Interest Payment Date (the "Record Date")  
6 to such Interest Payment Date, inclusive, in which event it shall bear interest from such  
7 Interest Payment Date, or unless this Bond is authenticated on or before \_\_\_\_\_,  
8 \_\_\_\_\_ in which event it shall bear interest from its dated date), until payment of such Principal  
9 Amount, at the Interest Rate per annum set forth above, calculated on the basis of a 360-day  
10 year comprised of twelve 30-day months, payable on \_\_\_\_\_, \_\_\_\_\_, and  
11 semiannually thereafter on \_\_\_\_\_ and \_\_\_\_\_ in each year (each an  
12 "Interest Payment Date"); provided, however, if any Interest Payment Date occurs on a day  
13 that banks in California or New York are closed for business or the New York Stock Exchange  
14 is closed for business, then such payment shall be made on the next succeeding day that  
15 banks in both California and New York are open for business and the New York Stock  
16 Exchange is open for business (a "Business Day").

17 The principal hereof is payable to the Registered Owner hereof upon the surrender  
18 hereof at the office of the Treasurer of the City (the "City Treasurer") in San Francisco,  
19 California. The interest hereon is payable to the person whose name appears on the bond  
20 registration books of the City Treasurer as the Registered Owner hereof as of the close of  
21 business on the Record Date immediately preceding an Interest Payment Date, whether or  
22 not such day is a Business Day, such interest to be paid by check mailed on the Interest  
23 Payment Date to such Registered Owner at such Owner's address as it appears on such  
24 registration books; provided, however, that the Registered Owner of Bonds in an aggregate  
25 principal amount of at least \$1,000,000 may submit a written request to the City Treasurer, on



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

3 This Bond is one of a duly authorized issue of bonds of like tenor (except for such  
4 variations, if any, as may be required to designate varying numbers, denominations, interest  
5 rates and maturities), in the aggregate principal amount of \$\_\_\_\_\_ (the "Series \_\_\_\_-  
6 R\_\_\_ Bonds"), and is authorized, issued and sold by the City pursuant to and in strict  
7 conformity with the provisions of the Constitution and laws of the State of California including  
8 Title 5, Division 2, Part 1, Chapter 3, Article 9 of the California Government Code, the Charter  
9 of the City and the Administrative Code of the City. The Board of Supervisors of the City (the  
10 "Board of Supervisors") authorize the issuance of this Series of Bonds in Resolution No. \_\_\_\_  
11 adopted by the Board of Supervisors on \_\_\_\_\_, 2011 and signed by the Mayor on  
12 \_\_\_\_\_, 2011 (the "Resolution").

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

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

1           The Series \_\_\_\_-R\_\_ Bonds maturing on or before June 15, 20\_\_ are not subject  
 2 to redemption prior to maturity. The Series \_\_\_\_-R\_\_ Bonds maturing on or after June 15,  
 3 20\_\_ are subject to optional redemption prior to their respective maturities, at the option of  
 4 the City, from any source of available funds, as a whole or in part on any date (with the  
 5 maturities to be redeemed to be determined by the City and by lot within a maturity), on and  
 6 after June 15, 20\_\_, at redemption prices equal to \_\_\_\_\_% of the principal amount  
 7 redeemed, together with accrued interest to the redemption date, without premium.

8           [The Series \_\_\_\_-R\_\_ Bonds maturing on June 15, 20\_\_, shall be subject to  
 9 redemption prior to their respective maturity dates, in part, by lot, from mandatory sinking fund  
 10 payments, on each June 15, as shown in the table below, at a redemption price equal to the  
 11 principal amount thereof plus accrued interest thereon to the redemption date, without  
 12 premium.

Mandatory Sinking Fund Redemption Date (June 15) _____	Mandatory Sinking Fund Payment _____
-----------------------------------------------------------------	--------------------------------------------

18           20\_\_  
 19           20\_\_  
 20           20\_\_  
 21           20\_\_\*  
 22           \* Maturity]

1 Notice of redemption shall be given by mail not less than twenty (20) days prior to the  
2 redemption date to the Registered Owner thereof, but neither failure to receive any such  
3 notice or any defect in the notice so mailed shall affect the sufficiency of the proceedings for  
4 redemption.

5 Any notice of optional redemption may provide that such redemption is conditional  
6 upon occurrence of a specified event, as provided in the Resolution. In the event that such  
7 conditional notice of optional redemption has been given, and on the scheduled Redemption  
8 Date such condition has not been satisfied, the Series \_\_\_\_-R\_\_\_ Bonds for which notice of  
9 conditional optional redemption was given shall not be redeemed and shall remain  
10 Outstanding for all purposes of the Resolution and the redemption not occurring shall not  
11 constitute an event of default under the Resolution.

12 The City may also rescind any optional redemption and notice thereof for any reason  
13 on any date prior to any Redemption Date by causing written notice of the rescission to be  
14 given to the Registered Owner of all Series \_\_\_\_-R\_\_\_ Bonds so called for redemption.  
15 Notice of such rescission of redemption shall be given in the same manner notice of  
16 redemption was originally given. The actual receipt by the Registered Owner of any Series  
17 \_\_\_\_-R\_\_\_ Bond of notice of such rescission shall not be a condition precedent to  
18 rescission, and failure to receive such notice or any defect in such notice so mailed shall not  
19 affect the validity of the rescission.

20 If this Series \_\_\_\_-R\_\_\_ Bond is called for redemption and payment is duly provided  
21 therefore, interest shall cease to accrue hereon from and after the date fixed for redemption.

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

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

3 The Board of Supervisors hereby certifies and declares that: the total amount of  
4 indebtedness of said City, including the amount of this Series \_\_\_\_-R\_\_ Bond, is within the  
5 limit provided by law; all acts, conditions and things required by the law to be done or  
6 performed precedent to and in the issuance of this Series \_\_\_\_-R\_\_ Bond have been done  
7 and performed in strict conformity with the laws authorizing the issuance of this Series \_\_\_\_-  
8 R\_\_ Bond; this Series \_\_\_\_-R\_\_ Bond is in the form prescribed by order of the Board of  
9 Supervisors duly made and entered on its minutes; and the money for the payment of  
10 principal of this Series \_\_\_\_-R\_\_ Bond, and the payment of interest thereon, shall be raised  
11 by taxation upon the taxable property of said City, as provided in the Resolution.

12 This Series \_\_\_\_-R\_\_ Bond shall not be entitled to any benefit under the Resolution,  
13 or become valid or obligatory for any purpose, until the Certificate of Authentication and  
14 Registration hereon endorsed shall have been signed by the City Treasurer.

15 IN WITNESS WHEREOF the Board of Supervisors of the City and County of San  
16 Francisco has caused this Series \_\_\_\_-R\_\_ Bond to be executed by the Mayor of the City  
17 and County of San Francisco, and to be countersigned by the Clerk of said Board, all as of  
18 \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Mayor of the City and  
County of San Francisco

Countersigned:

\_\_\_\_\_  
Clerk of the Board of Supervisors

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CERTIFICATE OF REGISTRATION AND AUTHENTICATION

This is one of the Series \_\_\_\_\_-R\_\_\_ Bonds described in the within-mentioned Resolution, which has been authenticated on the date set forth below.

Date of Authentication: \_\_\_\_\_, 20\_\_.

TREASURER OF THE CITY AND  
COUNTY OF SAN FRANCISCO

By: \_\_\_\_\_

1 LEGAL OPINION OF BOND COUNSEL

2 The following is a true copy of the text of the separate opinions rendered to the City by  
3 \_\_\_\_\_, and by \_\_\_\_\_, Co-Bond Counsel to the  
4 City, in connection with the original issuance of the Series \_\_\_\_-R\_\_\_ Bonds. These  
5 opinions are dated as of and premised on the transcript of proceedings examined and the law  
6 in effect on the date of such original delivery of such Bonds. Signed copies are on file in the  
7 office of the Treasurer.

8 TREASURER OF THE CITY AND COUNTY OF SAN FRANCISCO

9  
10 [Specimen Signature]

11 \_\_\_\_\_  
12 [OPINION OF CO-BOND COUNSEL TO BE INSERTED HERE]  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

