

1 [Bond Sale of Clean and Safe Neighborhood Parks General Obligation Bonds.]  
2 **Resolution Authorizing and Directing the Sale of Not to Exceed \$65,000,000**  
3 **Aggregate Principal Amount of City and County of San Francisco General**  
4 **Obligation Bonds (Clean and Safe Neighborhood Parks Bonds, 2008), Series**  
5 **2010B, and City and County of San Francisco General Obligation Bonds (Clean and**  
6 **Safe Neighborhood Parks Bonds, 2008), Series 2010D (Federally Taxable Build**  
7 **America Bonds); Prescribing the Form and Terms of Said Bonds; Authorizing the**  
8 **Execution, Authentication, and Registration of Said Bonds; Providing for the**  
9 **Appointment of Depositories and Other Agents for Said Bonds; Providing for the**  
10 **Establishment of Accounts Related Thereto; Providing for the Manner of Sale of**  
11 **Said Bonds by Competitive Sale; Approving the Forms of Official Notice of Sale**  
12 **and Notice of Intention to Sell Bonds; Directing the Publication of the Notice of**  
13 **Intention to Sell Bonds; Approving the Form of the Preliminary Official Statement**  
14 **and the Form and Execution of the Official Statement Relating to the Sale of Said**  
15 **Bonds; Approving the Form of the Continuing Disclosure Certificate; Approving**  
16 **Modifications to Documents; Ratifying Certain Actions Previously Taken; and**  
17 **Granting General Authority to City Officials to Take Necessary Actions in**  
18 **Connection with the Authorization, Issuance, Sale, and Delivery of Said Bonds.**

19 WHEREAS, By Resolution No. 343-08 (the "Authorizing Resolution"), adopted by  
20 the Board of Supervisors (the "Board") of the City and County of San Francisco (the  
21 "City") on July 29, 2008, and signed by the Mayor of the City (the "Mayor") on August 5,  
22 2008, the City authorized the issuance of its General Obligation Bonds (Clean and Safe  
23 Neighborhood Parks Bonds, 2008) (the "Bonds"); and,

24 WHEREAS, By Resolution No. 342-08, adopted by the Board on July 29, 2008,  
25 and signed by the Mayor on August 5, 2008, the City authorized the first series of Bonds

1 not to exceed \$45,000,000 aggregate principal amount of said General Obligation Bonds  
2 (Clean and Safe Neighborhood Parks Bonds, 2008) Series 2008B; and,

3 WHEREAS, The City has issued and sold, to date, a total of \$42,520,000 General  
4 Obligation Bonds (Clean and Safe Neighborhood Parks Bonds, 2008); and there remains  
5 \$142,480,000 of authorized and unissued General Obligation Bonds (Clean and Safe  
6 Neighborhood Parks Bonds, 2008); and,

7 WHEREAS, It is necessary and desirable to issue an aggregate principal amount  
8 not to exceed of \$65,000,000 City and County of San Francisco General Obligation  
9 Bonds (Clean and Safe Neighborhood Parks Bonds, 2008), Series 2010B (the "Series  
10 2010B Bonds") and City and County of San Francisco General Obligation Bonds (Clean  
11 and Safe Neighborhood Parks Bonds, 2008), Series 2010D (Federally Taxable Build  
12 America Bonds) (the "Series 2010D Bonds"; each of the Series 2010B Bonds and the  
13 Series 2010D Bonds is herein separately defined as a "Series of 2010 Bonds"); and,

14 WHEREAS, Each Series of 2010 Bonds is being issued pursuant to the  
15 Authorizing Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the  
16 California Government Code, the Charter of the City (the "Charter"), and a duly held  
17 election called for by Ordinance 237-07 adopted by the Board on October 23, 2007, and  
18 signed by the Mayor on October 24, 2007 (the "Bond Ordinance"); and,

19 WHEREAS, The City has paid and expects to pay certain expenditures in  
20 connection with the projects to be financed by each Series of 2010 Bonds prior to the  
21 issuance and sale of each Series of 2010 Bonds, and the City intends to reimburse itself  
22 and to pay third parties for such prior expenditures from the proceeds of each Series of  
23 2010 Bonds; and,

24 WHEREAS, Section 1.150-2 of the Treasury Regulations promulgated under the  
25 Internal Revenue Code of 1986 (the "Treasury Regulations") requires the City to declare

1 its reasonable official intent to reimburse prior expenditures with the proceeds of a  
2 subsequent borrowing; and,

3 WHEREAS, The Treasury Regulations require that any reimbursement allocation  
4 of proceeds of each Series of 2010 Bonds to be made with respect to expenditures  
5 incurred prior to the issuance of each Series of 2010 Bonds will occur not later than  
6 eighteen (18) months after the later of (i) the date on which the expenditure is paid or (ii)  
7 the date on which the facilities are placed in service, but in no event later than three (3)  
8 years after the expenditure is paid; and,

9 WHEREAS, The Citizens' General Obligation Bond Oversight Committee (the  
10 "Committee") shall conduct an annual review of bond spending and shall provide an  
11 annual report on the management of the program to the Mayor, the Board, the Recreation  
12 and Park Commission and the Port Commission, and to the extent permitted by law, one-  
13 tenth of one percent (0.1%) of the gross proceeds of the Series 2010B Bonds and the  
14 Series 2010D Bonds shall be deposited in a fund established by the Controller's Office  
15 and appropriated by the Board at the direction of the Committee to cover the costs of the  
16 Committee and its review process;

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

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

20 Section 2. Conditions Precedent. All conditions, things and acts required by law to  
21 exist; to happen and to be performed precedent to and in the issuance of the Series  
22 2010B Bonds and the Series 2010D Bonds exist, have happened and have been  
23 performed in due time, form and manner in accordance with applicable law, and the City  
24 is now authorized pursuant to the Charter and applicable law to incur indebtedness in the  
25 manner and form provided in this Resolution.

1 Section 3. Documents. The documents presented to the Board and on file with  
2 the Clerk of the Board of Supervisors or his or her designee (the "Clerk of the Board of  
3 Supervisors") are contained in File No. 100025.

4 Section 4. Issuance and Sale of Series 2010B Bonds and Series 2010D Bonds.  
5 The Board hereby authorizes the issuance and sale of not to exceed \$65,000,000 in  
6 aggregate principal amount of bonds to be issued in not more than two series, on a parity  
7 basis, and to be designated as "City and County of San Francisco General Obligation  
8 Bonds (Clean and Safe Neighborhood Parks Bonds, 2008), Series 2010B," and "City and  
9 County of San Francisco General Obligation Bonds (Clean and Safe Neighborhood Parks  
10 Bonds, 2008), Series 2010D (Federally Taxable Build America Bonds)," for the purposes  
11 set forth in the Bond Ordinance and Proposition A approved by the voters on February 5,  
12 2008. Notwithstanding the foregoing, nothing herein shall require that the Series 2010D  
13 Bonds be issued if the Series 2010B Bonds are issued, and vice versa.

14 The Director of Public Finance of the City or his or her designee (the "Director of  
15 Public Finance") is hereby authorized to determine, for each Series of 2010 Bonds, the  
16 sale date, the interest rates, the definitive principal amount thereof (which principal  
17 amount for each Series of 2010 Bonds may be \$-0- or any greater principal amount;  
18 provided that the aggregate principal amount for both Series of 2010 Bonds shall not  
19 exceed \$65,000,000), the maturity dates and the redemption dates, if any, and the terms  
20 of any optional or mandatory redemption thereof, subject to the other specific provisions  
21 of this Resolution, including the following terms and conditions: (i) the Series 2010B  
22 Bonds shall not have a true interest cost in excess of 12% (as such term is defined in the  
23 applicable Official Notice of Sale (as defined in Section 13 hereof)); (ii) the Series 2010D  
24 Bonds shall not have a net effective rate (after application of Interest Subsidy Payments  
25 (as defined below) received from the United States Treasury) in excess of 12%; (iii) the

1 Series 2010B Bonds shall not have a final maturity date after June 15, 2040; and (iv) the  
2 Series 2010D Bonds shall not have a final maturity date after June 15, 2040. The Director  
3 of Public Finance is further authorized to give each Series of 2010 Bonds such additional  
4 or other series designation, or to modify such series designation, as may be necessary or  
5 appropriate to distinguish each such Series of 2010 Bonds from every other series of  
6 Bonds and from other bonds issued by the City.

7 The Board hereby irrevocably elects to apply the provisions of Section 54AA(d) of  
8 the Internal Revenue Code of 1986, as amended (the "Code"), to the Series 2010D  
9 Bonds and intends that the Series 2010D Bonds, if, as and when issued, be treated as  
10 "build America bonds" within the meaning of Section 54AA(d) of the Code. The Board  
11 further irrevocably elects to apply the provisions of Section 54AA(g) of the Code to the  
12 Series 2010D Bonds and intends that the Series 2010D Bonds be treated as "qualified  
13 bonds" within the meaning of Section 54AA(g) of the Code, such that the Series 2010D  
14 Bonds will bear interest that is not excluded from the gross income of the owners thereof  
15 for purposes of federal income taxation and the Series 2010D Bonds will be eligible to  
16 receive Interest Subsidy Payments from the United States Department of the Treasury to  
17 the City or the City's authorized designated recipient of the credit provided for in Sections  
18 54AA(b) and 6431 of the Code; provided that the City or the City's authorized designated  
19 recipient has filed the required Internal Revenue Service forms. "Interest Subsidy  
20 Payment" means, with respect to the Series 2010D Bonds, each payment received by the  
21 City or the City's authorized designated recipient directly from the United States  
22 Department of the Treasury in an amount equal to 35% of the corresponding interest  
23 payable on such Series 2010D Bonds, as provided for in Sections 54AA(b) and 6431 of  
24 the Code.

1           Section 5. Execution, Authentication and Registration of the Series 2010B Bonds  
2 and the Series 2010D Bonds. Each Series of 2010 Bonds shall be in fully registered form  
3 without coupons in denominations of \$5,000 or any integral multiple thereof. The officers  
4 of the City are hereby directed to cause each Series of 2010 Bonds to be prepared in  
5 sufficient quantity for delivery to or for the account of the purchaser thereof and the Clerk  
6 of the Board of Supervisors is hereby directed to cause the blanks therein to be  
7 completed in accordance with the Authorizing Resolution, to procure their execution by  
8 the proper officers of the City (including by facsimile signature if necessary or  
9 convenient), and to deliver each Series of 2010 Bonds when so executed to said  
10 purchaser in exchange for the purchase price thereof, all in accordance with the  
11 Authorizing Resolution.

12           The Series 2010B Bonds and the certificate of authentication and  
13 registration, manually executed by the Treasurer of the City or his or her designee (the  
14 "City Treasurer") and the form of assignment to appear thereon shall be substantially in  
15 the form attached hereto as Exhibit A (a copy of which is on file with the Clerk of the  
16 Board of Supervisors and which is hereby declared to be a part of this Resolution as if  
17 fully set forth herein), with necessary or appropriate variations, omissions and insertions  
18 as permitted or required by this Resolution.

19           The Series 2010D Bonds and the certificate of authentication and registration,  
20 manually executed by the City Treasurer and the form of assignment to appear thereon  
21 shall be substantially in the form attached hereto as Exhibit B (a copy of which is on file  
22 with the Clerk of the Board of Supervisors and which is hereby declared to be a part of  
23 this Resolution as if fully set forth herein), with necessary or appropriate variations,  
24 omissions and insertions as permitted or required by this Resolution.

1           Only such of each Series of 2010 Bonds as shall bear thereon a certificate of  
2 authentication and registration in the form herein recited, executed by the City Treasurer,  
3 shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution,  
4 and such certificate of the City Treasurer, executed as herein provided, shall be  
5 conclusive evidence that the Series of 2010 Bonds so authenticated have been duly  
6 authenticated and delivered hereunder and are entitled to the benefits of this Resolution.

7           The City Treasurer shall assign a distinctive letter, or number, or letter and number  
8 to each Series of 2010 Bond authenticated and registered by him or her and shall  
9 maintain a record thereof which shall be available for inspection.

10           Section 6. Registration Books. The City Treasurer shall keep or cause to be kept,  
11 at the office of the City Treasurer, or at the designated office of any registrar appointed by  
12 the City Treasurer, separate and sufficient books for the registration and transfer of each  
13 Series of 2010 Bonds, which books shall at all times be open to inspection, and upon  
14 presentation for such purpose, the City Treasurer shall, under such reasonable  
15 regulations as he or she may prescribe, register or transfer or cause to be registered or  
16 transferred, on said books, Series 2010B Bonds and Series 2010D Bonds as herein  
17 provided. The City and the City Treasurer may treat the registered owners of each Series  
18 of 2010 Bonds as the absolute owners thereof for all purposes, and the City and the City  
19 Treasurer shall not be affected by any notice to the contrary.

20           Section 7. Transfer or Exchange of Series 2010B Bonds and Series 2010D  
21 Bonds. Any Series of 2010 Bond may, in accordance with its terms, be transferred upon  
22 the books required to be kept pursuant to the provisions of Section 6 hereof, by the  
23 person in whose name it is registered, in person or by the duly authorized attorney of  
24 such person in writing, upon surrender of such Series of 2010 Bond for cancellation,  
25

1 accompanied by delivery of a duly executed written instrument of transfer in a form  
2 approved by the City Treasurer.

3 Any Series of 2010 Bonds may be exchanged at the office of the City Treasurer for  
4 a like aggregate principal amount of other authorized denominations of the same series,  
5 interest rate and maturity.

6 Whenever any Series of 2010 Bond shall be surrendered for transfer or exchange,  
7 the designated City officials shall execute (as provided in Section 5 hereof) and the City  
8 Treasurer shall authenticate and deliver a new Series of 2010 Bond of the same series,  
9 interest rate and maturity in a like aggregate principal amount. The City Treasurer shall  
10 require the payment by any bond owner requesting any such transfer of any tax or other  
11 governmental charge required to be paid with respect to such transfer or exchange.

12 No transfer or exchange of Series of 2010 Bonds shall be required to be made by  
13 the City Treasurer during the period from the Record Date (as defined in Section 8  
14 hereof) next preceding each interest payment date to such interest payment date or after  
15 a notice of redemption shall have been mailed with respect to such Series of 2010 Bond.

16 Section 8. Terms of the Series 2010B Bonds and Series 2010D Bonds; General  
17 Redemption Provisions. Each Series of 2010 Bonds shall be dated the date of their  
18 delivery or such other date (the "Dated Date") as specified in the applicable Bond Award  
19 (as defined in Section 13 hereof). Each Series of 2010 Bonds shall bear interest at rates  
20 to be determined upon the sale of such Series of 2010 Bonds, calculated on the basis of  
21 a 360-day year comprised of twelve 30-day months, payable on June 15, 2010 (or such  
22 other date as may be designated in the applicable Bond Award), and semiannually  
23 thereafter on June 15 and December 15 of each year.

24 The principal of each Series of 2010 Bonds shall be payable in lawful money of the  
25 United States of America to the owner thereof, upon the surrender thereof at maturity or



1 earlier redemption at the office of the City Treasurer. The interest on each Series of 2010  
2 Bonds shall be payable in like lawful money to the person whose name appears on the  
3 applicable bond registration books of the City Treasurer as the owner thereof as of the  
4 close of business on the last day of the month immediately preceding an interest payment  
5 date (the "Record Date"), whether or not such day is a Business Day (as defined below).

6 Each Series of 2010 Bond shall bear interest from the interest payment date next  
7 preceding the date of authentication thereof unless it is authenticated as of a day during  
8 the period from the Record Date next preceding any interest payment date to the interest  
9 payment date, inclusive, in which event it shall bear interest from such interest payment  
10 date, or unless it is authenticated on or before the first Record Date, in which event it shall  
11 bear interest from the Dated Date; provided, however, that if, at the time of authentication  
12 of any Series of 2010 Bond, interest is in default on such Series of 2010 Bonds, such  
13 Series of 2010 Bond shall bear interest from the interest payment date to which interest  
14 has previously been paid or made available for payment on such Series of 2010 Bonds or  
15 from the Dated Date if the first interest payment is not made. Except as may be otherwise  
16 provided in connection with any book-entry only system applicable to a Series of 2010  
17 Bonds, payment of the interest on any Series of 2010 Bond shall be made by check  
18 mailed on the interest payment date to such owner at such owner's address as it appears  
19 on the applicable registration books as of the Record Date; provided, however, if any  
20 interest payment date occurs on a day that banks in California or New York are closed for  
21 business or the New York Stock Exchange is closed for business, then such payment  
22 shall be made on the next succeeding day that banks in both California and New York are  
23 open for business and the New York Stock Exchange is open for business (each, a  
24 "Business Day"); and provided, further, that the registered owner of an aggregate  
25 principal amount of at least \$1,000,000 of a Series of 2010 Bonds may submit a written

1 request to the City Treasurer on or before a Record Date preceding an interest payment  
2 date for payment of interest by wire transfer to a commercial bank located within the  
3 United States of America. For so long as any Series of 2010 Bonds are held in book-  
4 entry form by a securities depository selected by the City pursuant to Section 11 hereof,  
5 payment shall be made to the registered owner of the Series of 2010 Bonds designated  
6 by such securities depository by wire transfer of immediately available funds.

7 The Series 2010B Bonds shall be subject to optional redemption prior to maturity  
8 as provided in the applicable Official Notice of Sale or the applicable Bond Award. The  
9 Series 2010D Bonds shall be subject to optional redemption and special optional  
10 redemption prior to maturity as provided in the applicable Official Notice of Sale or the  
11 applicable Bond Award for such Series of 2010 Bonds.

12 Each Series of 2010 Bonds shall be subject to mandatory redemption at par, by lot,  
13 in any year for which the purchaser thereof has designated that the principal amount  
14 payable with respect to that year shall constitute a mandatory sinking fund payment as  
15 permitted by the applicable Official Notice of Sale. Any Series of 2010 Bonds subject to  
16 mandatory redemption shall be designated as such in the applicable Official Notice of  
17 Sale or the applicable Bond Award for such Series of 2010 Bonds.

18 The principal of and interest on the Series 2010B Bonds subject to mandatory  
19 redemption shall be paid from the Series 2010B Bond Account (as defined in Section 9  
20 hereof), pursuant to Section 9 hereof. In lieu of any such mandatory redemption for the  
21 Series 2010B Bonds, at any time prior to the selection of the Series 2010B Bonds for  
22 mandatory redemption, the City may apply such amounts on deposit in the Series 2010B  
23 Bond Account to make such payment to the purchase of Series 2010B Bonds subject to  
24 such redemption at public or private sale, as and when and at such prices not in excess  
25

1 of the principal amount thereof (including sales commission and other charges but  
2 excluding accrued interest), as the City may determine.

3 The principal of and interest on the Series 2010D Bonds subject to mandatory  
4 redemption shall be paid from the Series 2010D Bond Account (as defined in Section 9  
5 hereof), pursuant to Section 9 hereof. In lieu of any such mandatory redemption for the  
6 Series 2010D Bonds, at any time prior to the selection of the Series 2010D Bonds for  
7 mandatory redemption, the City may apply such amounts on deposit in the Series 2010D  
8 Bond Account to make such payment to the purchase of Series 2010D Bonds subject to  
9 such redemption at public or private sale, as and when and at such prices not in excess  
10 of the principal amount thereof (including sales commission and other charges but  
11 excluding accrued interest), as the City may determine.

12 Whenever less than all of the outstanding bonds of a Series of 2010 Bonds  
13 maturing on any one date are called for redemption on any one date, the City Treasurer  
14 will select the Series of 2010 Bonds or portions thereof, in denominations of \$5,000 or  
15 any integral multiple thereof, to be redeemed from the outstanding bonds of such Series  
16 of 2010 Bonds maturing on such date not previously selected for redemption, by lot, in  
17 any manner which the City Treasurer deems fair. The date on which the bonds of a  
18 Series of 2010 Bonds that are called for redemption are to be presented for redemption is  
19 herein called the "Redemption Date." The City Treasurer shall mail, or cause to be  
20 mailed, notice of any redemption of each Series of 2010 Bonds, postage prepaid, to the  
21 respective registered owners thereof at the addresses appearing on the applicable bond  
22 registration books not less than thirty (30) nor more than sixty (60) days prior to the  
23 Redemption Date. The notice of redemption shall (a) state the Redemption Date;  
24 (b) state the redemption price; (c) state the maturity dates of the Series of 2010 Bonds  
25 and, if less than all of any such maturity is called for redemption, the distinctive numbers

1 of the Series of 2010 Bonds of such maturity to be redeemed, and in the case of any  
2 Series of 2010 Bonds redeemed in part only, the respective portions of the principal  
3 amount thereof to be redeemed; (d) state the CUSIP number, if any, of each Series of  
4 2010 Bond to be redeemed; (e) require that such Series of 2010 Bonds be surrendered  
5 by the owners at the office of the City Treasurer or his or her agent; and (f) give notice  
6 that interest on such Series of 2010 Bonds will cease to accrue after the designated  
7 Redemption Date. Such notice of redemption may be conditional upon receipt of funds or  
8 other event specified in the notice of redemption.

9 The actual receipt by the owner of any Series of 2010 Bond of notice of such  
10 redemption shall not be a condition precedent to redemption, and failure to receive such  
11 notice, or any defect in such notice so mailed, shall not affect the validity of the  
12 proceedings for the redemption of such Series of 2010 Bonds or the cessation of accrual  
13 of interest on such Series of 2010 Bonds on the Redemption Date.

14 Notice of such redemption also shall be given, or caused to be given, by the City  
15 Treasurer, by (i) registered or certified mail, postage prepaid, (ii) confirmed facsimile  
16 transmission or (iii) overnight delivery service, to (a) all organizations registered with the  
17 Securities and Exchange Commission as securities depositories and (b) such other  
18 services or organizations as may be required in accordance with the Continuing  
19 Disclosure Certificate described in Section 18 hereof.

20 The notice or notices required for redemption shall be given by the City Treasurer,  
21 or any agent appointed by the City. A certificate of the City Treasurer or such other  
22 appointed agent of the City that notice of redemption has been given to the owner of any  
23 Series of 2010 Bond in accordance with this Resolution shall be conclusive against all  
24 parties.

1           At the time the City Treasurer or the Controller of the City or his or her designee  
2 (the "Controller") determines to optionally call and redeem any of the Series 2010B  
3 Bonds, the City Treasurer or his or her agent shall establish a redemption account to be  
4 described or known as the "General Obligation Bonds (Clean and Safe Neighborhood  
5 Parks Bonds, 2008), Series 2010B Redemption Account" (the "Series 2010B Redemption  
6 Account"), and prior to or on the Redemption Date there must be set aside in the Series  
7 2010B Redemption Account moneys available for the purpose and sufficient to redeem as  
8 provided in this Resolution, the Series 2010B Bonds designated in said notice of  
9 redemption, subject to rescission as hereinafter provided. Said moneys must be set  
10 aside in the Series 2010B Redemption Account solely for the purpose of, and shall be  
11 applied on or after the Redemption Date to, payment of the redemption price of the Series  
12 2010B Bonds to be redeemed upon presentation and surrender of such Series 2010B  
13 Bonds. Any interest due on or prior to the Redemption Date may be paid from the Series  
14 2010B Bond Account as provided in Section 9 hereof or from the Series 2010B  
15 Redemption Account. Moneys held from time to time in the Series 2010B Redemption  
16 Account shall be invested by the City Treasurer pursuant to the City's policies and  
17 guidelines for investment of moneys in the General Fund of the City. If, after all of the  
18 Series 2010B Bonds have been redeemed and canceled or paid and canceled, there are  
19 moneys remaining in said Series 2010B Redemption Account, said moneys shall be  
20 transferred to the General Fund of the City or to such other fund or account as required  
21 by applicable law; provided, however, that if said moneys are part of the proceeds of  
22 refunding bonds, said moneys shall be transferred pursuant to the resolution authorizing  
23 such refunding bonds.

24           When notice of optional redemption has been given, substantially as provided  
25 herein, and when the amount necessary for the redemption of the Series 2010B Bonds

1 called for redemption (principal, premium, if any, and accrued interest to such  
2 Redemption Date) is set aside for that purpose in said Series 2010B Redemption  
3 Account, as provided herein, the Series 2010B Bonds designated for redemption shall  
4 become due and payable on the Redemption Date therefor, and upon presentation and  
5 surrender of said Series 2010B Bonds at the place specified in the notice of redemption,  
6 such Series 2010B Bonds shall be redeemed and paid at said redemption price out of  
7 said Series 2010B Redemption Account. No interest will accrue on such Series 2010B  
8 Bonds called for redemption after the Redemption Date and the registered owners of  
9 such Series 2010B Bonds shall look for payment of such Series 2010B Bonds only to said  
10 Series 2010B Redemption Account. All Series 2010B Bonds redeemed shall be canceled  
11 forthwith by the City Treasurer and shall not be reissued.

12 At the time the City Treasurer or the Controller determines to optionally call and  
13 redeem any of the Series 2010D Bonds, the City Treasurer or his or her agent shall  
14 establish a redemption account to be described or known as the "General Obligation  
15 Bonds (Clean and Safe Neighborhood Parks Bonds, 2008), Series 2010D Redemption  
16 Account" (the "Series 2010D Redemption Account"), and prior to or on the Redemption  
17 Date there must be set aside in the Series 2010D Redemption Account moneys available  
18 for the purpose and sufficient to redeem as provided in this Resolution, the Series 2010D  
19 Bonds designated in said notice of redemption, subject to rescission as hereinafter  
20 provided. Said moneys must be set aside in the Series 2010D Redemption Account  
21 solely for the purpose of, and shall be applied on or after the Redemption Date to,  
22 payment of the redemption price of the Series 2010D Bonds to be redeemed upon  
23 presentation and surrender of such Series 2010D Bonds. Any interest due on or prior to  
24 the Redemption Date may be paid from the Series 2010D Bond Account as provided in  
25 Section 9 hereof or from the Series 2010D Redemption Account. Moneys held from time

1 to time in the Series 2010D Redemption Account shall be invested by the City Treasurer  
2 pursuant to the City's policies and guidelines for investment of moneys in the General  
3 Fund of the City. If, after all of the Series 2010D Bonds have been redeemed and  
4 canceled or paid and canceled, there are moneys remaining in said Series 2010D  
5 Redemption Account, said moneys shall be transferred to the General Fund of the City or  
6 to such other fund or account as required by applicable law; provided, however, that if  
7 said moneys are part of the proceeds of refunding bonds, said moneys shall be  
8 transferred pursuant to the resolution authorizing such refunding bonds.

9 When notice of optional redemption has been given, substantially as provided  
10 herein, and when the amount necessary for the redemption of the Series 2010D Bonds  
11 called for redemption (principal, premium, if any, and accrued interest to such  
12 Redemption Date) is set aside for that purpose in said Series 2010D Redemption  
13 Account, as provided herein, the Series 2010D Bonds designated for redemption shall  
14 become due and payable on the Redemption Date therefor, and upon presentation and  
15 surrender of said Series 2010D Bonds at the place specified in the notice of redemption,  
16 such Series 2010D Bonds shall be redeemed and paid at said redemption price out of  
17 said Series 2010D Redemption Account. No interest will accrue on such Series 2010D  
18 Bonds called for redemption after the Redemption Date and the registered owners of  
19 such Series 2010D Bonds shall look for payment of such Series 2010D Bonds only to  
20 said Series 2010D Redemption Account. All Series 2010D Bonds redeemed shall be  
21 canceled forthwith by the City Treasurer and shall not be reissued.

22 The City may rescind any optional redemption and notice thereof for any reason on  
23 any date prior to any Redemption Date by causing written notice of the rescission to be  
24 given to the owners of all Series of 2010 Bonds so called for redemption. Any optional  
25 redemption and notice thereof shall be rescinded if for any reason on the Redemption

1 Date funds are not or will not be available in the Series 2010B Redemption Account or the  
2 Series 2010D Redemption Account, as applicable, in an amount sufficient to pay in full on  
3 said date the principal of, interest, and premium, if any, due with respect to the applicable  
4 Series of 2010 Bonds called for redemption. Notice of rescission of redemption shall be  
5 given in the same manner notice of redemption was originally given. The actual receipt by  
6 the owner of any Series of 2010 Bond of notice of such rescission shall not be a condition  
7 precedent to rescission, and failure to receive such notice or any defect in such notice so  
8 mailed shall not affect the validity of the rescission.

9 Section 9. Series 2010B Bond Account. There is hereby established with the City  
10 Treasurer a special subaccount in the General Obligation Bonds (Clean and Safe  
11 Neighborhood Parks Bonds, 2008) Bond Account (the "Bond Account") created pursuant  
12 to the Authorizing Resolution to be designated the "General Obligation Bonds (Clean and  
13 Safe Neighborhood Parks Bonds, 2008), Series 2010B Bond Account" (the "Series 2010B  
14 Bond Account"), to be held separate and apart from all other accounts of the City. All  
15 interest earned on amounts on deposit in the Series 2010B Bond Account shall be  
16 retained in the Series 2010B Bond Account.

17 On or prior to the date on which any payment of principal of or interest on the  
18 Series 2010B Bonds is due, including any Series 2010B Bonds subject to mandatory  
19 redemption on said date, the City Treasurer shall allocate to and deposit in the Series  
20 2010B Bond Account, from amounts held in the Bond Account, an amount which, when  
21 added to any available moneys contained in the Series 2010B Bond Account, is sufficient  
22 to pay principal of and interest on the Series 2010B Bonds on such date.

23 On or prior to the date on which any Series 2010B Bonds are to be redeemed at  
24 the option of the City pursuant to this Resolution, the City Treasurer may allocate to and  
25 deposit in the Series 2010B Redemption Account, from amounts held in the Bond



1 Account pursuant to Section 8 of the Authorizing Resolution, an amount which, when  
2 added to any available moneys contained in the Series 2010B Redemption Account, is  
3 sufficient to pay principal, interest and premium, if any, with respect to such Series 2010B  
4 Bonds on such date. The City Treasurer may make such other provision for the payment  
5 of principal of and interest and any redemption premium on the Series 2010B Bonds as is  
6 necessary or convenient to permit the optional redemption of the Series 2010B Bonds.

7 Amounts in the Series 2010B Bond Account may be invested in any investment of  
8 the City in which moneys in the General Fund of the City are invested. The City  
9 Treasurer may commingle any of the moneys held in the Series 2010B Bond Account  
10 with other City moneys or deposit amounts credited to the Series 2010B Bond Account  
11 into a separate fund or funds for investment purposes only; provided, however, that all of  
12 the moneys held in the Series 2010B Bond Account hereunder shall be accounted for  
13 separately notwithstanding any such commingling or separate deposit by the City  
14 Treasurer. Any bid premium or accrued interest received upon the delivery of the Series  
15 2010B Bonds shall be deposited into the Series 2010B Bond Account.

16 Series 2010D Bond Account. There is hereby established with the City Treasurer  
17 a special subaccount in the Bond Account to be designated the "General Obligation  
18 Bonds (Clean and Safe Neighborhood Parks Bonds, 2008), Series 2010D Bond Account"  
19 (the "Series 2010D Bond Account"), to be held separate and apart from all other accounts  
20 of the City. All interest earned on amounts on deposit in the Series 2010D Bond Account  
21 shall be retained in the Series 2010D Bond Account.

22 On or prior to the date on which any payment of principal of or interest on the  
23 Series 2010D Bonds is due, including any Series 2010D Bonds subject to mandatory  
24 redemption on said date, the City Treasurer shall allocate to and deposit in the Series  
25 2010D Bond Account, from amounts held in the Bond Account, an amount which, when

1 added to any available moneys contained in the Series 2010D Bond Account, is sufficient  
2 to pay principal of and interest on the Series 2010D Bonds on such date.

3 The City shall apply and transfer, or shall cause the City's authorized designated  
4 recipient to apply and transfer, all Interest Subsidy Payments, if, as, and when received  
5 by the City or the City's authorized designated recipient, to the Series 2010D Bond  
6 Account, which Interest Subsidy Payments shall be applied as a credit against the  
7 amounts otherwise transferable from the Bond Account on or prior to the date on which  
8 any payment of principal of or interest on the Series 2010D Bonds is due, as set forth in  
9 the previous paragraph, or into any fund that may be established for defeasance of the  
10 Series 2010D Bonds.

11 On or prior to the date on which any Series 2010D Bonds are to be redeemed at  
12 the option of the City pursuant to this Resolution, the City Treasurer may allocate to and  
13 deposit in the Series 2010D Redemption Account, from amounts held in the Bond  
14 Account pursuant to Section 8 of the Authorizing Resolution, an amount which, when  
15 added to any available moneys contained in the Series 2010D Redemption Account, is  
16 sufficient to pay principal, interest and premium, if any, with respect to such Series 2010D  
17 Bonds on such date. The City Treasurer may make such other provision for the payment  
18 of principal of and interest and any redemption premium on the Series 2010D Bonds as is  
19 necessary or convenient to permit the optional redemption of the Series 2010D Bonds.

20 Amounts in the Series 2010D Bond Account may be invested in any investment of  
21 the City in which moneys in the General Fund of the City are invested. The City  
22 Treasurer may commingle any of the moneys held in the Series 2010D Bond Account  
23 with other City moneys or deposit amounts credited to the Series 2010D Bond Account  
24 into a separate fund or funds for investment purposes only; provided, however, that all of  
25 the moneys held in the Series 2010D Bond Account hereunder shall be accounted for

1 separately notwithstanding any such commingling or separate deposit by the City  
2 Treasurer. Any bid premium or accrued interest received upon the delivery of the Series  
3 2010D Bonds shall be deposited into the Series 2010D Bond Account.

4 Section 10. Series 2010B Project Account. There is hereby established with the  
5 City Treasurer a special subaccount in the General Obligation Bonds (Clean and Safe  
6 Neighborhood Parks Bonds, 2008) Project Account (the "Project Account") created  
7 pursuant to the Authorizing Resolution to be designated the "General Obligation Bonds  
8 (Clean and Safe Neighborhood Parks Bonds, 2008), Series 2010B Project Account" (the  
9 "Series 2010B Project Account"), to be held separate and apart from all other accounts of  
10 the City. All interest earned on amounts on deposit in the Series 2010B Project Account  
11 shall be retained in the Series 2010B Project Account. Amounts in the Series 2010B  
12 Project Account shall be expended in accordance with the provisions of the Authorizing  
13 Resolution for the acquisition, renovation and construction of the Project (as defined in  
14 the Authorizing Resolution) or portions thereof.

15 Amounts in the Series 2010B Project Account may be invested in any investment  
16 of the City in which moneys in the General Fund of the City are invested. The City  
17 Treasurer may commingle any of the moneys held in the Series 2010B Project Account  
18 with other City moneys or deposit amounts credited to the Series 2010B Project Account  
19 into a separate fund or funds for investment purposes only; provided, however, that all of  
20 the moneys held in the Series 2010B Project Account (including interest  
21 earnings) hereunder shall be accounted for separately notwithstanding any such  
22 commingling or separate deposit by the City Treasurer.

23 The City Treasurer is hereby authorized to pay or cause to be paid from the  
24 proceeds of the Series 2010B Bonds, on behalf of the City, the costs of issuance  
25 associated with the Series 2010B Bonds. Costs of issuance of the Series 2010B Bonds

1 shall include, without limitation, bond and financial printing expenses, mailing and  
2 publication expenses, rating agency fees, the fees and expenses of paying agents,  
3 registrars, financial consultants, disclosure counsel and co-bond counsel and the  
4 reimbursement of departmental expenses in connection with the issuance of the Series  
5 2010B Bonds.

6 Series 2010D Project Account. There is hereby established with the City  
7 Treasurer a special subaccount in the Project Account to be designated the "General  
8 Obligation Bonds (Clean and Safe Neighborhood Parks Bonds, 2008), Series 2010D  
9 Project Account" (the "Series 2010D Project Account"), to be held separate and apart  
10 from all other accounts of the City. All interest earned on amounts on deposit in the  
11 Series 2010D Project Account shall be retained in the Series 2010D Project Account.  
12 Amounts in the Series 2010D Project Account shall be expended in accordance with the  
13 provisions of the Authorizing Resolution for the acquisition, construction or reconstruction  
14 of the Project (as defined in the Authorizing Resolution) or portions thereof.

15 Amounts in the Series 2010D Project Account may be invested in any investment  
16 of the City in which moneys in the General Fund of the City are invested. The City  
17 Treasurer may commingle any of the moneys held in the Series 2010D Project Account  
18 with other City moneys or deposit amounts credited to the Series 2010D Project Account  
19 into a separate fund or funds for investment purposes only; provided, however, that all of  
20 the moneys held in the Series 2010D Project Account (including interest earnings)  
21 hereunder shall be accounted for separately notwithstanding any such commingling or  
22 separate deposit by the City Treasurer.

23 Subject to the provisions of Section 17(h)(4) hereof, the City Treasurer is hereby  
24 authorized to pay or cause to be paid from the proceeds of the Series 2010D Bonds, on  
25 behalf of the City, the costs of issuance associated with the Series 2010D Bonds. Costs

1 of issuance of the Series 2010D Bonds shall include, without limitation, bond and financial  
2 printing expenses, mailing and publication expenses, rating agency fees, the fees and  
3 expenses of paying agents, registrars, financial consultants, disclosure counsel and co-  
4 bond counsel and the reimbursement of departmental expenses in connection with the  
5 issuance of the Series 2010D Bonds.

6 Section 11. Appointment of Depositories and Other Agents. The City Treasurer  
7 is hereby authorized and directed to appoint one or more depositories as he or she may  
8 deem desirable and the procedures set forth in Section 8 hereof relating to registration of  
9 ownership of each Series of 2010 Bonds and payments and redemption notices to owners  
10 of each Series of 2010 Bonds may be modified to comply with the policies and  
11 procedures of such depository. The City will not have any responsibility or obligation to  
12 any purchaser of a beneficial ownership interest in any Series of 2010 Bonds or to any  
13 participants in such a depository with respect to (i) the accuracy of any records  
14 maintained by such securities depository or any participant therein; (ii) any notice that is  
15 permitted or required to be given to the owners of such Series of 2010 Bonds under this  
16 Resolution; (iii) the selection by such securities depository or any participant therein of  
17 any person to receive payment in the event of a partial redemption of such Series of 2010  
18 Bonds; (iv) the payment by such securities depository or any participant therein of any  
19 amount with respect to the principal or redemption premium, if any, or interest due with  
20 respect to such Series of 2010 Bonds; (v) any consent given or other action taken by  
21 such securities depository as the owner of such Series of 2010 Bonds; or (vi) any other  
22 matter.

23 The Depository Trust Company ("DTC") is hereby appointed as depository for each  
24 Series of 2010 Bonds. Each Series of 2010 Bonds shall be initially issued in book-entry  
25 form. Upon initial issuance, the ownership of each Series of 2010 Bond shall be

1 registered in the bond register in the name of Cede & Co., as nominee of DTC. So long  
2 as each Series of 2010 Bonds is registered in book-entry form each such Series of 2010  
3 Bonds shall be registered in the name of Cede & Co.

4 The City Treasurer is hereby also authorized and directed to appoint one or more  
5 agents as he or she may deem necessary or desirable. To the extent permitted by  
6 applicable law and under the supervision of the City Treasurer, such agents may serve as  
7 paying agent, fiscal agent, rebate calculation agent or escrow agent or registrar for any  
8 Series of 2010 Bonds or may assist the City Treasurer in performing any or all of such  
9 functions and such other duties as the City Treasurer shall determine. Such agents shall  
10 serve under such terms and conditions as the City Treasurer shall determine. The City  
11 Treasurer may remove or replace agents appointed pursuant to this paragraph at any  
12 time.

13 Section 12. Defeasance Provisions. Payment of all or any portion of each Series  
14 of 2010 Bonds may be provided for prior to such Series of 2010 Bonds' respective stated  
15 maturities by irrevocably depositing with the City Treasurer (or any commercial bank or  
16 trust company designated by the City Treasurer to act as escrow agent with respect  
17 thereto):

18 (a) An amount of cash equal to the principal amount of all of such Series  
19 of 2010 Bonds or a portion thereof, and all unpaid interest thereon to maturity, except that  
20 in the case of the portion of a Series of 2010 Bonds that are to be redeemed prior to such  
21 Series of 2010 Bonds' respective stated maturities and in respect of which notice of such  
22 redemption shall have been given as provided in Section 8 hereof or an irrevocable  
23 election to give such notice shall have been made by the City, the amount to be deposited  
24 shall be the principal amount thereof, all unpaid interest thereon to the Redemption Date,  
25 and premium, if any, due on such Redemption Date; or

1 (b) Defeasance Securities (as defined below) not subject to call, except  
2 as provided below in the definition thereof, maturing and paying interest at such times and  
3 in such amounts, together with interest earnings and cash, if required, as will, without  
4 reinvestment, as certified by an independent certified public accountant, be fully sufficient  
5 to pay the principal and all unpaid interest to maturity, or to the Redemption Date, as the  
6 case may be, and premium, if any, due on the portion of the Series of 2010 Bonds to be  
7 paid or redeemed, as such principal and interest come due; provided, that, in the case of  
8 such Series of 2010 Bonds that are to be redeemed prior to maturity, notice of such  
9 redemption shall be given as provided in Section 8 hereof or an irrevocable election to  
10 give such notice shall have been made by the City; then, all obligations of the City with  
11 respect to said outstanding Series of 2010 Bonds shall cease and terminate, except only  
12 the obligation of the City to pay or cause to be paid from the funds deposited pursuant to  
13 paragraphs (a) or (b) of this Section 12, to the owners of such Series of 2010 Bonds all  
14 sums due with respect thereto and the obligations of the City pursuant to Section 17  
15 hereof; provided, that the City shall have received an opinion of nationally recognized  
16 bond counsel, that provision for the payment of such Series of 2010 Bonds has been  
17 made in accordance with this Section 12.

18 For purposes of this Section 12, "Defeasance Securities" shall mean any of the  
19 following that at the time are legal investments under the laws of the State of California for  
20 the moneys proposed to be invested therein:

- 21 (1) United States Obligations (as defined below); and  
22 (2) Pre-refunded fixed interest rate municipal obligations meeting  
23 the following conditions: (a) the municipal obligations are not subject to redemption prior  
24 to maturity, or the trustee has been given irrevocable instructions concerning their calling  
25 and redemption and the issuer has covenanted not to redeem such obligations other than

1 as set forth in such instructions; (b) the municipal obligations are secured by cash or  
2 United States Obligations; (c) the principal of and interest on the United States  
3 Obligations (plus any cash in the escrow fund or the Series 2010B Redemption Account  
4 or the Series 2010D Redemption Account, as applicable) are sufficient to meet the  
5 liabilities of the municipal obligations; (d) the United States Obligations serving as security  
6 for the municipal obligations are held by the City Treasurer or, if appointed by the City  
7 Treasurer pursuant to Section 11 hereof, an escrow agent or trustee; (e) the United  
8 States Obligations are not available to satisfy any other claims, including those against  
9 the trustee or escrow agent; and (f) the municipal obligations are rated, at the time of  
10 original deposit to the escrow fund, the highest ratings category by any two Rating  
11 Agencies (as defined below).

12 For purposes of this Section 12, "United States Obligations" shall mean (i) direct  
13 and general obligations of the United States of America, or obligations that are  
14 unconditionally guaranteed as to principal and interest by the United States of America,  
15 including without limitation, the interest component of Resolution Funding Corporation  
16 (REFCORP) bonds that have been stripped by request to the Federal Reserve Bank of  
17 New York in book-entry form or (ii) any security issued by an agency or instrumentality of  
18 the United States of America that is selected by the Director of Public Finance that results  
19 in the escrow fund being rated the highest ratings category by any two Rating Agencies at  
20 the time of the initial deposit to the escrow fund and upon any substitution or subsequent  
21 deposit to the escrow fund.

22 For purposes of this Section 12, "Rating Agencies" shall mean Moody's Investors  
23 Service, Inc., Fitch Ratings, and Standard and Poor's Rating Services, a division of The  
24 McGraw-Hill Companies, Inc., or any other nationally recognized bond rating agency that  
25



1 is the successor to any of the foregoing rating agencies or that is otherwise established  
2 after the date hereof.

3 Section 13. Official Notices of Sale. The form of proposed Official Notice of Sale  
4 inviting bids for the Series 2010B Bonds (the "Series 2010B Official Notice of Sale")  
5 submitted to the Board is hereby approved and adopted as the Official Notice of Sale  
6 inviting bids for the Series 2010B Bonds, with such changes, additions and modifications  
7 as may be made in accordance with Section 19 hereof. The form of proposed Official  
8 Notice of Sale inviting bids for the Series 2010D Bonds (the "Series 2010D Official Notice  
9 of Sale") submitted to the Board is hereby approved and adopted as the Official Notice of  
10 Sale inviting bids for the Series 2010D Bonds, with such changes, additions and  
11 modifications as may be made in accordance with Section 19 hereof. Each of the Series  
12 2010B Official Notice of Sale and the Series 2010D Official Notice of Sale is herein  
13 defined as an "Official Notice of Sale."

14 Bids shall be received on the date designated by the Director of Public Finance  
15 pursuant to Section 4 hereof. The Director of Public Finance is hereby authorized and  
16 directed to cause to be mailed or otherwise circulated to prospective bidders for each  
17 Series of 2010 Bonds copies of the applicable Official Notice of Sale, subject to such  
18 corrections, revisions or additions as may be acceptable to the Director of Public Finance.

19 The Controller is hereby authorized to award each Series of 2010 Bonds to the  
20 bidder whose bid represents the lowest true interest cost to the City, or, in the case of the  
21 Series 2010D Bonds, the lowest net effective rate (after application of Interest Subsidy  
22 Payments received from the United States Treasury), all in accordance with the  
23 procedures described in the applicable Official Notice of Sale, each of which award shall  
24 be set forth in a certificate signed by the Controller setting forth the terms of the  
25 applicable Series of 2010 Bonds and the original purchasers thereof (each, a "Bond

1 Award"). The Controller shall provide a copy of each Bond Award as soon as practicable  
2 to the Clerk of the Board of Supervisors and the Director of Public Finance; provided,  
3 however, that failure to provide such copies shall not affect the validity of any Bond  
4 Award.

5 Section 14. Publication of Notice of Intention to Sell Bonds. The form of  
6 proposed Notice of Intention to Sell the Series 2010B Bonds and the Series 2010D Bonds  
7 (the "Notice of Intention to Sell Bonds") submitted to the Board is hereby approved and  
8 adopted as the Notice of Intention to Sell the Series 2010B Bonds and the Series 2010D  
9 Bonds, and the Director of Public Finance is hereby authorized and directed to cause the  
10 Notice of Intention to Sell Bonds, subject to such corrections, revisions or additions as  
11 may be made in accordance with Section 19 hereof, to be published once in The Bond  
12 Buyer or another financial publication generally circulated throughout the State of  
13 California.

14 Section 15. Sale of Series 2010B Bonds and Series 2010D Bonds; Solicitation of  
15 Competitive Bids. The Board hereby authorizes the sale of each Series of 2010 Bonds by  
16 solicitation of competitive bids for the purchase of such Series of 2010 Bonds on the date  
17 and at the place determined in accordance with each applicable Official Notice of Sale.

18 Section 16. Official Statement. The form of proposed Preliminary Official  
19 Statement describing the Series 2010B Bonds and the Series 2010D Bonds (the  
20 "Preliminary Official Statement") submitted to the Board is hereby approved and adopted  
21 as the Preliminary Official Statement describing the Series 2010B Bonds and the Series  
22 2010D Bonds, with such additions, corrections and revisions as may be determined to be  
23 necessary or desirable made in accordance with Section 19 hereof. The Controller or  
24 Director of Public Finance is each hereby authorized and directed to revise the Official  
25 Statement to conform it to the City's Comprehensive Annual Fiscal Report for the fiscal

1 year ended June 30, 2009, subject to review and approval by the City Attorney of the City  
2 (the "City Attorney"). The Controller is hereby authorized to cause the distribution of a  
3 Preliminary Official Statement deemed final for purposes of Securities and Exchange  
4 Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as  
5 amended (the "Rule"), and to sign a certificate to that effect. The Director of Public  
6 Finance is hereby authorized and directed to cause to be printed and mailed or  
7 electronically distributed to prospective bidders for each Series of 2010 Bonds copies of  
8 the Preliminary Official Statement in substantially the form of the Preliminary Official  
9 Statement approved and adopted hereby, as completed, supplemented, corrected or  
10 revised. The Controller is authorized and directed to approve, execute, and deliver the  
11 final Official Statement with respect to the Series 2010B Bonds and the Series 2010D  
12 Bonds, which final Official Statement shall be in the form of the Preliminary Official  
13 Statement, with such additions, corrections and revisions as may be determined to be  
14 necessary or desirable made in accordance with Section 19 hereof and as are permitted  
15 under the Rule. The Director of Public Finance is hereby authorized and directed to  
16 cause to be printed and mailed or electronically distributed copies of the final Official  
17 Statement to all actual initial purchasers of the Series 2010B Bonds or Series 2010D  
18 Bonds.

19 Section 17. Tax Covenants. (a) General; Series 2010B Bonds. The City hereby  
20 covenants with the holders of the Series 2010B Bonds that, notwithstanding any other  
21 provisions of this Resolution, it shall not take any action, or fail to take any action, if any  
22 such action or failure to take action would adversely affect the exclusion from gross  
23 income of interest on the Series 2010B Bonds under Section 103 of the Code, and the  
24 regulations issued thereunder, as the same may be amended from time to time, and any  
25 successor provisions of law. Reference to a particular section of the Code shall be

1 deemed to be a reference to any successor to any such section. The City shall not,  
2 directly or indirectly, use or permit the use of proceeds of the Series 2010B Bonds or any  
3 of the property financed or refinanced with proceeds of the Series 2010B Bonds, or any  
4 portion thereof, by any person other than a governmental unit (as such term is used in  
5 Section 141 of the Code), in such manner or to such extent as would result in the loss of  
6 exclusion of interest on the Series 2010B Bonds from gross income for federal income tax  
7 purposes.

8 (b) Use of Proceeds. The City shall not take any action, or fail to take  
9 any action, if any such action or failure to take action would cause the Series 2010B  
10 Bonds or the Series 2010D Bonds to be "private activity bonds" within the meaning of  
11 Section 141 of the Code, and in furtherance thereof, shall not make any use of the  
12 proceeds of the Series 2010B Bonds or the Series 2010D Bonds or any of the property  
13 financed or refinanced with proceeds of the Series 2010B Bonds or the Series 2010D  
14 Bonds, or any portion thereof, or any other funds of the City, that would cause the Series  
15 2010B Bonds or the Series 2010D Bonds to be "private activity bonds" within the meaning  
16 of Section 141 of the Code. To that end, so long as any Series 2010B Bonds or the  
17 Series 2010D Bonds are outstanding, the City, with respect to such proceeds and  
18 property and such other funds, will comply with applicable requirements of the Code and  
19 all regulations of the United States Department of the Treasury issued thereunder and  
20 under Section 103 of the Internal Revenue Code of 1954, as amended (the "1954 Code"),  
21 to the extent such requirements are, at the time, applicable and in effect. The City shall  
22 establish reasonable procedures necessary to ensure continued compliance with Section  
23 141 of the Code (or, if applicable, the 1954 Code) and the continued qualification of each  
24 the Series 2010B Bonds and the Series 2010D Bonds as "governmental bonds." In  
25

1 addition, the City shall insure that none of the proceeds of the Series 2010D Bonds are  
2 used for any "private business use" within the meaning of Section 141 of the Code.

3  
4 (c) Arbitrage. The City shall not, directly or indirectly, use or permit the  
5 use of any proceeds of any Series 2010B Bonds or Series 2010D Bonds, or of any  
6 property financed or refinanced thereby, or other funds of the City, or take or omit to take  
7 any action, that would cause the Series 2010B Bonds or the Series 2010D Bonds to be  
8 "arbitrage bonds" within the meaning of Section 148 of the Code. To that end, the City  
9 shall comply with all requirements of Section 148 of the Code and all regulations of the  
10 United States Department of the Treasury issued thereunder to the extent such  
11 requirements are, at the time, in effect and applicable to the Series 2010B Bonds or the  
12 Series 2010D Bonds.

13 (d) Federal Guarantee. The City shall not make any use of the proceeds  
14 of the Series 2010B Bonds or the Series 2010D Bonds or any other funds of the City, or  
15 take or omit to take any other action, that would cause the Series 2010B Bonds or the  
16 Series 2010D Bonds to be "federally guaranteed" within the meaning of Section 149(b) of  
17 the Code. For this purpose, Interest Subsidy Payments shall not be treated as a federal  
18 guaranty.

19 (e) Information Reporting. The City shall take or cause to be taken all  
20 necessary action to comply with the informational reporting requirement of Section 149(e)  
21 of the Code with respect to the Series 2010B Bonds and the Series 2010D Bonds.

22 (f) Hedge Bonds. The City shall not make any use of the proceeds of  
23 the Series 2010B Bonds or the Series 2010D Bonds or any other amounts or property,  
24 regardless of the source, or take any action or refrain from taking any action that would  
25 cause the Series 2010B Bonds or the Series 2010D Bonds to be considered "hedge

1 bonds" within the meaning of Section 149(g) of the Code unless the City takes all  
2 necessary action to assure compliance with the requirements of Section 149(g) of the  
3 Code.

4 (g) Compliance with Tax Certificates. In furtherance of the foregoing tax  
5 covenants of this Section 17, the City covenants that it will comply with the provisions of  
6 each Tax Certificate to be executed by the City with respect to each of the Series 2010B  
7 Bonds and the Series 2010D Bonds, respectively, dated the date of issuance of each  
8 Series of 2010 Bonds, as each such Tax Certificate may be amended from time to time.  
9 This covenant shall survive payment in full or defeasance of the Series 2010B Bonds or  
10 the Series 2010D Bonds, as applicable.

11 (h) Additional Tax Covenants applicable to Series 2010D Bonds. The  
12 following additional covenants shall apply to the Series 2010D Bonds:

13 (1) Build America Bonds; Interest Subsidy Payments. The City  
14 shall take all actions necessary to assure that the proceeds of the Series 2010D Bonds  
15 are expended and federal tax requirements are met so as to cause the Bonds to be  
16 treated as "build America bonds" eligible for the Interest Subsidy Payments, as described  
17 in Section 4 hereof.

18 (2) Form 8038-CP. The City or the City's authorized designated  
19 recipient shall, within the forty-five (45) day period beginning on the day that is ninety (90)  
20 days prior to each interest payment date, file Form 8038-CP (or any successor form  
21 designated by the United States Department of the Treasury or the Internal Revenue  
22 Service) requesting payment of the Interest Subsidy Payment with respect to such  
23 interest payment date.

1 (3) Series 2010D Project Account. The City shall insure that all  
2 amounts in the Series 2010D Project Account are spent solely on capital expenditures  
3 with a reasonably expected economic life of one year or more.

4 (4) 2% Costs of Issuance Limitation. The City shall not permit  
5 proceeds of the Series 2010D Bonds, including the investment earnings thereon, in an  
6 amount in excess of two percent (2%) of the proceeds of the sale of the Series 2010D  
7 Bonds to be used to pay costs of issuance. If the fees of the original purchaser of the  
8 Series 2010D Bonds are retained as an underwriter's discount on the purchase of the  
9 Series 2010D Bonds, such retention shall be deemed to be an expenditure of proceeds of  
10 the Series 2010D Bonds for such fees and shall be applied against such two percent (2%)  
11 costs of issuance limitation.

12 Section 18. Continuing Disclosure Certificate. The form of Continuing Disclosure  
13 Certificate (the "Continuing Disclosure Certificate") to be signed by the City to permit the  
14 original purchasers of each Series of 2010 Bonds to comply with the Rule, submitted to  
15 the Board is hereby approved and adopted as the Continuing Disclosure Certificate, with  
16 such additions, corrections and revisions as may be determined to be necessary or  
17 desirable made in accordance with Section 19 hereof, including, without limitation, the use  
18 of a separate Continuing Disclosure Certificate for each Series of 2010 Bonds. The  
19 Controller is hereby authorized and directed to execute the Continuing Disclosure  
20 Certificate on behalf of the City and deliver the Continuing Disclosure Certificate to the  
21 original purchasers of each Series of 2010 Bonds.

22 Section 19. Modification to Documents. Any City official authorized by this  
23 Resolution to execute any document is hereby further authorized, in consultation with the  
24 City Attorney and co-bond counsel, to approve and make such changes, additions,  
25 amendments or modifications to the document or documents such official is authorized to

1 execute as may be necessary or advisable (provided that such changes, additions,  
2 amendments or modifications shall not authorize an aggregate principal amount of Series  
3 2010B Bonds and Series 2010D Bonds in excess of \$65,000,000 or conflict with the  
4 provisions of Section 4 hereof). The approval of any change, addition, amendment or  
5 modification to any of the aforementioned documents shall be evidenced conclusively by  
6 the execution and delivery of the document in question.

7 Section 20. Ratification. All actions heretofore taken by officials, employees and  
8 agents of the City with respect to the sale and issuance of the Series 2010B Bonds and  
9 the Series 2010D Bonds are hereby approved, confirmed and ratified.

10 Section 21. Relationship to Authorizing Resolution. In the event of any conflict  
11 between this Resolution and the Authorizing Resolution, the terms of this Resolution shall  
12 control. Without limiting the foregoing and notwithstanding the provisions of the  
13 Authorizing Resolution, the City is not obligated to transfer money from the General Fund  
14 of the City to the Bond Account to pay the principal of or interest on any Series of 2010  
15 Bonds.

16 Section 22. Reimbursement. The City hereby declares its official intent to  
17 reimburse prior expenditures of the City incurred prior to the issuance and sale of each  
18 Series of 2010 Bonds in connection with the Project or portions thereof to be financed by  
19 each Series of 2010 Bonds. The Board hereby declares the City's intent to reimburse the  
20 City with the proceeds of each Series of 2010 Bonds for the expenditures with respect to the  
21 Project (the "Expenditures" and each, an "Expenditure") made on and after that date that is  
22 no more than 60 days prior to adoption of this Resolution. The City reasonably expects on  
23 the date hereof that it will reimburse the Expenditures with the proceeds of each Series of  
24 2010 Bonds.



1 Each Expenditure was and will be either (a) of a type properly chargeable to a capital  
2 account under general federal income tax principles (determined in each case as of the date  
3 of the Expenditure), (b) a cost of issuance with respect to the Series 2010B Bonds or the  
4 Series 2010D Bonds, (c) a nonrecurring item that is not customarily payable from current  
5 revenues, or (d) a grant to a party that is not related to or an agent of the City so long as  
6 such grant does not impose any obligation or condition (directly or indirectly) to repay any  
7 amount to or for the benefit of the City. The maximum aggregate principal amount of the  
8 Series 2010B Bonds and the Series 2010D Bonds expected to be issued for the Project is  
9 \$65,000,000. The City shall make a reimbursement allocation, which is a written allocation  
10 by the City that evidences the City's use of proceeds of the applicable Series of 2010 Bonds  
11 to reimburse an Expenditure, no later than 18 months after the later of the date on which the  
12 Expenditure is paid or the Project is placed in service or abandoned, but in no event more  
13 than three years after the date on which the Expenditure is paid. The City recognizes that  
14 exceptions are available for certain "preliminary expenditures," costs of issuance, certain de  
15 minimis amounts, expenditures by "small issuers" (based on the year of issuance and not  
16 the year of expenditure) and expenditures for construction projects of at least 5 years.

17 Section 23. Accountability Reports. Each Series of 2010 Bonds is subject to  
18 accountability requirements under the City's Administrative Code and the Bond  
19 Ordinance. Accountability report(s) with respect to the Series 2010B Bonds and the  
20 Series 2010D Bonds shall be submitted at the time(s) and in the manner required by the  
21 Administrative Code and the Bond Ordinance.

22 Section 24. General Authority. The Clerk of the Board of Supervisors, the Mayor,  
23 the City Treasurer, the Director of Public Finance, the City Attorney and the Controller are  
24 each hereby authorized and directed in the name and on behalf of the City to take any  
25 and all steps and to issue, deliver or enter into any and all certificates, requisitions,

1 agreements, notices, consents, and other documents as may be necessary to give effect  
2 to the provisions of this Resolution, including but not limited to letters of representations to  
3 any depository or depositories which they or any of them might deem necessary or  
4 appropriate in order to consummate the lawful issuance, sale and delivery of the Series  
5 2010B Bonds or the Series 2010D Bonds.

6 APPROVED AS TO FORM:

7 DENNIS J. HERRERA

8 City Attorney

9  
10 By: Kenneth David Roux  
11 Kenneth David Roux  
12 Deputy City Attorney  
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City and County of San Francisco

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

Tails  
Resolution

File Number: 100025

Date Passed: February 09, 2010

Resolution authorizing and directing the sale of not to exceed \$65,000,000 aggregate principal amount of City and County of San Francisco General Obligation Bonds (Clean and Safe Neighborhood Parks Bonds, 2008), Series 2010B, and City and County of San Francisco General Obligation Bonds (Clean and Safe Neighborhood Parks Bonds, 2008), Series 2010D (Federally Taxable Build America Bonds); 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 thereto; 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; approving modifications to documents; 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.

February 09, 2010 Board of Supervisors - ADOPTED

Ayes: 8 - Campos, Chiu, Chu, Dufty, Elsbernd, Mar, Maxwell and Mirkarimi

Noes: 1 - Daly

Excused: 2 - Alioto-Pier and Avalos

File No. 100025

I hereby certify that the foregoing Resolution was ADOPTED on 2/9/2010 by the Board of Supervisors of the City and County of San Francisco.

  
\_\_\_\_\_  
Mayor Gavin Newsom  
\_\_\_\_\_  
Angela Calvillo  
Clerk of the Board

18 February 2010  
\_\_\_\_\_  
Date Approved