

1 [Reimbursement resolution for San Francisco General Hospital replacement project.]

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3 **Resolution declaring the intent of the City and County of San Francisco to reimburse**
4 **certain expenditures relating to the San Francisco General Hospital replacement**
5 **project from the proceeds of future indebtedness; and making related findings.**

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7 WHEREAS, The Board of Supervisors (the "Board") of the City and County of San
8 Francisco (the "City") desires to undertake the acquisition, improvement, construction and/or
9 reconstruction of a new health care facility or facilities to replace San Francisco General
10 Hospital (the "Project"); and,

11 WHEREAS, The City expects to pay on and after the date hereof certain expenditures
12 (the "Expenditures") in connection with the acquisition and construction of the Project; and,

13 WHEREAS, The Board has determined that those moneys to be advanced on and after
14 the date hereof to pay the Expenditures are or will be available only for a temporary period,
15 and it is desirable to reimburse all such Expenditures made on and after the date hereof with
16 respect to the Project from the proceeds of one or more issues of tax-exempt bonds or other
17 forms of indebtedness (the "Bonds") to be issued by the City; and

18 WHEREAS, In order to achieve the reimbursement described in the preceding
19 paragraph, Section 1.150-2 of the Treasury Regulations (the "Regulation") requires the Board
20 to declare its reasonable official intent to reimburse prior Expenditures with proceeds of a
21 borrowing; and

22 WHEREAS, The maximum principal amount of debt issued to finance the Project is not
23 expected to exceed \$751,000,000; now, therefore, be it

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

1 Section 1. The Board finds and determines that the foregoing recitals are true and
2 correct.

3 Section 2. This Resolution is adopted by the Board solely for purposes of establishing
4 compliance with the requirements of the Regulation. This Resolution does not bind the Board
5 or the City to make any expenditure, incur any indebtedness or proceed with the Project.

6 Section 3. The Board hereby declares its official intent under the Regulation to use
7 proceeds of the Bonds to reimburse all future Expenditures incurred in connection with the
8 Project prior to the issuance and sale of the Bonds. The Board hereby further declares its
9 intent to use such proceeds of the Bonds to reimburse the City and to pay third parties for
10 actual Expenditures made on the Project. On the date hereof, the Board reasonably expects
11 that it will reimburse the Expenditures with proceeds of the Bonds.

12 Section 4. Each Expenditure was and will be either (a) of a type properly chargeable to
13 a capital account under general federal income tax principles (determined in each case as of
14 the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a
15 nonrecurring item that is not customarily payable from current revenues of the City, or (d) a
16 grant to a party that is not related to or an agent of the City so long as such grant does not
17 impose any obligation or condition (directly or indirectly) to repay any amount to or for the
18 benefit of the City.

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1 Section 5. The City will make a reimbursement allocation, which is a written allocation
2 by the City that evidences the City's use of proceeds of the Bonds to reimburse an
3 Expenditure, no later than 18 months after the later of the date on which the Expenditure is
4 paid or the Project is placed in service or abandoned, but in no event more than three years
5 after the date on which the Expenditure is paid.

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7 APPROVED AS TO FORM:

8 DENNIS J. HERRERA
9 City Attorney

10 By: _____

11 MICHAEL J. MARTIN
12 Deputy City Attorney

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