

LEGISLATIVE DIGEST

[San Francisco Finance Corporation Refunding Lease Revenue Bonds (Library Projects)]

Ordinance approving the issuance and sale of refunding lease revenue bonds by the City and County of San Francisco Finance Corporation (the “Corporation”) to refinance lease revenue bonds previously issued to finance various projects under the Branch Library Improvement Program, as further described herein; approving the form of a First Amendment to Facilities Lease by and between the Corporation and the City and County of San Francisco (the “City”) relating to certain real property described herein; approving the form of a First Amendment to Master Lease by and between the Corporation and the City; approving the form of a First Supplemental Trust Agreement by and between the Corporation and a trustee (including certain indemnities contained therein); approving the form of an Assignment Agreement by and between the Corporation and a trustee; authorizing the sale of the refunding lease revenue bonds by competitive or negotiated sale; approving the form of an Official Notice of Sale and a Notice of Intention to Sell the refunding lease revenue bonds; directing the publication of the Notice of Intention to Sell the refunding lease revenue bonds; approving the form of a Purchase Contract and authorizing the appointment of one or more underwriters for the refunding lease revenue bonds; approving the form of an Official Statement in preliminary and final form; approving the form of a Continuing Disclosure Certificate; authorizing the payment of costs of issuance; granting general authority to City officials to take certain actions in connection with the refunding lease revenue bonds, as defined herein; approving modifications to documents; and ratifying previous actions taken in connection therewith, as defined herein.

Existing Law

This is new legislation.

Amendments to Current Law

Not applicable.

Background Information

Ordinance approving the issuance and sale of refunding lease revenue bonds by the City and County of San Francisco Finance Corporation (the “Corporation”) to refinance lease revenue bonds previously issued to finance various projects under the Branch Library Improvement Program. In 2007, the voters of the City approved Proposition D, which extended the Library Preservation Fund, as codified in Section 16.109 of the City Charter, and authorized the Board to issue revenue bonds or other evidences of indebtedness, or to incur lease financing or other obligations, payable from any available funds pledged or appropriated by the Board for such purpose, the proceeds of which are to be used for the purposes set forth in Section

16.109(d). The City, acting through the Corporation, issued and sold in 2009 \$34,265,000 principal amount of Lease Revenue Bonds, Series 2009A (Branch Library Improvement Program) to finance the acquisition, construction, reconstruction, rehabilitation and/or improvement of real property and/or facilities operated by the San Francisco Public Library (the "Library") for Library purposes and for the purchase of equipment relating to such real property and/or facilities (the "2009 Project"). At the present time, \$27,030,000 principal amount of such Series 2009A Bonds remain outstanding and are subject to optional redemption in whole or in part on any date commencing June 15, 2018. In order to refinance the costs of the 2009 Project, this Ordinance authorizes the issuance and sale of refunding lease revenue bonds (the "Bonds") by the Corporation pursuant to Section 16.109 of the Charter and in accordance with Section 9.108(2) of the Charter. The Ordinance also describes certain City-owned facilities and property(ies) under the jurisdiction of the Library for purposes of leasing in connection with the issuance and sale of the Bonds.

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