

1 [Reimbursement resolution for proposed capital projects.]

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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, the Hall of Justice replacement project, the Mission Bay Fire and Police**  
6 **Facilities project, the Auxiliary Water Supply System reconstruction and renovation**  
7 **project and the Forensic Crime Laboratory replacement project from the proceeds of**  
8 **future indebtedness; and making related findings.**

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

14 WHEREAS, The City expects to pay on and after the date hereof certain expenditures  
15 (the "SFGH Expenditures") in connection with the SFGH Project; and,

16 WHEREAS, The Board desires to undertake the acquisition, improvement, construction  
17 and/or reconstruction of a new criminal justice facility or facilities to replace the San Francisco  
18 Hall of Justice (the "Hall of Justice Project"); and,

19 WHEREAS, The City expects to pay on and after the date hereof certain expenditures  
20 (the "Hall of Justice Expenditures") in connection with the Hall of Justice Project; and,

21 WHEREAS, The Board desires to undertake the acquisition, improvement, construction  
22 and/or reconstruction of new police and fire department facilities in the City's Mission Bay  
23 neighborhood (the "Mission Bay Project"); and,

24 WHEREAS, The City expects to pay on and after the date hereof certain expenditures  
25 (the "Mission Bay Expenditures") in connection with the Mission Bay Project; and,

1           WHEREAS, The Board desires to undertake the renovation, reconstruction, and/or  
2 improvement of the City's Auxiliary Water Supply System, a high pressure water distribution  
3 system (the "AWSS Project"); and,

4           WHEREAS, The City expects to pay on and after the date hereof certain expenditures  
5 (the "AWSS Expenditures") in connection with the AWSS Project; and,

6           WHEREAS, The Board desires to undertake the acquisition, improvement, construction  
7 and/or reconstruction of a new forensic crime laboratory to replace the City's current  
8 laboratory facility (the "Crime Lab Project"); and,

9           WHEREAS, The City expects to pay on and after the date hereof certain expenditures  
10 (the "Crime Lab Expenditures") in connection with the Crime Lab Project; and,

11           WHEREAS, The SFGH Project, the Hall of Justice Project, the Mission Bay Project, the  
12 AWSS Project and the Crime Lab Project shall be referred to herein collectively as the  
13 "Projects" and individually as a "Project"; and,

14           WHEREAS, The SFGH Expenditures, the Hall of Justice Expenditures, the Mission  
15 Bay Expenditures, the AWSS Expenditures and the Crime Lab Expenditures shall be referred  
16 to herein collectively as the "Expenditures"; and,

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

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

3 WHEREAS, The maximum principal amount of debt issued to finance the SFGH  
4 Project is not expected to exceed \$751,000,000; and,

5 WHEREAS, The maximum principal amount of debt issued to finance the Hall of  
6 Justice Project is not expected to exceed \$750,000,000; and,

7 WHEREAS, The maximum principal amount of debt issued to finance the Mission Bay  
8 Project is not expected to exceed \$25,000,000; and,

9 WHEREAS, The maximum principal amount of debt issued to finance the AWSS  
10 Project is not expected to exceed \$90,000,000; and,

11 WHEREAS, The maximum principal amount of debt issued to finance the Crime Lab  
12 Project is not expected to exceed \$20,000,000; now, therefore, be it

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

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

17 Section 2. This Resolution is adopted by the Board solely for purposes of establishing  
18 compliance with the requirements of the Regulation. This Resolution does not bind the Board  
19 or the City to make any expenditure, incur any indebtedness or proceed with any of the  
20 Projects.

21 Section 3. The Board hereby declares its official intent under the Regulation to use  
22 proceeds of the Bonds corresponding to one of the Projects described herein to reimburse all  
23 future Expenditures incurred in connection with such Project prior to the issuance and sale of  
24 such Bonds. The Board hereby further declares its intent to use proceeds of such Bonds to  
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1 reimburse the City and to pay third parties for actual Expenditures made on such Project. On  
2 the date hereof, the Board reasonably expects that it will reimburse the Expenditures with  
3 proceeds of the Bonds.

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

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

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17 APPROVED AS TO FORM:

18 DENNIS J. HERRERA  
19 City Attorney

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

21 MICHAEL J. MARTIN  
22 Deputy City Attorney

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