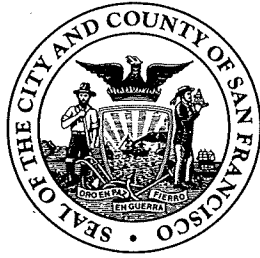


BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

December 21, 2018

File No. 181218

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

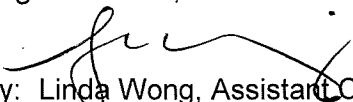
On December 11, 2018, Mayor London Breed introduced the following Resolution:

File No. 181218

Resolution providing for the issuance of not to exceed \$260,684,550 aggregate principal amount of City and County of San Francisco General Obligation Bonds (Proposition A, 1992/Proposition C, 2016); authorizing the issuance and sale of said bonds; providing for the levy of a tax to pay the principal and interest thereof; providing for the appointment of depositories and other agents for said bonds; providing for the establishment of accounts related thereto; adopting findings under the California Environmental Quality Act ("CEQA"), the CEQA Guidelines, and Administrative Code, Chapter 31; finding that the proposed project is in conformity with the priority policies of Planning Code, Section 101.1(8), and with the General Plan consistency requirement of Charter, Section 4.105, and Administrative Code, Section 2A.53; ratifying certain actions previously taken; and granting general authority to City officials to take necessary actions in connection with the issuance and sale of said bonds, as defined herein.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board


By: Linda Wong, Assistant Clerk
Budget and Finance Committee

Attachment

c: Joy Navarrete, Environmental Planning
Laura Lynch, Environmental Planning

1 [Issuance of General Obligation Bonds - Proposition A, 1992/Proposition C, 2016 - Not to
2 Exceed \$260,684,550]

3 **Resolution providing for the issuance of not to exceed \$260,684,550 aggregate**
4 **principal amount of City and County of San Francisco General Obligation Bonds**
5 **(Proposition A, 1992/Proposition C, 2016); authorizing the issuance and sale of said**
6 **bonds; providing for the levy of a tax to pay the principal and interest thereof;**
7 **providing for the appointment of depositories and other agents for said bonds;**
8 **providing for the establishment of accounts related thereto; adopting findings under**
9 **the California Environmental Quality Act ("CEQA"), the CEQA Guidelines, and**
10 **Administrative Code, Chapter 31; finding that the proposed project is in conformity**
11 **with the priority policies of Planning Code, Section 101.1(8), and with the General Plan**
12 **consistency requirement of Charter, Section 4.105, and Administrative Code, Section**
13 **2A.53; ratifying certain actions previously taken; and granting general authority to City**
14 **officials to take necessary actions in connection with the issuance and sale of said**
15 **bonds, as defined herein.**

16
17 WHEREAS, By Ordinance No. 217-92, adopted by the Board of Supervisors ("Board of
18 Supervisors") of the City and County of San Francisco ("City") on July 13, 1992, the Board of
19 Supervisors duly called a special election on November 3, 1992, for the purpose of submitting
20 to the electors of the City a proposition to incur bonded indebtedness of the City in the amount
21 of up to \$350,000,000 of general obligation bonds to establish a seismic safety loan program
22 ("Loan Program") to provide loans for the seismic strengthening of unreinforced masonry
23 buildings; and

24 ///

25 ///

1 WHEREAS, A special election was held in the City on November 3, 1992, for the
2 purpose of submitting to the qualified voters of the City said proposition, denominated as
3 Proposition A ("Proposition A"), as follows:

4 "EARTHQUAKE LOAN BOND PROGRAM, 1992. To incur a bonded indebtedness of
5 \$350,000,000 to provide loans for the seismic strengthening of unreinforced masonry
6 buildings devoted to affordable housing and to market-rate residential, commercial and
7 institutional uses and to pay necessary administrative costs incidental thereto";

8 and

9 WHEREAS, On November 23, 1992, by Resolution No. 961-92, this Board of
10 Supervisors declared the results of the November 3, 1992, special election finding that, as
11 certified by the Director of Elections of the City, the requisite two-thirds of all voters voting on
12 the proposition approved such proposition; and

13 WHEREAS, Of the \$350,000,000 of general obligation bond authorization, Proposition
14 A allocated \$150,000,000 to make loans for affordable housing buildings (the "Affordable
15 Housing Loan Program") and \$200,000,000 to make loans for market rate residential,
16 commercial and institutional buildings (the "Market Rate Loan Program" and together with the
17 Affordable Housing Loan Program, the "Programs"), and

18 WHEREAS, Proposition A provided further that no more than \$35,000,000 of said
19 general obligation bond authorization shall be sold in any fiscal year, of which no more than
20 \$15,000,000 of said authorization may be for the Affordable Housing Loan Program, and no
21 more than \$20,000,000 of said authorization may be for the Market Rate Loan Program, in
22 each case subject to the carry-over of said authorized indebtedness to subsequent fiscal
23 years; and

24 WHEREAS, To date, the City has issued \$45,315,450 in general obligation bonds to
25 provide funds to make loans to private parties under the Affordable Housing Loan Program

1 and \$44,000,000 in general obligation bonds to provide funds to make loans to private parties
2 under the Market Rate Loan Program, leaving \$260,684,550 of authorized but unissued
3 bonding authority under the Programs; and

4 WHEREAS, By Resolution No. 311-16, adopted by the Board of Supervisors (the
5 "Board of Supervisors") of the City and County of San Francisco (the "City") on July 19, 2016,
6 it was determined and declared that it was in the public interest to access the remaining
7 bonding authority under the Programs and expand the permitted uses for which funds could
8 be loaned to finance the costs to acquire, improve and rehabilitate and to convert at-risk multi-
9 unit residential buildings to permanent affordable housing by amending Proposition A; and

10 WHEREAS, By Ordinance No. 136-16 (the "2016 Bond Ordinance"), adopted by the
11 Board of Supervisors on July 26, 2016, the Board of Supervisors duly called a special election
12 to be held on November 8, 2016, for the purpose of submitting to the electors of the City a
13 proposition to amend Proposition A to authorize the City to incur general obligation
14 indebtedness for the purposes of providing loans to finance the costs to acquire, improve and
15 rehabilitate and convert at-risk multi-unit residential buildings to permanent affordable
16 housing, performing needed seismic, fire, health and safety upgrades and other major
17 rehabilitation for habitability, and related costs necessary or convenient for the foregoing
18 purposes; and

19 WHEREAS, A special election was held in the City on November 8, 2016, for the
20 purpose of submitting to the qualified voters of the City said proposition, denominated as
21 Proposition C ("Proposition C"), as follows:

22 "SAN FRANCISCO EARTHQUAKE LOAN AND HOUSING PRESERVATION BONDS,
23 1992. To amend 1992 voter approved measure Proposition A, to allow as an additional
24 purpose the incurrence of bonded indebtedness to finance the acquisition,
25 improvement, and rehabilitation of at-risk multi-unit residential buildings and to convert

1 such structures to permanent affordable housing; shall the City and County of San
2 Francisco issue up to \$260,700,000 in general obligation bonds, subject to
3 independent citizen oversight and regular audits?";

4 and

5 WHEREAS, On December 13, 2016, by Resolution No. 526-16, this Board of
6 Supervisors declared the results of the November 8, 2016, special election finding that, as
7 certified by the Director of Elections of the City, the requisite two-thirds of all voters voting on
8 the proposition approved such proposition; and

9 WHEREAS, Proposition C did not amend the \$35,000,000 annual fiscal year limit for
10 general obligation bonds provided by Proposition A, nor did it amend the carry-over
11 authorization provided for by Proposition A, each of which provisions remains in effect; and

12 WHEREAS, Pursuant to Proposition C and the 2016 Bond Ordinance, the entire
13 \$35,000,000 annual fiscal year limit for general obligation bonds, commencing in the 2016-17
14 fiscal year (the year in which Proposition C was passed), may be used for the affordable
15 housing purposes provided in Proposition C, subject to carry-over as provided in Proposition
16 A; and

17 WHEREAS, The authorization to issue general obligation bonds for the additional
18 affordable housing purposes provided by Proposition C shall be reduced by any general
19 obligation bonds issued to fund new loans originated pursuant to the Programs ("New Money
20 Bonds"), but such authorization shall not be reduced by any general obligation refunding
21 bonds issued to refinance any such New Money Bonds (without limitation as to the number of
22 times such New Money Bonds can be refinanced without counting against the bond
23 authorization); and

24 WHEREAS, On April 6, 1994, pursuant to the general obligation bond authorization
25 provided In Proposition A, the City issued its \$35,000,000 original principal amount of City and

1 County of San Francisco Taxable General Obligation Bonds (Seismic Safety Loan Program
2 1992), Series 1994A; and

3 WHEREAS, On March 1, 2007, pursuant to the general obligation bond authorization
4 provided In Proposition A, the City issued its \$30,315,450 original principal amount of City and
5 County of San Francisco Taxable General Obligation Bonds (Seismic Safety Loan Program
6 1992), Series 2007A; and

7 WHEREAS, On March 4, 2016, pursuant to the general obligation bond authorization
8 provided In Proposition A, the City issued its \$24,000,000 original principal amount of City and
9 County of San Francisco Taxable General Obligation Bonds (Seismic Safety Loan Program
10 1992), Series 2014C; and

11 WHEREAS, Of the original \$350,000,000 of general obligation bond authorization
12 provided by Proposition A, \$260,684,550 remains unissued and available to be used in the
13 manner provided in Proposition A, as amended by Proposition C; and

14 WHEREAS, This Board of Supervisors has determined, and does hereby declare, that
15 it is necessary and desirable that all of said bonds designated generally as "City and County
16 of San Francisco General Obligation Bonds (Proposition A, 1992/Proposition C, 2016)" (the
17 "Bonds") in the aggregate principal amount of \$260,684,550, representing the total amount of
18 authorized but unissued allocation under the Programs, be issued and sold in one or more
19 series from time to time, for the purposes authorized and on the conditions set forth in this
20 Resolution; and

21 WHEREAS, The Bonds will be payable from proceeds of the annual tax levy, as
22 provided herein; and

23 WHEREAS, The Bonds are being issued pursuant to (i) this Resolution duly adopted
24 by the Board of Supervisors, (ii) Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the
25

1 California Government Code, (iii) the Charter of the City (the "Charter"), (iv) the 2016 Bond
2 Ordinance, and (v) a duly held election; and

3 WHEREAS, Pursuant to Section 9.106 of the Charter, there shall be delivered a
4 certificate of a duly authorized officer of the City, concurrently with the issuance of each series
5 of Bonds, except for any series of Bonds issued to refund any bond anticipation notes issued
6 in anticipation of the issuance of such series of Bonds, stating that the outstanding general
7 obligation bond indebtedness of the City, including all series of the Bonds issued and to be
8 issued and outstanding on the date of delivery of such series, will not exceed three percent of
9 the assessed value of all taxable real and personal property located within the City; now,
10 therefore, be it

11 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as
12 follows:

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

14 Section 2. Conditions Precedent. All conditions, things and acts required by law to
15 exist, to happen and to be performed precedent to the adoption of this Resolution authorizing
16 the issuance of the Bonds exist, have happened and have been performed in due time, form
17 and manner in accordance with applicable law, and the City is now authorized pursuant to the
18 Charter and applicable law to incur indebtedness in the manner and form provided in this
19 Resolution.

20 Section 3. Issuance of the Bonds. The Board of Supervisors hereby authorizes the
21 issuance and sale of \$260,684,550 aggregate principal amount of Bonds, designated
22 generally as "City and County of San Francisco General Obligation Bonds (Proposition A,
23 1992/Proposition C, 2016)". The Director of the Office of Public Finance is hereby authorized
24 to modify the general designation of the Bonds if in her sole discretion if a different
25 designation is in the best interest of the City for administrative, marketing or descriptive

1 purposes. The Bonds may be sold in one or more series as the Board of Supervisors shall
2 determine, and shall be sold in accordance with law, as such law may from time to time be
3 amended, supplemented or revised, and on the terms and conditions approved by the Board
4 of Supervisors in this Resolution, as supplemented by such other resolution or resolutions
5 relating to such series of Bonds and as provided in the resolution of the Board of Supervisors
6 authorizing and directing the sale of each series of Bonds (each, a "Sale Resolution"). Each
7 series of such Bonds may bear such additional or other designation as may be necessary or
8 appropriate to distinguish such series from every other series and from other bonds issued by
9 the City, or to identify the tax treatment of interest, interest rate determination methodology or
10 other characteristics of such series, in each case as set forth in the applicable Sale Resolution
11 or as may be determined by the Director of the Office of Public Finance in her sole discretion.
12 The offering and sale of the Bonds may be aggregated with the offering and sale of other
13 general obligation bonds being issued by the City, as authorized from time to time by the
14 Board of Supervisors. Each series of Bonds may bear interest at fixed or variable rates, in
15 each case as provided in the applicable Sale Resolution.

16 Section 4. Authentication and Registration. The Sale Resolution for each series of
17 Bonds shall set forth the form of such Bond, with such necessary or appropriate variations,
18 omissions and insertions as may be permitted by resolution. "CUSIP" identification numbers
19 may be imprinted on Bonds, but such numbers shall not constitute a part of the contract
20 evidenced by the Bonds and any error or omission with respect thereto shall not constitute
21 cause for refusal of any purchaser to accept delivery of and to pay for the Bonds. In addition,
22 failure on the part of the City to use such CUSIP numbers in any notice to owners of the
23 Bonds shall not constitute an event of default or any violation of the City's contract with such
24 owners and shall not impair the effectiveness of any such notice.
25

1 The Bonds shall be signed by the Mayor of the City (the "Mayor") and countersigned by
2 the Clerk of the Board of Supervisors. The signature of the Mayor may be facsimile or manual.
3 The signature of the Clerk of the Board of Supervisors shall be manual. The Treasurer of the
4 City (the "City Treasurer") shall authenticate the Bonds by facsimile or manual signature and,
5 when so authenticated, shall deliver the Bonds to or for the account of the purchasers in
6 exchange for the purchase price thereof.

7 In case such officer(s) whose signature(s) or countersignature(s) appear(s) on a Bond
8 shall cease to be such officer(s) before the delivery of such Bond to the purchaser, such
9 signature(s) or countersignature(s) shall nevertheless be valid and sufficient for all purposes
10 as if the officer(s) had remained in office until the delivery of such Bond.

11 Section 5. Transfer or Exchange and Registration of Bonds. Any Bond may be
12 transferred or exchanged in accordance with its terms and the applicable Sale Resolution.
13 Each Bond shall be registered in accordance with the applicable Sale Resolution.

14 Section 6. General Redemption Provisions. The terms of redemption (whether optional
15 or mandatory redemption), if any, of any series of Bonds and the manner prescribed for notice
16 of any redemption of such series of Bonds shall be set forth in the applicable Sale Resolution.

17 Each Sale Resolution shall provide that the Controller of the City (the "Controller") shall
18 establish a redemption account for such series of Bonds. The City Treasurer shall provide for
19 the deposit and application of moneys in such redemption account.

20 Section 7. Tax Levy; Program Loan Repayments; Pledge of Bond Account.

21 (a) Tax Levy. For the purpose of paying the principal of and interest on the Bonds,
22 the Board of Supervisors at the time of fixing the general tax levy shall fix, and in the manner
23 provided for such general tax levy, levy and collect annually until the Bonds are paid, or until
24 there shall be a sum set apart for that purpose in the treasury of the City sufficient to meet all
25 sums coming due for payment of principal of and interest on the Bonds, a tax sufficient to pay

1 the annual interest on the Bonds as the same becomes due and also such part of the principal
2 thereof as shall become due before the proceeds of a tax levied at the time for making the
3 next general tax levy can be made available for the payment of such interest or principal;
4 provided, however, that in fixing such tax levy for each fiscal year, the Board of Supervisors
5 shall take into account amounts then on deposit in the Program Revenues Subaccount
6 pursuant to the provisions of subsection (b) of this Section 7 and amounts then on deposit in
7 the Tax Revenues Subaccount pursuant to this subsection (a), if such amounts will be
8 available to pay debt service on the Bonds.

9 Said tax shall be in addition to all other taxes levied for City purposes, shall be
10 collected at the time and in the same manner as other taxes of the City are collected, and
11 shall be used only for the payment of the Bonds and the interest thereon.

12 All taxes collected pursuant to this Section 7(a) shall be deposited forthwith in a special
13 subaccount to be designated as the "Tax Revenues Subaccount," which shall be a
14 subaccount within a special account to be designated as the " General Obligation Bonds
15 (Prop A, 1992/Prop C, 2016) Bond Account" (the "Bond Account"). The Bond Account and all
16 subaccounts therein shall be administered by the City Treasurer with all disbursements of
17 funds therefrom subject to authorization of the Controller. The Bond Account shall be kept
18 separate and apart from all other accounts, and each subaccount therein shall be kept
19 separate and apart from all other subaccounts. Pursuant to the applicable Sale Resolution,
20 the Controller may establish such additional accounts and subaccounts within the Bond
21 Account or with any agent, including but not limited to any paying agent or fiscal agent, as
22 may be necessary or convenient in connection with the administration of any series of Bonds,
23 to provide for the payment of principal and interest on such series of Bonds.

24 The City Treasurer shall deposit in the Bond Account from the proceeds of sale of the
25 Bonds, any moneys received on account of original issue premium and interest accrued on

1 the Bonds to the date of payment of the purchase price thereof, and such other moneys, if
2 any, as may be specified in the applicable Sale Resolution. So long as any of the Bonds are
3 outstanding, moneys in the Bond Account shall be used and applied by the City Treasurer
4 solely for the purpose of paying the principal of and interest on the Bonds as such principal
5 and interest shall become due and payable, or for purchase of Bonds if permitted by the
6 applicable Sale Resolution; provided, however, that when all of the principal of and interest on
7 the Bonds have been paid, any moneys then remaining in said Bond Account shall be
8 transferred to the City for any legally permitted purpose. The Board of Supervisors shall take
9 such actions annually as are necessary or appropriate to cause the debt service on the Bonds
10 due in any fiscal year to be included in the budget for such fiscal year and to make the
11 necessary appropriations therefor.

12 (b) Program Loan Repayments. For the purpose of paying the principal of and
13 interest on the Bonds, the City shall collect, until the Bonds are paid, or until there shall be a
14 sum set apart for that purpose in the treasury of the City sufficient to meet all sums coming
15 due for payment of principal of and interest on the Bonds, all amounts received in repayment
16 of all Program loans made by the City. All Program loan repayments collected pursuant to
17 this Section 7(b) shall be deposited forthwith in a special subaccount to be designated as the
18 "Program Revenues Subaccount," which shall be a subaccount within the Bond Account.

19 So long as any of the Bonds are outstanding, moneys in the Program Revenues
20 Subaccount shall be used and applied by the City Treasurer solely for the purpose of paying
21 the principal of and interest on the Bonds as such principal and interest shall become due and
22 payable, or for purchase of Bonds if permitted by the applicable Sale Resolution; provided,
23 however, that when all of the principal of and interest on the Bonds have been paid, any
24 moneys then remaining in said Program Revenues Subaccount shall be transferred to the City
25 for any legally permitted purpose.

1 The City Treasurer shall utilize available moneys on deposit in the Program Revenues
2 Subaccount to pay principal and interest on the Bonds before using moneys on deposit in the
3 Tax Revenues Subaccount for such purpose.

4 (c) Pledge. The Bond Account and all subaccounts and amounts on deposit therein
5 are hereby pledged for the payment of the principal of and interest on the Bonds when and as
6 the same become due, including the principal of any term Bonds required to be paid upon the
7 mandatory sinking fund redemption thereof. In addition, the payment of such principal and
8 interest shall be secured by the statutory lien of California Government Code, Section 53515,
9 to the extent applicable to the amounts on deposit in the Bond Account. Each and every
10 series of Bonds issued under this Resolution shall be equally and ratably secured by the
11 pledge of this subsection (c), the foregoing statutory lien, and the taxes collected pursuant to
12 this Section 7.

13 Section 8. Administration and Disbursements From Bond Account.

14 (a) Interest. On or before June 15 and December 15 in each year that any of the
15 Bonds are outstanding (or, for any series of Bonds bearing interest at variable rates, on such
16 other dates as may be provided by the applicable Sale Resolution), the City Treasurer shall
17 set aside in the Bond Account and the appropriate subaccounts therein relating to each series
18 of the Bonds an amount which, when added to the amount contained in the Bond Account and
19 subaccounts therein on that date, if any, will be equal to the aggregate amount of the interest
20 becoming due and payable on each series of the Bonds outstanding on such interest payment
21 date.

22 (b) Principal. On or before June 15 in each year that any of the Bonds are
23 outstanding, the City Treasurer shall set aside in the Bond Account and the appropriate
24 subaccounts therein relating to each series of the Bonds an amount which will be equal to the
25 principal on each series of the Bonds outstanding that will become due and payable on said

1 June 15, including those Bonds subject to mandatory redemption on such date pursuant to
2 the provisions of the applicable Sale Resolution.

3 All moneys in the Bond Account shall be used and withdrawn by the City Treasurer
4 solely for the purpose of paying the principal of and interest on each series of the Bonds as
5 the same shall become due and payable. On June 15 and December 15 in each year that any
6 Bond is outstanding, the City Treasurer shall allocate, transfer and apply to the various
7 subaccounts in the Bond Account created pursuant to the applicable Sale Resolution, on such
8 date on which payment of principal or interest on any series of Bonds is due, from moneys on
9 deposit in the Bond Account, an amount equal to the amount of principal of, premium, if any,
10 or interest due on said date with respect to each series of the Bonds then outstanding. Unless
11 other provision shall have been made pursuant to this Resolution for the payment of any
12 Bond, all amounts held in the various subaccounts of the Bond Account created pursuant to a
13 Sale Resolution shall be used and applied by the City Treasurer to pay principal of, premium,
14 if any, and interest due on the series of the Bonds to which such subaccount relates, as and
15 when due.

16 Section 9. Appointment of Depositories and Other Agents. The City Treasurer is hereby
17 authorized and directed to appoint one or more depositories as he or she may deem desirable
18 and may authorize such depository to perform, under the supervision of the City Treasurer,
19 any of the City Treasurer's duties and responsibilities under this Resolution, to the extent
20 permitted by applicable law.

21 The City Treasurer is hereby also authorized and directed to appoint one or more
22 agents as he or she may deem necessary or desirable. To the extent permitted by applicable
23 law and under the supervision of the City Treasurer, such agents may serve as paying agent,
24 fiscal agent, escrow agent or registrar for the Bonds or may assist the City Treasurer in
25 performing any or all of such functions and such other duties as the City Treasurer shall

1 determine including such duties and responsibilities of the City Treasurer provided for in this
2 Resolution. Such agents shall serve under such terms and conditions as the City Treasurer
3 shall determine. The City Treasurer may remove or replace agents appointed pursuant to this
4 paragraph at any time.

5 Section 10. Project Account. There is hereby established a project account to be
6 designated as the " General Obligation Bonds (Prop A, 1992/Prop C, 2016) Project Account"
7 (the "Project Account"). The Project Account shall be maintained by the City Treasurer, as a
8 separate account, segregated and distinct from all other accounts. The City Treasurer may
9 establish such accounts and subaccounts within the Project Account as may be necessary or
10 convenient in connection with the administration of the Project or the Bonds.

11 All of the proceeds of the sale of the Bonds (excluding any premium and accrued
12 interest received thereon, unless otherwise determined by the Director of Public Finance)
13 shall be deposited by the City Treasurer to the credit of the Project Account and shall be
14 applied exclusively to the objects and purposes specified in Proposition A, as amended by
15 Proposition C. When such objects and purposes have been accomplished, any moneys
16 remaining in such account shall be transferred to the Bond Account established pursuant to
17 Section 7 hereof and applied to the payment of the principal of and interest on any series of
18 Bonds. Amounts in the Project Account may be applied to the payment of costs of issuance of
19 the Bonds, including, without limitation, bond and financial printing expenses, mailing and
20 publication expenses, rating agency fees, and the fees and expenses of paying agents,
21 registrars, financial consultants, bond counsel and disclosure counsel.

22 Section 11. Defeasance Provisions. A Sale Resolution may provide for the defeasance
23 of such series of Bonds authorized therein. Any Bonds which have been deemed paid in
24 accordance with the defeasance provisions of the applicable Sale Resolution shall no longer
25 be deemed outstanding under this Resolution.

1 Section 12. Tax Covenants. The Bonds may be issued as bonds the interest on which
2 is excluded from gross income for federal or state income tax purposes or as bonds the
3 interest on which is included in gross income for federal or state income tax purposes. With
4 respect to any series of the Bonds the interest on which is excluded from gross income for
5 federal or state income tax purposes, the City may make such covenants and representations
6 as are necessary to comply with applicable laws and regulations.

7 Section 13. Other Terms and Provisions Relating To the Bonds. The Sale Resolution
8 for any series of Bonds may provide for (a) the purchase of bond insurance or other credit
9 enhancement relating to such series of Bonds and to the establishment of such additional
10 terms and procedures as may be necessary to provide for the application of such bond
11 insurance or other credit enhancement for the benefit of the bondholders; (b) the investment
12 of moneys held in any fund or account relating to the Bonds in specific categories or types of
13 investments, so long as such investments are legal investments for the City and in compliance
14 with any policy or guideline of the City applicable thereto; and (c) the adoption of any
15 supplemental resolutions relating solely to such series of Bonds.

16 Section 14. Supplemental Resolutions. For any one or more of the following purposes
17 and at any time or from time to time, a supplemental resolution of the City may be adopted,
18 which, without the requirement of consent of the owners of the Bonds, shall be fully effective
19 in accordance with its terms:

20 (a) To add to the covenants and agreements of the City in this Resolution or any
21 Sale Resolution, other covenants and agreements to be observed by the City which are not
22 contrary to or inconsistent with this Resolution or any Sale Resolution as theretofore in effect;

23 (b) To add to the limitations and restrictions in this Resolution or any Sale
24 Resolution, other limitations and restrictions to be observed by the City which are not contrary
25 to or inconsistent with this Resolution or any Sale Resolution as theretofore in effect;

1 (c) To confirm, as further assurance, any pledge under, and the subjection to any
2 lien or pledge created or to be created by this Resolution or any Sale Resolution as then in
3 effect, of any moneys, securities or funds, or to establish any additional funds or accounts to
4 be held under this Resolution or any Sale Resolution;

5 (d) To cure any ambiguity, supply any omission, or cure or correct any defect or
6 inconsistent provision in this Resolution or any Sale Resolution; or

7 (e) To make such additions, deletions or modifications as shall not be materially
8 adverse to the owners of the Bonds.

9 Any modification or amendment of this Resolution or any Sale Resolution and of the
10 rights and obligations of the City and of the owners of the Bonds, in any particular, may be
11 made by a supplemental resolution, with the written consent of the owners of at least a
12 majority in aggregate principal amount of the Bonds outstanding at the time such consent is
13 given (except as provided in the preceding paragraph). No such modification or amendment
14 shall permit a change in the terms or maturity of the principal of any outstanding Bonds or of
15 any interest payable thereon or a reduction in the principal amount thereof or in the rate of
16 interest thereon, or shall reduce the percentage of Bonds the consent of the owners of which
17 is required to effect any such modification or amendment, or shall reduce the amount of
18 moneys for the repayment of the Bonds, without the consent of all the owners of such affected
19 Bonds.

20 Section 15. Citizens' Oversight Committee. The Bonds are subject to, and incorporate
21 by reference, the applicable provisions of San Francisco Administrative, Code Section 5.30 –
22 5.36 (the "Admin. Code"). Under Section 5.31 of the Admin. Code, to the extent permitted by
23 law, one-tenth of one percent (0.1%) of the gross proceeds of each series of the Bonds shall
24 be deposited in the fund established by the Controller's Office and appropriated by the Board
25

1 of Supervisors at the direction of the Citizens' General Obligation Bond Oversight Committee
2 to cover the costs of such Committee.

3 Section 16. CEQA Findings. The Board of Supervisors finds and declares that this
4 legislation is not a project subject to CEQA because it is a funding mechanism involving no
5 commitment to any specific projects at any specific locations, as set forth in the CEQA
6 Guidelines, Section 15378.

7 Section 17. Planning Code. The Board of Supervisors hereby adopts and incorporates
8 by reference the findings and declarations in Ordinance No. 136-16 relative to (i) the
9 conformance of the Bonds to the priority policies of Section 101.1(b) of the San Francisco
10 Planning Code, (ii) the conformance of the Bonds to Section 4.105 of the San Francisco
11 Charter and Section 2A.53(f) of the San Francisco Administrative Code, and (iii) the
12 consistency of the Bonds with the City's General Plan, all as more fully set forth in the General
13 Plan Referral Report dated May 11, 2015, a copy of which is on file with the Clerk of the
14 Board of Supervisors in File No. 150490.

15 Section 18. Ratification. All actions heretofore taken by officials, employees and agents
16 of the City with respect to the sale and issuance of the Bonds consistent with any documents
17 presented and this Resolution are hereby approved, confirmed and ratified.

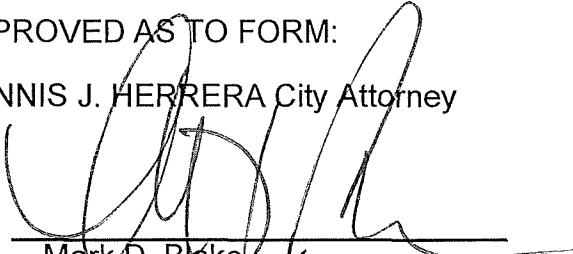
18 Section 19. General Authority. The Clerk of the Board of Supervisors, the Finance
19 Committee of the Board of Supervisors, the Mayor, the City Treasurer, the City Administrator,
20 the City Attorney, the Director of Public Finance of the City and the Controller are each hereby
21 authorized and directed in the name and on behalf of the City to take any and all steps and to
22 issue and deliver any and all certificates, requisitions, agreements, notices, consents, and
23 other documents, including but not limited to, letters of representations to any depository or
24 depositories, which they or any of them might deem necessary or appropriate in order to
25 consummate the lawful issuance, sale and delivery of the Bonds and otherwise to give effect

1 to this Resolution. Any such actions are solely intended to further the purposes of this
2 Resolution, and are subject in all respects to the terms of this Resolution. No such actions
3 shall increase the risk to the City or require the City to spend any resources not otherwise
4 granted herein. Final versions of any such documents shall be provided to the Clerk of the
5 Board of Supervisors for inclusion in the official file within 30 days (or as soon thereafter as
6 final documents are available) of execution by all parties.

7
8 APPROVED AS TO FORM:

9 DENNIS J. HERRERA City Attorney

10
11 By:


12 Mark D. Blake
Deputy City Attorney

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