

File No. 140811

Committee Item No. 22

Board Item No. \_\_\_\_\_

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Sub-Committee

Date July 23, 2014

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

OTHER (Use back side if additional space is needed)

<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____

Completed by: Linda Wong

Date July 18, 2014

Completed by: Linda Wong

Date \_\_\_\_\_

1 [General Obligation Bonds - Earthquake Safety and Emergency Response - Not to Exceed  
2 \$106,095,000]

3 **Resolution authorizing and directing the sale of not to exceed \$106,095,000 aggregate**  
4 **principal amount of City and County of San Francisco General Obligation Bonds**  
5 **(Earthquake Safety and Emergency Response Bonds, 2014), Series 2014D; prescribing**  
6 **the form and terms of said bonds; authorizing the execution, authentication, and**  
7 **registration of said bonds; providing for the appointment of depositories and other**  
8 **agents for said bonds; providing for the establishment of accounts related to said**  
9 **bonds; providing for the manner of sale of said bonds by competitive sale; approving**  
10 **the forms of Official Notice of Sale and Notice of Intention to Sell Bonds; directing the**  
11 **publication of the Notice of Intention to Sell Bonds; approving the form of the**  
12 **Preliminary Official Statement and the form and execution of the Official Statement**  
13 **relating to the sale of said bonds; approving the form of the Continuing Disclosure**  
14 **Certificate; authorizing and approving modifications to documents; declaring the City's**  
15 **intent to reimburse certain expenditures; ratifying certain actions previously taken; and**  
16 **granting general authority to City officials to take necessary actions in connection with**  
17 **the authorization, issuance, sale, and delivery of said bonds.**

18  
19 WHEREAS, By Resolution No. 34-14, adopted by the Board of Supervisors (the "Board  
20 of Supervisors") of the City and County of San Francisco (the "City") on February 4, 2014, and  
21 signed by the Mayor of the City (the "Mayor") on February 14, 2014, it was determined that  
22 public interest and necessity demands the construction, acquisition, improvement, and  
23 retrofitting of earthquake safety and emergency responsiveness facilities and infrastructure  
24 therein described (the "Project"); and  
25

1           WHEREAS, By Ordinance No. 16-14, passed by the Board of Supervisors on February  
2 14, 2014 (the "Bond Ordinance"), the Board of Supervisors duly called a special election to be  
3 held on June 3, 2014 (the "Bond Election"), for the purpose of submitting to the electors of the  
4 City a proposition to incur bonded indebtedness in the amount of \$400,000,000 to finance the  
5 Project, and such proposition was approved by not less than a two-thirds vote of the qualified  
6 electors of the City voting on such proposition; and

7           WHEREAS, By Resolution adopted on the date hereof (the "Authorizing Resolution"),  
8 the City authorized the issuance of its General Obligation Bonds (Earthquake Safety and  
9 Emergency Response Bonds, 2014) (the " Bonds"); and

10           WHEREAS, none of the previously authorized Bonds have been issued to date; and

11           WHEREAS, It is necessary and desirable to issue an aggregate principal amount of the  
12 Bonds not to exceed \$106,095,000 (the "Series 2014D Bonds"), to finance a portion of the  
13 costs of the Project (as defined in the Authorizing Resolution); and

14           WHEREAS, The Series 2014D Bonds are being issued pursuant to the Authorizing  
15 Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the California Government  
16 Code, the Charter of the City (the "Charter"), the Bond Ordinance and the Bond Election; and

17           WHEREAS, The Citizens' General Obligation Bond Oversight Committee shall conduct  
18 an annual review of bond spending and shall provide an annual report on the management of  
19 the program to the Mayor and the Board, and, to the extent permitted by law, one-tenth of one  
20 percent (0.1%) of the gross proceeds of the Series 2014D Bonds shall be deposited in a fund  
21 established by the Controller's Office and appropriated by the Board at the direction of the  
22 Citizens' General Obligation Bond Oversight Committee to cover the costs of such Committee  
23 and its review process; and

24           NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the City and  
25 County of San Francisco, as follows:

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

2 Section 2. Conditions Precedent. All conditions, things and acts required by law to  
3 exist, to happen and to be performed precedent to and in connection with the issuance of the  
4 Series 2014D Bonds exist, have happened and have been performed in due time, form and  
5 manner in accordance with applicable law, and the City is now authorized pursuant to the  
6 Bond Election, the Charter and applicable law to incur indebtedness in the manner and form  
7 provided in this Resolution.

8 Section 3. Documents. The documents presented to the Board and on file with the  
9 Clerk of the Board of Supervisors or his or her designee (the "Clerk of the Board of  
10 Supervisors") are contained in File No. ~~10811~~.

11 Section 4. Issuance and Sale of Series 2014D Bonds; Determination of Certain Terms;  
12 Designation. The Board authorizes the issuance and sale of not to exceed \$106,095,000 in  
13 aggregate principal amount of Bonds to be designated as "City and County of San Francisco  
14 General Obligation Bonds (Earthquake Safety and Emergency Response Bonds, 2014),  
15 Series 2014D," for the purposes set forth in the Bond Election Ordinance and Proposition A  
16 approved by the voters at the Bond Election.

17 The Director of Public Finance of the City or designee thereof (the "Director of Public  
18 Finance") is authorized to determine, for the Series 2014D Bonds, the sale date, the interest  
19 rates, the definitive principal amount, the maturity dates and the redemption dates, if any, and  
20 the terms of any optional or mandatory redemption, subject to the other specific provisions of  
21 this Resolution, including the following terms and conditions: (i) the Series 2014D Bonds shall  
22 not have a true interest cost in excess of 12% (as such term is defined in the Official Notice of  
23 Sale (as defined in Section 17)); and (ii) the Series 2014D Bonds shall not have a final  
24 maturity date after June 15, 2035. The Director of Public Finance is further authorized to give  
25 the Series 2014D Bonds such additional or other series designation, or to modify such series

1 designation, as may be necessary or appropriate to distinguish the Series 2014D Bonds from  
2 every other series of Bonds and from other bonds issued by the City.

3 Section 5. Execution, Authentication and Registration of the Series 2014D Bonds.

4 Each of the Series 2014D Bonds shall be in fully registered form without coupons in  
5 denominations of \$5,000 or any integral multiple of that amount. The officers of the City are  
6 directed to cause the Series 2014D Bonds to be prepared in sufficient quantity for delivery to  
7 or for the account of their purchaser and the Controller is directed to cause the blanks in the  
8 Series 2014D Bonds to be completed in accordance with the Authorizing Resolution and the  
9 Bond Award (as defined in Section 13), to procure their execution by the proper officers of the  
10 City (including by facsimile signature if necessary or convenient) and authentication as  
11 provided in this Section, and to deliver the Series 2014D Bonds when so executed and  
12 authenticated to said purchaser in exchange for their purchase price, all in accordance with  
13 the Authorizing Resolution.

14 The Series 2014D Bonds and the certificate of authentication and registration, to be  
15 manually executed by the Treasurer of the City or designee thereof (the "City Treasurer"), and  
16 the form of assignment to appear on the Series 2014D Bonds shall be substantially in the  
17 form attached as Exhibit A (a copy of which is on file with the Clerk of the Board of  
18 Supervisors and which is declared to be a part of this Resolution as if fully set forth in this  
19 Resolution), with necessary or appropriate variations, omissions and insertions as permitted  
20 or required by this Resolution.

21 Only Series 2014D Bonds bearing a certificate of authentication and registration  
22 executed by the City Treasurer shall be valid or obligatory for any purpose or entitled to the  
23 benefits of the Authorizing Resolution and this Resolution, and such certificate of the City  
24 Treasurer, executed as provided in this Resolution, shall be conclusive evidence that the  
25

1 Series 2014D Bonds so authenticated have been duly authenticated and delivered under, and  
2 are entitled to the benefits of, the Authorizing Resolution and this Resolution.

3 The Controller shall assign a distinctive letter, or number, or letter and number to each  
4 Series 2014D Bond authenticated and registered by the City Treasurer and shall maintain a  
5 record thereof which shall be available for inspection.

6 Section 6. Registration Books. The City Treasurer shall keep or cause to be kept, at  
7 the office of the City Treasurer or at the designated office of any registrar appointed by the  
8 City Treasurer, separate and sufficient books for the registration and transfer of Series 2014D  
9 Bonds, which books shall at all times be open to inspection, and upon presentation for such  
10 purpose, the City Treasurer shall, under such reasonable regulations as he or she may  
11 prescribe, register or transfer or cause to be registered or transferred, on said books, Series  
12 2014D Bonds as provided in this Resolution. The City and the City Treasurer may treat the  
13 registered owner of each Series 2014D Bond as its absolute owner for all purposes, and the  
14 City and the City Treasurer shall not be affected by any notice to the contrary.

15 Section 7. Transfer or Exchange of Series 2014D Bonds. Any Series 2014D Bond  
16 may, in accordance with its terms, be transferred upon the books required to be kept pursuant  
17 to the provisions of Section 6, by the person in whose name it is registered, in person or by  
18 the duly authorized attorney of such person in writing, upon surrender of such Series 2014D  
19 Bond for cancellation, accompanied by delivery of a duly executed written instrument of  
20 transfer in a form approved by the City Treasurer.

21 Any Series 2014D Bond may be exchanged at the office of the City Treasurer for a like  
22 aggregate principal amount of other authorized denominations of the same interest rate and  
23 maturity.

24 Whenever any Series 2014D Bond shall be surrendered for transfer or exchange, the  
25 designated City officials shall execute (as provided in Section 5) and the City Treasurer shall

1 authenticate and deliver a new Series 2014D Bond of the same interest rate and maturity in a  
2 like aggregate principal amount. The City Treasurer shall require the payment by any bond  
3 owner requesting any such transfer of any tax or other governmental charge required to be  
4 paid with respect to such transfer or exchange.

5 No transfer or exchange of Series of 2014D Bonds shall be required to be made by the  
6 City Treasurer during the period from the Record Date (as defined in Section 8(b)) next  
7 preceding each interest payment date to such interest payment date or after a notice of  
8 redemption shall have been mailed with respect to such Series 2014D Bonds.

9 Section 8. Terms of the Series 2014D Bonds; General Redemption Provisions.

10 (a) Date of the Series 2014D Bonds. The Series 2014D Bonds shall be dated the  
11 date of their delivery or such other date (the "Dated Date") as is specified in the Bond Award.

12 (b) Payment of the Series 2014D Bonds. The principal of the Series 2014D Bonds  
13 shall be payable in lawful money of the United States of America to their owners, upon  
14 surrender at maturity or earlier redemption at the office of the City Treasurer. The interest on  
15 the Series 2014D Bonds shall be payable in like lawful money to the person whose name  
16 appears on the bond registration books of the City Treasurer as the owner as of the close of  
17 business on the last day of the month immediately preceding an interest payment date (the  
18 "Record Date"), whether or not such day is a Business Day (as defined below).

19 Except as may be otherwise provided in connection with any book-entry only system  
20 applicable to the Series 2014D Bonds, payment of the interest on any Series 2014D Bond  
21 shall be made by check mailed on the interest payment date to such owner at such owner's  
22 address as it appears on the registration books as of the Record Date; provided, that if any  
23 interest payment date occurs on a day that banks in California or New York are closed for  
24 business or the New York Stock Exchange is closed for business, then such payment shall be  
25 made on the next succeeding day that banks in both California and New York are open for

1 business and the New York Stock Exchange is open for business (each, a "Business Day");  
2 and provided, further, that the registered owner of an aggregate principal amount of at least  
3 \$1,000,000 of Series 2014D Bonds may submit a written request to the City Treasurer on or  
4 before a Record Date preceding an interest payment date for payment of interest on the next  
5 succeeding interest payment date and thereafter by wire transfer to a commercial bank  
6 located within the United States of America.

7 For so long as any Series 2014D Bonds are held in book-entry form by a securities  
8 depository selected by the City pursuant to Section 11, payment shall be made to the  
9 registered owner of the Series 2014D Bonds designated by such securities depository by wire  
10 transfer of immediately available funds.

11 (c) Interest on the Series 2014D Bonds. The Series 2014D Bonds shall bear  
12 interest at rates to be determined upon the sale of the Series 2014D Bonds, calculated on the  
13 basis of a 360-day year comprised of twelve 30-day months, payable on June 15, 2015 (or  
14 such other date as may be designated in the Bond Award), and semiannually thereafter on  
15 June 15 and December 15 of each year. Each Series 2014D Bond shall bear interest from the  
16 interest payment date next preceding the date of its authentication unless it is authenticated  
17 as of a day during the period from the Record Date next preceding any interest payment date  
18 to the interest payment date, inclusive, in which event it shall bear interest from such interest  
19 payment date, or unless it is authenticated on or before the first Record Date, in which event it  
20 shall bear interest from the Dated Date; provided, that if, at the time of authentication of any  
21 Series 2014D Bond, interest is in default on the Series 2014D Bonds, such Series 2014D  
22 Bond shall bear interest from the interest payment date to which interest has previously been  
23 paid or made available for payment on the Series 2014D Bonds or from the Dated Date if the  
24 first interest payment is not made.



1 (d) Optional Redemption. The Series 2014D Bonds shall be subject to optional  
2 redemption prior to maturity as provided in the Official Notice of Sale or the Bond Award.

3 (e) Mandatory Redemption. The Series 2014D Bonds shall be subject to  
4 mandatory redemption at par, by lot, in any year in which the purchaser has designated that  
5 the principal amount payable with respect to that year shall constitute a mandatory sinking  
6 fund payment as permitted by the Official Notice of Sale. Any Series 2014D Bonds subject to  
7 mandatory redemption shall be designated as such in the Official Notice of Sale or the Bond  
8 Award.

9 The principal of and interest on the Series 2014D Bonds subject to mandatory  
10 redemption shall be paid from the Series 2014D Bond Account (as defined in Section 9),  
11 pursuant to Section 9. In lieu of any such mandatory redemption for Series 2014D Bonds, at  
12 any time prior to the selection of Series 2014D Bonds for mandatory redemption, the City may  
13 apply amounts on deposit in the Series 2014D Bond Account to make such payment to the  
14 purchase, at public or private sale, of Series 2014D Bonds subject to such mandatory  
15 redemption, and when and at such prices not in excess of the principal amount thereof  
16 (including sales commission and other charges but excluding accrued interest), as the City  
17 may determine.

18 (f) Selection of Series 2014D Bonds for Redemption. Whenever less than all of the  
19 outstanding Series 2014D Bonds are called for redemption on any date, the City Treasurer  
20 will select the maturities of the Series 2014D Bonds to be redeemed in the sole discretion of  
21 the City Treasurer. Whenever less than all of the outstanding Series 2014D Bonds maturing  
22 on any one date are called for redemption on any one date, the City Treasurer will select the  
23 Series 2014D Bonds or portions thereof, in denominations of \$5,000 or any integral multiple  
24 thereof, to be redeemed from the outstanding Series 2014D Bonds maturing on such date not  
25 previously selected for redemption, by lot, in any manner which the City Treasurer deems fair.

1 (g) Notice of Redemption. The date on which Series 2014D Bonds that are called  
2 for redemption are to be presented for redemption is called the "Redemption Date." The City  
3 Treasurer shall mail, or cause to be mailed, notice of any redemption of Series 2014D Bonds,  
4 postage prepaid, to the respective registered owners at the addresses appearing on the bond  
5 registration books not less than twenty (20) nor more than sixty (60) days prior to the  
6 Redemption Date. The notice of redemption shall (a) state the Redemption Date; (b) state the  
7 redemption price; (c) state the maturity dates of the Series 2014D Bonds to be redeemed and,  
8 if less than all of any such maturity is called for redemption, the distinctive numbers of the  
9 Series 2014D Bonds of such maturity to be redeemed, and in the case of any Series 2014D  
10 Bonds to be redeemed in part only, the respective portions of the principal amount to be  
11 redeemed; (d) state the CUSIP number, if any, of each Series 2014D Bond to be redeemed;  
12 (e) require that such Series 2014D Bonds be surrendered by the owners at the office of the  
13 City Treasurer or his or her agent; and (f) give notice that interest on such Series 2014D  
14 Bonds or portions of Series 2014D Bonds to be redeemed will cease to accrue after the  
15 Redemption Date. Notice of optional redemption may be conditional upon receipt of funds or  
16 other event specified in the notice of redemption as provided in subsection (j) of this  
17 Section 8.

18 The actual receipt by the owner of any Series 2014D Bond of notice of such  
19 redemption shall not be a condition precedent to redemption, and failure to receive such  
20 notice, or any defect in such notice so mailed, shall not affect the validity of the proceedings  
21 for the redemption of such Series 2014D Bonds or the cessation of accrual of interest on such  
22 Series 2014D Bonds on the Redemption Date.

23 Notice of redemption also shall be given, or caused to be given by the City Treasurer,  
24 by (i) registered or certified mail, postage prepaid, (ii) confirmed facsimile transmission, (iii)  
25 overnight delivery service, or (iv) to the extent acceptable to the intended recipient, email or

1 similar electronic means, to (a) all organizations registered with the Securities and Exchange  
2 Commission as securities depositories and (b) such other services or organizations as may  
3 be required in accordance with the Continuing Disclosure Certificate described in Section 19.

4 The notice or notices required for redemption shall be given by the City Treasurer or  
5 any agent appointed by the City. A certificate of the City Treasurer or such other appointed  
6 agent of the City that notice of redemption has been given to the owner of any Series 2014D  
7 Bond to be redeemed in accordance with this Resolution shall be conclusive against all  
8 parties.

9 (h) Series 2014D Redemption Account. At the time the City Treasurer or the  
10 Controller of the City or his or her designee (the "Controller") determines to optionally call and  
11 redeem any of the Series 2014D Bonds, the City Treasurer or his or her agent shall establish  
12 a redemption account to be described or known as the "General Obligation Bonds, Series  
13 2014D Redemption Account" (the "Series 2014D Redemption Account"), and prior to or on the  
14 Redemption Date there must be set aside in the Series 2014D Redemption Account moneys  
15 available for the purpose and sufficient to redeem, as provided in this Resolution, the Series  
16 2014D Bonds designated in said notice of redemption, subject to the provisions of subsection  
17 (j) of this Section. Said moneys must be set aside in the Series 2014D Redemption Account  
18 solely for the purpose of, and shall be applied on or after the Redemption Date to, payment of  
19 the redemption price of the Series 2014D Bonds to be redeemed upon presentation and  
20 surrender of such Series 2014D Bonds. Any interest due on or prior to the Redemption Date  
21 may be paid from the Series 2014D Bond Account as provided in Section 9 or from the Series  
22 2014D Redemption Account. Moneys held from time to time in the Series 2014D Redemption  
23 Account shall be invested by the City Treasurer pursuant to the City's policies and guidelines  
24 for investment of moneys in the General Fund of the City. If, after all of the Series 2014D  
25 Bonds have been redeemed and canceled or paid and canceled, there are moneys remaining

1 in the Series 2014D Redemption Account, said moneys shall be transferred to the General  
2 Fund of the City or to such other fund or account as required by applicable law; provided, that  
3 if said moneys are part of the proceeds of refunding bonds, said moneys shall be transferred  
4 pursuant to the resolution authorizing such refunding bonds.

5 (i) Effect of Redemption. When notice of optional redemption has been given  
6 substantially as provided in this Resolution, and when the amount necessary for the  
7 redemption of the Series 2014D Bonds called for redemption (principal, premium, if any, and  
8 accrued interest to such Redemption Date) is set aside for that purpose in the Series 2014D  
9 Redemption Account, the Series 2014D Bonds designated for redemption shall become due  
10 and payable on the Redemption Date, and upon presentation and surrender of said Series  
11 2014D Bonds at the place specified in the notice of redemption, such Series 2014D Bonds  
12 shall be redeemed and paid at said redemption price out of said Series 2014D Redemption  
13 Account. No interest will accrue on such Series 2014D Bonds called for redemption after the  
14 Redemption Date and the registered owners of such Series 2014D Bonds shall look for  
15 payment of such Series 2014D Bonds only to the Series 2014D Redemption Account. All  
16 Series 2014D Bonds redeemed shall be canceled immediately by the City Treasurer and shall  
17 not be reissued.

18 (j) Conditional Notice of Redemption; Rescission of Redemption. Any notice of  
19 optional redemption given as provided in Section 8(g) may provide that such redemption is  
20 conditioned upon: (i) deposit in the Series 2014D Redemption Account of sufficient moneys to  
21 redeem the Series 2014D Bonds called for optional redemption on the anticipated  
22 Redemption Date, or (ii) the occurrence of any other event specified in the notice of  
23 redemption. If conditional notice of redemption has been given substantially as provided in  
24 this subsection (j), and on the scheduled Redemption Date (i) sufficient moneys to redeem the  
25 Series 2014D Bonds called for optional redemption on the Redemption Date have not been

1 deposited in the Series 2014D Redemption Account, or (ii) any other event specified in the  
2 notice of redemption as a condition to the redemption has not occurred, then (y) the Series  
3 2014D Bonds for which conditional notice of redemption was given shall not be redeemed on  
4 the anticipated Redemption Date and shall remain Outstanding for all purposes of this  
5 Resolution, and (z) the redemption not occurring shall not constitute a default under this  
6 Resolution or the Authorizing Resolution.

7 The City may rescind any optional redemption and notice of it for any reason on any  
8 date prior to any Redemption Date by causing written notice of the rescission to be given to  
9 the owners of all Series 2014D Bonds so called for redemption. Notice of any such rescission  
10 of redemption shall be given in the same manner notice of redemption was originally given.  
11 The actual receipt by the owner of any Series 2014D Bond of notice of such rescission shall  
12 not be a condition precedent to rescission, and failure to receive such notice or any defect in  
13 such notice so mailed shall not affect the validity of the rescission.

14 Section 9. Series 2014D Bond Account. There is established with the City Treasurer a  
15 special subaccount in the General Obligation Bonds (Earthquake Safety and Emergency  
16 Response General Obligation Bonds, 2014) Bond Account (the "Bond Account") created  
17 pursuant to the Authorizing Resolution to be designated the "General Obligation Bonds,  
18 Series 2014D Bond Subaccount" (the "Series 2014D Bond Account"), to be held separate and  
19 apart from all other accounts of the City. All interest earned on amounts on deposit in the  
20 Series 2014D Bond Account shall be retained in the Series 2014D Bond Account.

21 On or prior to the date on which any payment of principal of or interest on the Series  
22 2014D Bonds is due, including any Series 2014D Bonds subject to mandatory redemption on  
23 said date, the City Treasurer shall allocate to and deposit in the Series 2014D Bond Account,  
24 from amounts held in the Bond Account, an amount which, when added to any available  
25

1 moneys contained in the Series 2014D Bond Account, is sufficient to pay principal of and  
2 interest on the Series 2014D Bonds on such date

3 On or prior to the date on which any Series 2014D Bonds are to be redeemed at the  
4 option of the City pursuant to this Resolution, the City Treasurer may allocate to and deposit  
5 in the Series 2014D Redemption Account, from amounts held in the Bond Account pursuant  
6 to Section 8 of the Authorizing Resolution, an amount which, when added to any available  
7 moneys contained in the Series 2014D Redemption Account, is sufficient to pay principal,  
8 interest and premium, if any, with respect to such Series 2014D Bonds on such date. The  
9 City Treasurer may make such other provision for the payment of principal of and interest and  
10 any redemption premium on the Series 2014D Bonds as is necessary or convenient to permit  
11 the optional redemption of the Series 2014D Bonds.

12 Amounts in the Series 2014D Bond Account may be invested in any investment of the  
13 City in which moneys in the General Fund of the City are invested. The City Treasurer may (i)  
14 commingle any of the moneys held in the Series 2014D Bond Account with other City moneys  
15 or (ii) deposit amounts credited to the Series 2014D Bond Account into a separate fund or  
16 funds for investment purposes only; provided, that all of the moneys held in the Series 2014D  
17 Bond Account shall be accounted for separately notwithstanding any such commingling or  
18 separate deposit by the City Treasurer.

19 Section 10. Series 2014D Project Account. There is established with the City  
20 Treasurer a special subaccount in the General Obligation Bonds (Earthquake Safety and  
21 Emergency Response General Obligation Bonds, 2014) Project Account (the "Project  
22 Account") created pursuant to the Authorizing Resolution to be designated the "General  
23 Obligation Bonds, Series 2014D Project Subaccount" (the "Series 2014D Project Account"), to  
24 be held separate and apart from all other accounts of the City. All interest earned on amounts  
25 on deposit in the Series 2014D Project Account shall be retained in the Series 2014D Project

1 Account. Amounts in the Series 2014D Project Account shall be expended in accordance  
2 with the provisions of the Authorizing Resolution for the acquisition, construction or  
3 reconstruction of the Project (as defined in the Authorizing Resolution).

4 Amounts in the Series 2014D Project Account may be invested in any investment of  
5 the City in which moneys in the General Fund of the City are invested. The City Treasurer  
6 may (i) commingle any of the moneys held in the Series 2014D Project Account with other  
7 City moneys or (ii) deposit amounts credited to the Series 2014D Project Account into a  
8 separate fund or funds for investment purposes only; provided, that all of the moneys held in  
9 the Series 2014D Project Account (including interest earnings) shall be accounted for  
10 separately notwithstanding any such comingling or separate deposit by the City Treasurer.

11 The City Treasurer is authorized to pay or cause to be paid from the proceeds of the  
12 Series 2014D Bonds, on behalf of the City, the costs of issuance associated with the Series  
13 2014D Bonds. Costs of issuance of the Series 2014D Bonds shall include, without limitation,  
14 bond and financial printing expenses, mailing and publication expenses, rating agency fees,  
15 the fees and expenses of paying agents, registrars, financial consultants, disclosure counsel  
16 and co-bond counsel, and the reimbursement of departmental expenses in connection with  
17 the issuance of the Series 2014D Bonds.

18 Section 11. Appointment of Depositories and Other Agents. The City Treasurer is  
19 authorized and directed to appoint one or more depositories as he or she may deem desirable  
20 and the procedures set forth in Section 6, Section 7 and Section 8 relating to registration of  
21 ownership of the Series 2014D Bonds and payments and redemption notices to owners of the  
22 Series 2014D Bonds may be modified to comply with the policies and procedures of such  
23 depository. The City will not have any responsibility or obligation to any purchaser of a  
24 beneficial ownership interest in any Series 2014D Bonds or to any participants in such a  
25 depository with respect to (i) the accuracy of any records maintained by such securities

1 depository or any participant therein; (ii) any notice that is permitted or required to be given to  
2 the owners of Series 2014D Bonds under this Resolution; (iii) the selection by such securities  
3 depository or any participant therein of any person to receive payment in the event of a partial  
4 redemption of Series 2014D Bonds; (iv) the payment by such securities depository or any  
5 participant therein of any amount with respect to the principal or redemption premium, if any,  
6 or interest due with respect to Series 2014D Bonds; (v) any consent given or other action  
7 taken by such securities depository as the owner of Series 2014D Bonds; or (vi) any other  
8 matter.

9 The Depository Trust Company ("DTC") is appointed as depository for the Series  
10 2014D Bonds. The Series 2014D Bonds shall be initially issued in book-entry form. Upon  
11 initial issuance, the ownership of each Series 2014D Bond shall be registered in the bond  
12 register in the name of Cede & Co., as nominee of DTC. So long as each Series 2014D Bond  
13 is registered in book-entry form, each Series 2014D Bond shall be registered in the name of  
14 Cede & Co. or in the name of such successor nominee as may be designated from time to  
15 time by DTC or any successor as depository.

16 The City Treasurer is also authorized and directed to appoint one or more agents as he  
17 or she may deem necessary or desirable. To the extent permitted by applicable law and  
18 under the supervision of the City Treasurer, such agents may serve as paying agent, fiscal  
19 agent, rebate calculation agent, escrow agent or registrar for the Series 2014D Bonds or may  
20 assist the City Treasurer in performing any or all of such functions and such other duties as  
21 the City Treasurer shall determine. Such agents shall serve under such terms and conditions  
22 as the City Treasurer shall determine. The City Treasurer may remove or replace agents  
23 appointed pursuant to this paragraph at any time.

24 Section 12. Defeasance Provisions. Payment of all or any portion of the Series 2014D  
25 Bonds may be provided for prior to such Series 2014D Bonds' respective stated maturities by



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

3 (a) An amount of cash equal to the principal amount of all of such Series 2014D  
4 Bonds or a portion thereof, and all unpaid interest thereon to maturity, except that in the case  
5 of Series 2014D Bonds which are to be redeemed prior to such Series 2014D Bonds'  
6 respective stated maturities and in respect of which notice of such redemption shall have  
7 been given as provided in Section 8 hereof or an irrevocable election to give such notice shall  
8 have been made by the City, the amount to be deposited shall be the principal amount  
9 thereof, all unpaid interest thereon to the redemption date, and any premium due on such  
10 redemption date; or

11 (b) Defeasance Securities (as herein defined) not subject to call, except as provided  
12 below in the definition thereof, maturing and paying interest at such times and in such  
13 amounts; together with interest earnings and cash, if required, as will, without reinvestment,  
14 as certified by an independent certified public accountant, be fully sufficient to pay the  
15 principal and all unpaid interest to maturity, or to the redemption date, as the case may be,  
16 and any premium due on the Series 2014D Bonds to be paid or redeemed, as such principal  
17 and interest come due; provided, that, in the case of the Series 2014D Bonds which are to be  
18 redeemed prior to maturity, notice of such redemption shall be given as provided in Section 8  
19 hereof or an irrevocable election to give such notice shall have been made by the City; then,  
20 all obligations of the City with respect to said outstanding Series 2014D Bonds shall cease  
21 and terminate, except only the obligation of the City to pay or cause to be paid from the funds  
22 deposited pursuant to paragraphs (a) or (b) of this Section 12, to the owners of said Series  
23 2014D Bonds all sums due with respect thereto; provided, that the City shall have received an  
24 opinion of nationally recognized bond counsel, that provision for the payment of said Series  
25 2014D Bonds has been made in accordance with this Section 12.

1 For purpose of this Section 12, "Defeasance Securities" shall mean any of the following  
2 which at the time are legal investments under the laws of the State of California for the  
3 moneys proposed to be invested therein:

4 (1) United States Obligations (as defined below); and

5 (2) Pre-refunded fixed interest rate municipal obligations meeting the following  
6 conditions: (a) the municipal obligations are not subject to redemption prior to maturity, or the  
7 trustee has been given irrevocable instructions concerning their calling and redemption and  
8 the issuer has covenanted not to redeem such obligations other than as set forth in such  
9 instructions; (b) the municipal obligations are secured by cash and/or United States  
10 Obligations; (c) the principal of and interest on the United States Obligations (plus any cash in  
11 the escrow fund or the redemption account) are sufficient to meet the liabilities of the  
12 municipal obligations; (d) the United States Obligations serving as security for the municipal  
13 obligations are held by an escrow agent or trustee; (e) the United States Obligations are not  
14 available to satisfy any other claims, including those against the trustee or escrow agent; and  
15 (f) the municipal obligations are rated (without regard to any numerical modifier, plus or minus  
16 sign or other modifier), at the time of original deposit to the escrow fund, by any two of the  
17 three Rating Agencies (as defined herein) not lower than the rating then maintained by the  
18 respective Rating Agency on United States Obligations

19 For purposes of this Section 12, "United States Obligations" shall mean (i) direct and  
20 general obligations of the United States of America, or obligations that are unconditionally  
21 guaranteed as to principal and interest by the United States of America, including without  
22 limitation, the interest component of Resolution Funding Corporation (REFCORP) bonds  
23 which have been stripped by request to the Federal Reserve Bank of New York in book-entry  
24 form or (ii) any security issued by an agency or instrumentality of the United States of America  
25 which is selected by the Director of Public Finance that results in the escrow fund being rated

1 by any two of the three Rating Agencies (as defined herein), at the time of the initial deposit to  
2 the escrow fund and upon any substitution or subsequent deposit to the escrow fund, no  
3 lower than the rating then maintained by the respective Rating Agency on United States  
4 Obligations described in (i) herein.

5 For purposes of this Section 12, "Rating Agencies" shall mean Moody's Investors  
6 Service Inc. ("Moody's"), Fitch Ratings ("Fitch"), and Standard and Poor's Rating Services, a  
7 division of The McGraw-Hill Companies, Inc. ("S&P"), or any other nationally-recognized bond  
8 rating agency which is the successor to any of the foregoing rating agencies.

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

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

14 (a) Official Notice of Sale. The form of proposed Official Notice of Sale inviting bids  
15 for the Series 2014D Bonds (the "Official Notice of Sale") submitted to the Board is approved  
16 and adopted as the Official Notice of Sale inviting bids for the Series 2014D Bonds, with such  
17 changes, additions and modifications as may be made in accordance with Section 20. The  
18 Director of Public Finance is authorized and directed to cause to be mailed or otherwise  
19 circulated to prospective bidders for the Series 2014D Bonds copies of the Official Notice of  
20 Sale, subject to such corrections, revisions or additions as may be acceptable to the Director  
21 of Public Finance.

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

24 (c) Bond Award. As provided in the Official Notice of Sale, the City may reject any  
25 and all bids received for any reason. The Controller is authorized to award the Series 2014D

1 Bonds to the responsible bidder whose bid (a) is timely received and conforms to the Official  
2 Notice of Sale, except to the extent informalities and irregularities are waived by the City as  
3 permitted by the Official Notice of Sale, and (b) represents the lowest true interest cost to the  
4 City in accordance with the procedures described in the Official Notice of Sale. The award, if  
5 made, shall be set forth in a certificate signed by the Controller setting forth the terms of the  
6 Series 2014D Bonds and the original purchasers (the "Bond Award"). The Controller shall  
7 provide a copy of the Bond Award as soon as practicable to the Clerk of the Board of  
8 Supervisors and the Director of Public Finance; provided, that failure to provide such copy  
9 shall not affect the validity of the Bond Award.

10 Section 14. Publication of Notice of Intention to Sell Bonds. The form of proposed  
11 Notice of Intention to Sell the Series 2014D Bonds (the "Notice of Intention to Sell Bonds")  
12 submitted to the Board is approved and adopted as the Notice of Intention to Sell the Series  
13 2014D Bonds, and the Director of Public Finance is authorized and directed to cause the  
14 Notice of Intention to Sell Bonds, subject to such corrections, revisions or additions as may be  
15 made in accordance with Section 20, to be published once in *The Bond Buyer* or another  
16 financial publication generally circulated throughout the State of California.

17 Section 15. Sale of Series 2014D Bonds; Solicitation of Competitive Bids. The Board  
18 authorizes the sale of the Series 2014D Bonds by solicitation of competitive bids for the  
19 purchase of the Series 2014D Bonds on the date and at the place determined in accordance  
20 with the Official Notice of Sale and Section 4.

21 Section 16. Disposition of Proceeds of Sale. The proceeds of sale of the Series  
22 2014D Bonds shall be applied by the City Treasurer as follows: (a) accrued interest, if any,  
23 shall be deposited into the Series 2014D Bond Account; (b) premium, if any, shall be  
24 deposited into the Series 2014D Bond Account; and (iii) remaining proceeds of sale shall be  
25 deposited into the Series 2014D Project Account.

1           Section 17. Official Statement. The form of proposed Preliminary Official Statement  
2 describing the Series 2014D Bonds (the "Preliminary Official Statement") submitted to the  
3 Board is approved and adopted as the Preliminary Official Statement describing the Series  
4 2014D Bonds, with such additions, corrections and revisions as may be determined to be  
5 necessary or desirable made in accordance with Section 20. The Controller is authorized to  
6 cause the distribution of a Preliminary Official Statement deemed final for purposes of  
7 Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities  
8 Exchange Act of 1934, as amended (the "Rule"), and to sign a certificate to that effect. The  
9 Director of Public Finance is authorized and directed to cause to be printed and mailed or  
10 electronically distributed to prospective bidders for the Series 2014D Bonds the Preliminary  
11 Official Statement in substantially the form of the Preliminary Official Statement approved and  
12 adopted by this Resolution, as completed, supplemented, corrected or revised. The  
13 Controller is authorized and directed to approve, execute, and deliver the final Official  
14 Statement with respect to the Series 2014D Bonds, which final Official Statement shall be in  
15 the form of the Preliminary Official Statement, with such additions, corrections and revisions  
16 as may be determined to be necessary or desirable made in accordance with Section 20 and  
17 as are permitted under the Rule. The Director of Public Finance is authorized and directed to  
18 cause to be printed and mailed or electronically distributed the final Official Statement to all  
19 actual initial purchasers of the Series 2014D Bonds.

20           Section 18. Tax Covenants.

21           (a) General. The City covenants with the holders of the Series 2014D Bonds that,  
22 notwithstanding any other provisions of this Resolution, it shall not take any action, or fail to  
23 take any action, if any such action or failure to take action would adversely affect the  
24 exclusion from gross income of interest on the Series 2014D Bonds under Section 103 of the  
25 Code, and the regulations issued thereunder, as the same may be amended from time to

1 time, and any successor provisions of law. Reference to a particular section of the Code shall  
2 be deemed to be a reference to any successor to any such section. The City shall not,  
3 directly or indirectly, use or permit the use of proceeds of the Series 2014D Bonds or any of  
4 the property financed or refinanced with proceeds of the Series 2014D Bonds, or any portion  
5 thereof, by any person other than a governmental unit (as such term is used in Section 141 of  
6 the Code), in such manner or to such extent as would result in the loss of exclusion of interest  
7 on the Series 2014D Bonds from gross income for federal income tax purposes.

8 (b) Use of Proceeds. The City shall not take any action, or fail to take any action, if  
9 any such action or failure to take action would cause the Series 2014D Bonds to be "private  
10 activity bonds" within the meaning of Section 141 of the Code, and in furtherance thereof,  
11 shall not make any use of the proceeds of the Series 2014D Bonds or any of the property  
12 financed or refinanced with proceeds of the Series 2014D Bonds, or any portion thereof, or  
13 any other funds of the City, that would cause the Series 2014D Bonds to be "private activity  
14 bonds" within the meaning of Section 141 of the Code. To that end, so long as any Series  
15 2014D Bonds are outstanding, the City, with respect to such proceeds and property and such  
16 other funds, will comply with applicable requirements of the Code and all regulations of the  
17 United States Department of the Treasury issued thereunder, to the extent such requirements  
18 are, at the time, applicable and in effect. The City shall establish reasonable procedures  
19 necessary to ensure continued compliance with Section 141 of the Code and the continued  
20 qualification of the Series 2014D Bonds as "governmental bonds."

21 (c) Arbitrage. The City shall not, directly or indirectly, use or permit the use of any  
22 proceeds of the Series 2014D Bonds, or of any property financed or refinanced by the Series  
23 2014D Bonds, or other funds of the City, or take or omit to take any action, that would cause  
24 the Series 2014D Bonds to be "arbitrage bonds" within the meaning of Section 148 of the  
25 Code. To that end, the City shall comply with all requirements of Section 148 of the Code and

1 all regulations of the United States Department of the Treasury issued thereunder to the  
2 extent such requirements are, at the time, in effect and applicable to the Series 2014D Bonds.

3 (d) Federal Guarantee. The City shall not make any use of the proceeds of the  
4 Series 2014D Bonds or any other funds of the City, or take or omit to take any other action,  
5 that would cause the Series 2014D Bonds to be "federally guaranteed" within the meaning of  
6 Section 149(b) of the Code.

7 (e) Information Reporting. The City shall take or cause to be taken all necessary  
8 action to comply with the information reporting requirement of Section 149(e) of the Code with  
9 respect to the Series 2014D Bonds.

10 (f) Hedge Bonds. The City shall not make any use of the proceeds of the Series  
11 2014D Bonds or any other amounts or property, regardless of the source, or take any action  
12 or refrain from taking any action that would cause the Series 2014D Bonds to be considered  
13 "hedge bonds" within the meaning of Section 149(g) of the Code unless the City takes all  
14 necessary action to assure compliance with the requirements of Section 149(g) of the Code.

15 (g) Compliance with Tax Certificate. In furtherance of the foregoing tax covenants  
16 of this Section 18, the City covenants that it will comply with the provisions of the Tax  
17 Certificate to be executed by the City with respect to the Series 2014D Bonds, dated the date  
18 of issuance of the Series 2014D Bonds, as such Tax Certificate may be amended from time to  
19 time. This covenant shall survive payment in full or defeasance of the Series 2014D Bonds.

20 Section 19. Continuing Disclosure Certificate. The form of Continuing Disclosure  
21 Certificate (the "Continuing Disclosure Certificate"), to be signed by the City to permit the  
22 original purchasers of the Series 2014D Bonds to comply with the Rule, submitted to the  
23 Board is approved and adopted as the Continuing Disclosure Certificate, with such additions,  
24 corrections and revisions as may be determined to be necessary or desirable made in  
25 accordance with Section 20. The Controller is authorized and directed to execute the

1 Continuing Disclosure Certificate on behalf of the City and deliver the Continuing Disclosure  
2 Certificate to the original purchasers of the Series 2014D Bonds.

3 Section 20. Modification to Documents. Any City official authorized by this Resolution  
4 to execute any document is further authorized, in consultation with the City Attorney and co-  
5 bond counsel, to approve and make such changes, additions, amendments or modifications  
6 to the document or documents such official is authorized to execute as may be necessary or  
7 advisable (provided, that such changes, additions, amendments or modifications shall not  
8 authorize an aggregate principal amount of Series 2014D Bonds in excess of \$106,095,000 or  
9 conflict with the provisions of Section 4). The approval of any change, addition, amendment  
10 or modification to any of the aforementioned documents shall be evidenced conclusively by  
11 the execution and delivery of the document in question.

12 Section 21. Ratification. All actions previously taken by officials, employees and  
13 agents of the City with respect to the sale and issuance of the Series 2014D Bonds are  
14 approved, confirmed and ratified.

15 Section 22. Relationship to Authorizing Resolution. In the event of any conflict  
16 between this Resolution and the Authorizing Resolution, the terms of this Resolution shall  
17 control. Without limiting the foregoing and notwithstanding the provisions of the Authorizing  
18 Resolution, the City is not obligated to transfer money from the General Fund of the City to  
19 the Bond Account to pay the principal of or interest on the Series 2014D Bonds.

20 Section 23. Reimbursement. The City declares its official intent to reimburse prior  
21 expenditures of the City incurred prior to the issuance and sale of the Series 2014D Bonds in  
22 connection with the Project or portions thereof to be financed by the Series 2014D Bonds.  
23 The Board declares the City's intent to reimburse the City with the proceeds of the Series  
24 2014D Bonds for the expenditures with respect to the Project (the "Expenditures" and each an  
25 "Expenditure") made on and after that date that is no more than 60 days prior to adoption of



1 this Resolution. The City reasonably expects on the date of adoption of this Resolution that it  
2 will reimburse the Expenditures with the proceeds of the Series 2014D Bonds.

3 Each Expenditure was and will be either (a) of a type properly chargeable to a capital  
4 account under general federal income tax principles (determined in each case as of the date  
5 of the Expenditure), (b) a cost of issuance with respect to the Series 2014D Bonds, (c) a  
6 nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a  
7 party that is not related to or an agent of the City so long as such grant does not impose any  
8 obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the  
9 City. The maximum aggregate principal amount of the Series 2014D Bonds expected to be  
10 issued for the Project is \$106,095,000. The City shall make a reimbursement allocation,  
11 which is a written allocation by the City that evidences the City's use of proceeds of the Series  
12 2014D Bonds to reimburse an Expenditure, no later than 18 months after the later of the date  
13 on which the Expenditure is paid or the Project is placed in service or abandoned, but in no  
14 event more than three years after the date on which the Expenditure is paid. The City  
15 recognizes that exceptions are available for certain "preliminary expenditures," costs of  
16 issuance, certain de minimis amounts, expenditures by "small issuers" (based on the year of  
17 issuance and not the year of expenditure) and expenditures for construction projects of at  
18 least 5 years.

19 Section 24. Accountability Reports. The Series 2014D Bonds are subject to  
20 accountability requirements under the City's Administrative Code and the Bond Election  
21 Ordinance. Accountability report(s) with respect to the Series 2014D Bonds shall be  
22 submitted at the time(s) and in the manner required by the Administrative Code and the Bond  
23 Election Ordinance.

24 Section 25. Citizens' Oversight Committee. The Series 2014D Bonds are subject to,  
25 and incorporate by reference, the applicable provisions of the San Francisco Administrative

1 Code Sections 5.30-5.36 (the "Citizens' General Obligation Bond Oversight Committee"), and,  
2 to the extent permitted by law, one tenth of one percent (0.1%) of the gross proceeds of the  
3 Series 2014D Bonds shall be deposited into a fund established by the Controller's Office and  
4 appropriated by the Board at the direction of the Citizens' General Obligation Bond Oversight  
5 Committee to cover the costs of such committee.

6 Section 26. CEQA Determination. The Board hereby reaffirms and incorporates by  
7 reference the CEQA findings and determinations set forth in Ordinance 40-10 as if set forth in  
8 full herein. The use of bond proceeds to finance any identified project or portion of any  
9 identified project will be subject, as necessary, to approval of the Board upon completion of  
10 planning and any further required environmental review under CEQA for the individual  
11 facilities and projects.

12 Section 27. General Authority. The Clerk of the Board of Supervisors, the Mayor, the  
13 City Treasurer, the Director of Public Finance, the City Attorney and the Controller are each  
14 authorized and directed in the name and on behalf of the City to take any and all steps and to  
15 issue, deliver or enter into any and all certificates, requisitions, agreements, notices,  
16 consents, and other documents as may be necessary to give effect to the provisions of this  
17 Resolution, including but not limited to letters of representations to any depository or  
18 depositories, which they or any of them might deem necessary or appropriate in order to  
19 consummate the lawful issuance, sale and delivery of the Series 2014D Bonds.

20  
21 APPROVED AS TO FORM:  
22 DENNIS J. HERRERA City Attorney

23  
24 By: \_\_\_\_\_

25 Mark D. Blake  
Deputy City Attorney

n:\financ\as2014\1300182\00941387.doc

**Exhibit A**

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

Number R-\_\_ UNITED STATES OF AMERICA Amount

STATE OF CALIFORNIA

CITY AND COUNTY OF SAN FRANCISCO

GENERAL OBLIGATION BONDS

(EARTHQUAKE SAFETY AND EMERGENCY RESPONSE BONDS, 2014),

SERIES 2014D

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated</u>	<u>CUSIP Number</u>
____%	June 15, 20__	_____, 2014	_____

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: \_\_\_\_\_ Dollars

The City and County of San Francisco, State of California (the "City"), acknowledges itself indebted to and promises to pay to the Registered Owner specified above or registered

1 assigns, on the Maturity Date specified above, the Principal Amount of this bond specified  
2 above in lawful money of the United States of America, and to pay interest on the Principal  
3 Amount 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 from such interest  
7 payment date, or unless this bond is authenticated on or before [May 30, 2014], in which  
8 event it shall bear interest from its dated date) until payment of such Principal Amount, at the  
9 Interest Rate per year specified above calculated on the basis of a 360-day year comprised of  
10 twelve 30-day months, payable on [June 15], 2015 and semiannually thereafter on June 15  
11 and December 15 in each year; *provided*, that if any interest payment date occurs on a day  
12 that banks in California or New York are closed for business or the New York Stock Exchange  
13 is closed for business, then such payment shall be made on the next succeeding day that  
14 banks in both California and New York are open for business and the New York Stock  
15 Exchange is open for business (a "**Business Day**"). The principal of this bond is payable to  
16 the Registered Owner of this bond upon the surrender of this bond at the office of the  
17 Treasurer of the City (the "**City Treasurer**"). The interest on this bond is payable to the  
18 person whose name appears on the bond registration books of the City Treasurer as the  
19 Registered Owner of this bond as of the close of business on the Record Date immediately  
20 preceding an interest payment date, whether or not such day is a Business Day, such interest  
21 to be paid by check mailed on the interest payment date to such Registered Owner at the  
22 owner's address as it appears on such registration books; *provided*, that the Registered  
23 Owner of bonds in an aggregate principal amount of at least \$1,000,000 may submit a written  
24 request to the City Treasurer on or before the Record Date preceding any interest payment  
25 date for payment of interest by wire transfer to a commercial bank located in the United States

1 of America.

2 This bond is one of a duly authorized issue of bonds (the "**Bonds**") of like tenor (except  
3 for such variations, if any, as may be required to designate varying numbers, denominations,  
4 interest rates and maturities), in the aggregate principal amount of \$\_\_\_\_\_, which is  
5 part of a bond authorization in the aggregate original principal amount of \$400,000,000  
6 authorized by the affirmative votes of more than two-thirds of the voters voting at a special  
7 election duly and legally called, held and conducted in the City on June 4, 2014 and is issued  
8 and sold by the City pursuant to and in strict conformity with the provisions of the Constitution  
9 and laws of the State of California, the Charter of the City and resolutions adopted by the  
10 Board of Supervisors of the City (the "**Board of Supervisors**") on \_\_\_\_\_, 2014 (together  
11 with the related Certificate of Award, the "**Resolution**").

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

18 This bond is transferable by its registered owner, in person or by its attorney duly  
19 authorized in writing, at the office of the City Treasurer, but only in the manner, subject to the  
20 limitations and upon payment of the charges provided in the Resolutions, and upon surrender  
21 and cancellation of this bond. Upon such transfer, a new bond or bonds of authorized  
22 denomination or denominations for the same interest rate and same aggregate principal  
23 amount will be issued to the transferee in exchange for this bond.

24 The City Treasurer will not be required to exchange or register the transfer of this bond  
25 during the period (a) from the Record Date for an interest payment date to the opening of

1 business on such interest payment date or (b) after notice of redemption of this bond or any  
2 portion of this bond has been mailed.

3 Bonds maturing on and before June 15, 20\_\_, are not redeemable prior to their  
4 maturity.

5 Bonds maturing on and after June 15, 20\_\_, are subject to optional redemption from  
6 any available funds, in whole or in part, on any date on or after June 15, 20\_\_, at a price  
7 equal to their principal amount plus in each case accrued interest to the date of redemption,  
8 without redemption premium. If less than all of the outstanding Bonds are to be redeemed,  
9 they may be redeemed in any order of maturity as determined by the City. If less than all of  
10 the outstanding Bonds of a maturity are to be redeemed, the Bonds or portions of Bonds of  
11 such maturity to be redeemed shall be selected by the City Treasurer, in authorized  
12 denominations of \$5,000 or integral multiples of that amount, from among Bonds of that  
13 maturity not previously called for redemption, by lot, in any manner which the City Treasurer  
14 deems fair.

15 Bonds maturing on June 15, 20\_\_, are subject to mandatory sinking fund redemption  
16 on June 15 of each of the years 20\_\_ through 20\_\_, inclusive, and at maturity in the  
17 respective amounts provided in the Resolutions.

18 Bonds maturing on June 15, 20\_\_, are subject to mandatory sinking fund redemption  
19 on June 15 of each of the years 20\_\_ through 20\_\_, inclusive, and at maturity in the  
20 respective amounts provided in the Resolutions.

21 Notice of the redemption of Bonds which by their terms shall have become subject to  
22 redemption shall be given or caused to be given to the registered owner of each bond or  
23 portion of a bond called for redemption not less than 20 or more than 60 days before any date  
24 established for redemption of Bonds, by the City Treasurer on behalf of the City, first class  
25 mail, postage prepaid, sent to the registered owner's last address, if any, appearing on the

1 registration books kept by the City Treasurer. Official notices of redemption will contain the  
2 information specified in the Resolutions.

3 On or prior to any redemption date, the City is required to deposit an amount of money  
4 sufficient to pay the redemption price of all of the Bonds or portions of Bonds which are to be  
5 redeemed on that date or, in the case of optional redemptions only, the optional redemption  
6 and notice of it will be rescinded and the City's failure to deposit such amount will not be a  
7 default. In addition, the City may at its option rescind any optional redemption and notice of it  
8 for any reason on any date prior to the applicable redemption date. Notice of rescission of an  
9 optional redemption shall be given in the same manner as notice of redemption was originally  
10 given,

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

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

21 The City and the City Treasurer may treat the registered owner of this bond as the  
22 absolute owner of this bond for all purposes, and the City and the City Treasurer shall not be  
23 affected by any notice to the contrary.

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

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

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

12 IN WITNESS WHEREOF the Board of Supervisors has caused this bond to be  
13 executed by the Mayor of the City and to be countersigned by the Clerk of the Board of  
14 Supervisors, all as of August \_\_, 2014.

15 \_\_\_\_\_  
16 Mayor of the City and  
17 County of San Francisco.

18 Countersigned:  
19  
20

21 \_\_\_\_\_  
22 Clerk of the Board of Supervisors  
23  
24  
25



1 CERTIFICATE OF REGISTRATION AND AUTHENTICATION

2 This is one of the bonds described in the within-mentioned Resolutions, which  
3 has been authenticated on the date set forth below.  
4

5 Date of Authentication: \_\_\_\_\_

6  
7 \_\_\_\_\_  
8 Treasurer of the City and  
9 County of San Francisco  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



OFFICE OF THE MAYOR  
SAN FRANCISCO



EDWIN M. LEE  
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: *per* Mayor Edwin M. Lee *per*  
RE: Earthquake Safety and Emergency Response General Obligation Bonds,  
2014, Series 2014D – Not to Exceed \$106,095,000 – Sale Resolution  
DATE: July 15, 2014

---

Attached for introduction to the Board of Supervisors is the resolution authorizing and directing the sale of not to exceed \$106,095,000 Aggregate Principal Amount of City and County of San Francisco General Obligation Bonds (Earthquake Safety and Emergency Response Bonds, 2014), Series 2014D; prescribing the form and terms of said bonds; authorizing the execution, authentication, and registration of said bonds; providing for the appointment of depositories and other agents for said bonds; providing for the establishment of accounts related to said bonds; providing for the manner of sale of said bonds by competitive sale; approving the forms of Official Notice of Sale and Notice of Intention to Sell Bonds; directing the publication of the Notice of Intention to Sell Bonds; approving the form of the Preliminary Official Statement and the form and execution of the Official Statement relating to the sale of said bonds; Approving the Form of the Continuing Disclosure Certificate; Authorizing and approving modifications to documents; declaring the City's intent to reimburse certain expenditures; ratifying certain actions previously taken; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale, and delivery of said bonds.

I request that this item be calendared in Budget and Finance Committee on July 23rd.

Should you have any questions, please contact Jason Elliott (415) 554-5105.

*PL*  
RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2014 JUL 15 PM 3:44

