

FILE NO. 991489RESOLUTION NO. 796-99

1 [1999 Asian Art Bond Sale]

2 AUTHORIZING AND DIRECTING THE SALE OF NOT TO EXCEED \$16,730,000 CITY AND
 3 COUNTY OF SAN FRANCISCO GENERAL OBLIGATION BONDS (ASIAN ART MUSEUM
 4 RELOCATION PROJECT) SERIES 1999D; PRESCRIBING THE FORM AND TERMS OF SAID
 5 BONDS; AUTHORIZING THE EXECUTION, AUTHENTICATION AND REGISTRATION OF
 6 SAID BONDS; PROVIDING FOR THE APPOINTMENT OF DEPOSITORIES AND OTHER
 7 AGENTS FOR SAID BONDS; PROVIDING FOR THE ESTABLISHMENT OF FUNDS
 8 RELATED THERETO; APPROVING THE FORMS OF OFFICIAL NOTICE OF SALE OF
 9 BONDS; DIRECTING THE PUBLICATION OF THE NOTICE OF SALE AND NOTICE OF
 10 INTENTION TO SELL BONDS; APPROVING THE FORM AND EXECUTION OF THE
 11 OFFICIAL STATEMENT RELATING THERETO; APPROVING THE FORM OF THE
 12 CONTINUING DISCLOSURE CERTIFICATE; APPROVING MODIFICATIONS TO
 13 DOCUMENTS; RATIFYING CERTAIN ACTIONS PREVIOUSLY TAKEN; AND GRANTING
 14 GENERAL AUTHORITY TO CITY OFFICIALS TO TAKE NECESSARY ACTIONS IN
 15 CONNECTION WITH THE AUTHORIZATION, ISSUANCE, SALE AND DELIVERY OF SAID
 16 BONDS.

17 WHEREAS, By Ordinance No. 264-94, finally passed on July 18, 1994, the Board of
 18 Supervisors duly called a special election to be held on November 8, 1994, for the purpose of
 19 submitting to the electors of the City a proposition to incur bonded indebtedness for the
 20 construction and reconstruction of certain improvements to the Old Main Library (the "Project");
 21 and,

22 WHEREAS, A special election was held in the City on November 8, 1994, for the purpose
 23 of submitting to the qualified voters of the City a proposition ("Proposition B") for incurring
 24 bonded indebtedness of the City in the aggregate principal amount of \$41,730,000 to finance the
 25 Project; and,

MAYOR'S OFFICE OF PUBLIC FINANCE
 BOARD OF SUPERVISORS

1 WHEREAS, At the special election held on November 8, 1994, more than two-thirds of
2 the qualified voters of the City voting on Proposition B approved the issuance by the City of its
3 general obligation bonds in an amount not to exceed \$41,730,000 to finance the Project; and,

4 WHEREAS, The Registrar of Voters of the City duly and regularly canvassed the return of
5 said election and, as the result of such canvass, certified to the Board of Supervisors that more
6 than two-thirds of the votes cast on said proposition favored the incurring of such bonded
7 indebtedness; and,

8 WHEREAS, By Resolution No. 488-96, adopted on June 3, 1996, the Board of
9 Supervisors (the "Board of Supervisors") of the City and County of San Francisco (the "City")
10 authorized the issuance of its General Obligation Bonds (Asian Art Museum Relocation Project)
11 (the "Authorizing Resolution"); and,

12 WHEREAS, On July 18, 1996, the City issued \$25,000,000 of City and County of San
13 Francisco General Obligation Bonds (Asian Art Museum Relocation Project) Series 1996E
14 pursuant to the Authorizing Resolution; and,

15 WHEREAS, The Board of Supervisors has determined and does hereby declare that it is
16 necessary and desirable to issue a portion of said Bonds in a second series as City and County
17 of San Francisco General Obligation Bonds (Asian Art Museum Relocation Project) Series
18 1999D; and

19 WHEREAS, The Bonds (as defined below) are being issued pursuant to Title 5, Division
20 2, Part 1, Chapter 3, Article 4.5 of the Government Code of the State of California, the
21 Authorizing Resolution and the Charter of the City and a duly held election and will be payable
22 from proceeds of the annual tax levy provided for in the Authorizing Resolution; and,

23 WHEREAS, The issuance of the Bonds does not cause the aggregate amount of general
24 obligation bond indebtedness of the City to exceed three percent (3%) of the assessed value of
25 all taxable real and personal property located within the City and does not violate any applicable

MAYOR'S OFFICE OF PUBLIC FINANCE
BOARD OF SUPERVISORS

Page 2
8/17/99

1 debt limitation contained in the City Administrative Code including Section 2.60 thereof or any
2 similar provision; and,

3 WHEREAS, The City has determined that moneys advanced to pay the expenditures
4 incurred prior to the execution and delivery of the Bonds are to be available only for a temporary
5 period and it is necessary to reimburse the City for said expenditures from proceeds of the
6 Bonds;

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

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

10 Section 2. Conditions Precedent. All conditions, things and acts required by law to exist,
11 to happen and to be performed precedent to and in the issuance of the Bonds exist, have
12 happened and have been performed in due time, form and manner in accordance with
13 applicable law, and the City is now authorized pursuant to its Charter and applicable law to incur
14 indebtedness in the manner and form provided in this Resolution (the "Resolution").

15 Section 3. Documents. The documents presented to this Board of Supervisors and on
16 file with the Clerk of the Board of Supervisors are contained in File No. 991489.

17 Section 4. Issuance and Sale of Bonds. The Board of Supervisors hereby authorizes:
18 the issuance and sale of a second series of bonds in an aggregate principal amount not to
19 exceed \$16,730,000 as authorized by and for the purposes set forth in Proposition B.

20 Said series of bonds shall be designated as "City and County of San Francisco General
21 Obligation Bonds (Asian Art Museum Relocation Project) Series 1999D" (the "Bonds") or such
22 other series designation as shall be specified by the Director of Public Finance of the City (the
23 "Director of Public Finance"). Sale of the Bonds may be aggregated with other general
24 obligation bonds being issued by the City as authorized from time to time by the Board of
25 Supervisors.

MAYOR'S OFFICE OF PUBLIC FINANCE
BOARD OF SUPERVISORS

1 Section 5. Execution, Authentication and Registration of the Bonds. The officers of the
2 City are hereby directed to cause the Bonds to be prepared in sufficient quantity for delivery to
3 the purchaser thereof and the Director of Public Finance is hereby directed to cause the blanks
4 therein to be completed in accordance with the Authorizing Resolution.

5 Except for the countersignature of a Deputy Clerk of the Board of Supervisors which shall
6 be a manual signature, all signatures referred to hereinabove may be facsimile or manual. The
7 Treasurer is hereby authorized to authenticate the Bonds, by manual signature and the Clerk of
8 the Board of Supervisors is authorized to cause the official seal of the City to be reproduced or
9 impressed on the Bonds and to deliver the Bonds when so executed to said purchaser in
10 exchange for the purchase price thereof.

11 The Bonds and the Treasurer's certificate of authentication and registration and the form
12 of assignment to appear thereon shall be substantially in the form attached hereto as Exhibit A (a
13 copy of which is on file with the Clerk of the Board of Supervisors and which is hereby declared
14 to be a part of this Resolution as if fully set forth herein) with necessary or appropriate variations,
15 omissions and insertions as permitted or required by this Resolution (provided that if a portion of
16 the text of the Bonds is printed on the reverse of the Bonds, the following legend shall be printed
17 on the face of the Bonds: "THE PROVISIONS OF THIS BOND ARE CONTINUED ON THE
18 REVERSE HEREOF AND SUCH CONTINUED PROVISIONS SHALL FOR ALL PURPOSES
19 HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH HERE.")

20 In case any of such officers whose signature or countersignature appears on the Bonds
21 shall cease to be such officer before the delivery of such Bonds to the purchaser, such signature
22 or countersignature shall nevertheless be valid and sufficient for all purposes as if such officer
23 had remained in office until the delivery of the Bonds.

24 Only Bonds that bear a certificate of authentication and registration in the form hereinafter
25 recited, executed by the Treasurer, shall be valid or obligatory for any purpose or entitled to the

MAYOR'S OFFICE OF PUBLIC FINANCE
BOARD OF SUPERVISORS

1 benefits of this Resolution, and such certificate of the Treasurer shall be conclusive evidence
2 that the Bonds so authenticated have been duly authenticated and delivered hereunder and are
3 entitled to the benefits of this Resolution.

4 The Treasurer shall assign a distinctive letter, or number, or letter and number to each
5 Bond authenticated and registered by him or her and shall maintain a record thereof which shall
6 be available for inspection.

7 Section 6. Registration Books. The Treasurer shall keep or cause to be kept, at the
8 office of the Treasurer, sufficient books for the registration and transfer of the Bonds, which shall
9 at all times be open to inspection, and, upon presentation for such purpose, the Treasurer shall,
10 under such reasonable regulations as he or she may prescribe, register or transfer or cause to
11 be registered or transferred, on said books, Bonds as herein provided.

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

17 Any Bond may be exchanged at the office of the Treasurer for a like aggregate principal
18 amount of other authorized denominations of the same interest rate and maturity.

19 Whenever any Bond shall be surrendered for transfer or exchange, the designated City
20 officials shall execute (as provided in Section 5 hereof) and the Treasurer shall authenticate and
21 deliver a new Bond or Bonds of the same interest rate and maturity in a like aggregate principal
22 amount. The Treasurer shall require the payment by any bond owner requesting any such
23 transfer of any tax or other governmental charge required to be paid with respect to such transfer
24 or exchange.

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MAYOR'S OFFICE OF PUBLIC FINANCE
BOARD OF SUPERVISORS

Page 5
8/17/99

1 No transfer or exchange of Bonds shall be required to be made by the Treasurer during
2 the period from the Record Date (as defined herein) next preceding each interest payment date
3 to such interest payment date or after a notice of redemption shall have been mailed with
4 respect to such Bond.

5 Section 8. Terms of the Bonds; General Redemption Provisions. The Bonds shall each
6 be dated as of the date (the "Dated Date") as specified in the award to be made by motion of the
7 Finance and Labor Committee of the Board of Supervisors pursuant to Section 16 hereof (the
8 "Finance Committee Award"), and shall be substantially in the form set forth as Exhibit A hereto.
9 The Bonds shall bear interest from the date thereof until paid at rates not to exceed twelve
10 percent (12%) per annum (the exact rates to be determined upon sale of the Bonds) calculated
11 on the basis of a 360-day year comprised of twelve 30-day months, payable on June 15, 2000
12 (or such other date as may be designated in the Finance Committee Award), and semiannually
13 thereafter on June 15 and December 15 of each year (or such other date as may be designated
14 in the Finance Committee Award). The Bonds shall be in fully registered form without coupons
15 in denominations of \$5,000 or any integral multiple thereof and shall either mature or be subject
16 to mandatory redemption (as hereinafter provided) on June 15 (or such other date as may be
17 designated in the Finance Committee Award) of the years, and in the amounts, as set forth in the
18 Official Statement (defined herein) relating to the Bonds, provided that no Bonds shall mature
19 later than June 15, 2024.

20 The costs incurred with the issuance of the Bonds (excluding underwriters' discount and
21 any cost of credit enhancement) shall not exceed two percent (2%) of the principal amount of the
22 Bonds and shall be paid as specified in Section 9 hereof.

23 The Bonds shall be issued in book-entry form and initially shall be registered in the name
24 of Cede & Co. as nominee of the Depository Trust Company. For so long as Cede & Co. or its
25 registered assigns is the registered owner of all of the Bonds, payment shall be made by wire

MAYOR'S OFFICE OF PUBLIC FINANCE
BOARD OF SUPERVISORS

Page 6
8/17/99

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1 transfer of immediately available funds to Cede & Co. The principal of the Bonds shall be
2 payable in lawful money of the United States of America to the owner thereof, upon the
3 surrender thereof at maturity or earlier redemption at the office of the Treasurer. The interest on
4 the Bonds shall be payable in like lawful money to the person whose name appears on the bond
5 registration books of the Treasurer as the owner thereof as of the close of business on the last
6 day of the month immediately preceding an interest payment date (the "Record Date"), whether
7 or not such day is a Business Day (as hereinafter defined).

8 Each Bond shall bear interest from the interest payment date next preceding the date of
9 authentication thereof unless it is authenticated as of a day during the period from the Record
10 Date next preceding any interest payment date to the interest payment date, inclusive, in which
11 event it shall bear interest from such interest payment date, or unless it is authenticated on or
12 before May 31, 2000 (or such other date as may be designated in the Finance Committee
13 Award), in which event it shall bear interest from the Dated Date of the Bonds; provided,
14 however, that if, at the time of authentication of any Bond, interest is in default on the Bonds,
15 such Bond shall bear interest from the interest payment date to which interest has previously
16 been paid or made available for payment on the Bonds or from the Dated Date if the first interest
17 payment is not made. Payment of the interest on any Bond shall be paid by check mailed to
18 such owner at such owner's address as it appears on the registration books as of the Record
19 Date; provided, however, if any interest payment occurs on a day that banks in California and
20 New York are closed for business, then such payment shall be made on the next succeeding
21 day that banks in both California and New York are open for business (a "Business Day"); and
22 provided, further, that the registered owner of an aggregate principal amount of at least
23 \$1,000,000 of the Bonds may submit a written request to the Treasurer on or before a Record
24 Date preceding an interest payment date for payment of interest by wire transfer to a commercial
25 bank located within the United States.

MAYOR'S OFFICE OF PUBLIC FINANCE
BOARD OF SUPERVISORS

Page 7
8/17/99

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1 The Bonds shall be subject to mandatory redemption, by lot, in any year for which the
2 successful bidder therefor has designated that the principal amount payable with respect to that
3 year shall constitute a mandatory sinking fund payment as permitted by the Official Notice of
4 Sale (as more fully described in Section 14 hereof). Any such mandatory redemptions shall be
5 designated in the Finance Committee Award prior to the delivery of the Bonds. In lieu of any
6 such mandatory redemption, at any time prior to the selection of the Bonds for redemption, the
7 City may apply such amounts on deposit in the Bond Fund (as defined in Section 10 hereof) to
8 make such payment for the purchase of Bonds subject to such redemption at public or private
9 sale, as and when and at such prices not in excess of the principal amount thereof (including
10 brokerage and other charges, but excluding accrued interest), as the City may determine.

11 As used herein, "redemption date" shall mean the date on which any Bonds are called for
12 redemption.

13 The Bonds maturing on or before June 15, 2007 (or such other date as may be
14 designated in the Finance Committee Award) shall not be subject to redemption prior to maturity.
15 The Bonds maturing on or after June 15, 2008 (or such other date as may be designated in the
16 Finance Committee Award) are subject to optional redemption prior to their respective stated
17 maturities, at the option of the City, from any source of available funds, as a whole or in part on
18 any date (with the maturities to be redeemed to be determined by the City and by lot within a
19 maturity) on or after June 15, 2007 (or such other date as may be designated in the Finance
20 Committee Award), at redemption prices equal to 102% of the principal amount redeemed in the
21 first year the Bonds are subject to optional redemption (with such redemption price declining to
22 100% at the rate of one percent annually), together with accrued interest to the date of
23 redemption.

24 Prior to the time the Treasurer or the Controller determines to optionally call and redeem
25 any of the Bonds, the Treasurer shall establish a Redemption Fund to be described or known as

1 the "General Obligation Bonds (Asian Art Museum Relocation Project) Series 1999D
2 Redemption Fund" and prior to or on the redemption date there must be set aside in said
3 Redemption Fund moneys available for the purpose and sufficient to redeem as in this
4 Resolution provided, the Bonds designated in said notice of redemption. Said moneys must be
5 set aside in said fund solely for the purpose and shall be applied on or after the redemption date
6 to the payment of the Bonds to be redeemed upon presentation and surrender of such Bonds.
7 Any interest due on or prior to the redemption date shall be paid from the Bond Fund as provided
8 in Section 10 hereof. If, after all of the Bonds have been redeemed and cancelled or paid and
9 cancelled, there are moneys remaining in said Redemption Fund, said moneys shall be
10 transferred to the General Fund of the City as permitted by law; provided, however, that if said
11 moneys are part of the proceeds of refunding bonds, said moneys shall be transferred to the
12 fund created for the payment of principal and interest on such refunding bonds.

13 When notice of optional redemption has been given as provided below and when the
14 amount necessary for the redemption of the Bonds called for redemption (principal and premium,
15 if any) is set aside for that purpose in said Redemption Fund, as provided herein, the Bonds
16 designated for redemption shall become due and payable on the date fixed for redemption
17 thereof, and upon presentation and surrender of said Bonds at the place specified in the notice
18 of redemption, such Bonds shall be redeemed and paid at said redemption price out of said
19 Redemption Fund. No interest will accrue on such Bonds called for redemption after the
20 redemption date and the registered owners of such Bonds shall look for payment of such Bonds
21 only to said Redemption Fund. All Bonds redeemed shall be cancelled forthwith by the
22 Treasurer and shall not be reissued.

23 The City shall have the right to rescind any optional redemption by written notice to the
24 owner of any Bond previously called for redemption prior to the redemption date. Any notice of
25 optional redemption shall be cancelled and annulled if for any reason funds are not available on

1 the date fixed for redemption of the payment in full of the Bonds then called for redemption.
2 Notice of rescission of redemption shall be mailed in the same manner notice of redemption was
3 originally provided. The actual receipt by the owner of any Bond of notice of such rescission
4 shall not be a condition precedent to rescission, and failure to receive such notice or any defect in
5 such notice shall not affect the validity of the rescission.

6 Notice of any redemption of Bonds shall be mailed, postage prepaid, to the respective
7 registered owners thereof at the addresses appearing on the bond registration books not less
8 than thirty (30) nor more than sixty (60) days prior to the redemption date. The notice of
9 redemption shall (a) state the redemption date; (b) state the redemption price; (c) state the dates
10 of maturity of the Bonds and, if less than all of any such maturity is called for redemption, the
11 distinctive numbers of the Bonds of such maturity to be redeemed, and in the case of Bonds
12 redeemed in part only, the respective portions of the principal amount thereof, to be redeemed;
13 (d) state the CUSIP number, if any, of each Bond to be redeemed; (e) require that such Bonds
14 be surrendered by the owners at the office of the Treasurer; and (f) give notice that interest on
15 such Bonds will cease to accrue after the designated redemption date.

16 The actual receipt by the owner of any Bond of notice of such redemption shall not be a
17 condition precedent to redemption, and failure to receive such notice, or any defect in such
18 notice shall not affect the validity of the proceedings for the redemption of such Bonds or the
19 cessation of accrual of interest on the redemption date.

20 At least five (5) days before the above notice date, notice also shall be given by
21 (i) registered or certified mail, postage prepaid, (ii) confirmed facsimile transmission or (iii)
22 overnight delivery service, to each of the following securities depositories and information
23 services or their successors, or such other depositories and/or information services as may
24 hereafter be designated by the City:

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MAYOR'S OFFICE OF PUBLIC FINANCE
BOARD OF SUPERVISORS

Page 10
8/17/99

1 Securities Depositories

2 (1) The Depository Trust Company
3 711 Stewart Avenue
4 Garden City, New York 11503
5 Facsimile transmission: (516) 227-4039 or (516) 227-4190

6 (2) Midwest Securities Trust Company Capital
7 Capital Structured-Call Notification
8 400 South LaSalle Street
9 Chicago, Illinois 60605
10 Facsimile transmission: (312) 663-2343

11 (3) Philadelphia Depository Trust Company
12 Reorganization Division
13 1900 Market Street
14 Philadelphia, Pennsylvania 19103
15 Facsimile transmission: (215) 496-5058

16 Information Services

17 (1) Financial Information, Inc.'s Financial
18 Daily Called Bond Service
19 30 Montgomery Street, 10th Floor
20 Jersey City, New Jersey 07302
21 Attention: Editor

22 (2) Kenny Information Service's Called Bond Service
23 55 Bond Street
24 New York, New York 10004

25 (3) Moody's FIS
 5250-77 Center Drive, Suite 150
 Charlotte, North Carolina 28217
 Attention: Municipal News Report

 (4) Standard & Poor's Called Bond Record
 25 Broadway, 3rd Floor
 New York, New York 10004

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

MAYOR'S OFFICE OF PUBLIC FINANCE
BOARD OF SUPERVISORS

1 Section 9. Payment of Costs of Issuance. In accordance with Section 8 hereof, upon the
2 sale of the Bonds, no more than 2% of the proceeds of the Bonds (excluding any bid premium
3 and accrued interest) shall be applied to pay the costs of issuance associated with the Bonds. A
4 Costs of Issuance Account shall be created within the Series 1999D Project Fund Subaccount
5 (as defined in Section 11). The Treasurer is hereby authorized to pay or cause to be paid on
6 behalf of the City, the costs of issuance associated with the Bonds. Costs of issuance of the
7 Bonds shall include, without limitation, bond and financial printing expenses, mailing and
8 publication expenses, rating agency fees, and the fees and expenses of paying agents,
9 registrars, financial consultants and bond counsel. Six months after the date of the issuance of
10 the Bonds, any funds remaining in the Costs of Issuance Account shall be transferred to the
11 Bond Fund and the Costs of Issuance Account shall be closed. Any costs of issuance paid after
12 the date the Costs of Issuance Account is closed shall be paid from the Series 1999D Project
13 Fund Subaccount.

14 Section 10. Bond Fund. All taxes collected in connection with the issuance of the Bonds
15 pursuant to the Authorizing Resolution shall be deposited forthwith in a special bond interest and
16 sinking fund to be designated as the "General Obligation Bonds Asian Art Museum Relocation
17 Project Series 1999D Bond Fund" (the "Bond Fund"). Such fund shall be kept separate and
18 apart from all other funds.

19 Section 11. Project Fund Subaccounts. All of the proceeds of the sale of the Bonds,
20 including any premium but excluding accrued interest received thereon, shall be deposited by
21 the Treasurer in a subaccount created hereby (the "Series 1999D Project Fund Subaccount") of
22 the Project Fund created by and administered pursuant to the Authorizing Resolution.

23 Section 12. Appointment of Depositories and Other Agents. The Treasurer is hereby
24 authorized and directed to appoint one or more depositories as he or she may deem desirable.
25 The Depository Trust Company is hereby appointed initial depository for the Bonds. The City will

1 not have any responsibility or obligation to any purchaser of a beneficial ownership interest in
2 any Bonds or to any participants in such a depository with respect to (i) the accuracy of any
3 records maintained by such securities depository or any participant therein; (ii) any notice that is
4 permitted or required to be given to the owners of the Bonds under this Resolution; (iii) the
5 selection by such securities depository or any participant therein of any person to receive
6 payment in the event of a partial redemption of the Bonds; (iv) the payment by such securities
7 depository or any participant therein of any amount with respect to the principal or redemption
8 premium, if any, or interest due with respect to the Bonds; (v) any consent given or other action
9 taken by such securities depository as the owner of the Bonds; or (vi) any other matter.

10 The Treasurer is hereby also authorized and directed to appoint one or more agents as
11 he or she may deem necessary or desirable. To the extent permitted by applicable law and
12 under the supervision of the Treasurer, such agents may serve as paying agent, fiscal agent or
13 registrar for the Bonds or may assist the Treasurer in performing any or all of such functions and
14 such other duties as the Treasurer shall determine. Such agents shall serve under such terms
15 and conditions as the Treasurer shall determine. The Treasurer may remove or replace agents
16 appointed pursuant to this Section 12 at any time.

17 Section 13. Defeasance Provisions. Payment of all or any portion of the Bonds may be
18 provided for prior to maturity by irrevocably depositing with the Treasurer (or any commercial
19 bank or trust company designated by the Treasurer to act as escrow agent with respect thereto):

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

3 (b) Defeasance Securities (as herein defined) not subject to call except as
4 provided below in the definition thereof, maturing and paying interest at such times and in such
5 amounts, together with cash, if required, as will, without reinvestment, as certified by an
6 independent certified public accountant, be fully sufficient to pay the principal and all unpaid
7 interest to maturity, or to the redemption date, as the case may be, and any premium due, on the
8 Bonds to be paid or redeemed, as such principal and interest come due.

9 Upon the deposit in accordance with the previous paragraph, all obligations of the City
10 with respect to said outstanding Bonds shall cease and terminate, except only the obligation of
11 the City to pay or cause to be paid from the funds deposited pursuant to paragraphs (a) or (b) of
12 this Section 13, to the owners of said Bonds all sums due with respect thereto, the transfer and
13 exchange provisions set forth in Section 7, and the tax covenant set forth in Section 18;
14 provided, that the City shall have received an opinion of nationally recognized bond counsel, that
15 provision for the payment of said Bonds has been made in accordance with this Section 13. In
16 the case of the Bonds which are to be redeemed prior to maturity, notice of such redemption
17 shall be given as provided in Section 8 hereof or an irrevocable election to give such notice shall
18 have been made by the City.

19 For purpose of this Section 13, "Defeasance Securities" shall mean any of the following
20 which at the time are legal investments under the laws of the State of California for the moneys
21 proposed to be invested therein:

22 (1) United States Obligations (as herein defined); and

23 (2) Pre-refunded fixed interest rate municipal obligations meeting the following
24 conditions: (a) the municipal obligations are not subject to redemption prior to maturity, or the
25 trustee has been given irrevocable instructions concerning their calling and redemption and the

1 issuer has covenanted not to redeem such obligations other than as set forth in such
2 instructions; (b) the municipal obligations are secured by cash and/or United States Obligations;
3 (c) the principal of and interest on the United States Obligations (plus any cash in the escrow
4 fund) are sufficient to meet the liabilities of the municipal obligations; (d) the United States
5 Obligations serving as security for the municipal obligations are held by an escrow agent or
6 trustee; (e) the United States Obligations are not available to satisfy any other claims, including
7 those against the trustee or escrow agent; and (f) the municipal obligations are rated "AAA" by
8 S&P and "Aaa" by Moody's.

9 For purposes of this Section 13, "United States Obligations" shall mean direct and
10 general obligations of the United States of America, or obligations that are unconditionally
11 guaranteed as to principal and interest by the United States of America, including without
12 limitation, the interest component of Resolution Funding Corporation (REFCORP) bonds which
13 have been stripped by request to the Federal Reserve Bank of New York in book-entry form.

14 Section 14. Official Notice of Sale. The form of proposed Official Notice of Sale inviting
15 bids for the Bonds (a copy of which is on file with the Clerk of the Board of Supervisors and
16 which is hereby declared to be a part of this Resolution as if fully set forth herein), is hereby
17 approved and adopted as the Official Notice of Sale inviting bids for the Bonds with such
18 changes, additions and completions as may be made in accordance with Section 20 hereof.

19 The Director of Public Finance is hereby authorized, as the Director of Public Finance
20 determines may be necessary or desirable, to cause the Official Notice of Sale to be published
21 once, no later than five (5) days before the initial sale date of the Bonds as designated by the
22 Director of Public Finance, and thereafter as the Director of Public Finance determines may be
23 necessary or desirable, in the official newspaper of the City.

24 The Director of Public Finance is hereby authorized and directed to determine a date,
25 time and place for the sale of the Bonds. The Director of Public Finance is hereby authorized

MAYOR'S OFFICE OF PUBLIC FINANCE
BOARD OF SUPERVISORS

1 and directed to cause to be mailed to prospective bidders for the Bonds copies of said Official
2 Notice of Sale, subject to such corrections, revisions or additions as may be acceptable to the
3 Director of Public Finance.

4 Section 15. Publication of Notice of Intention to Sell Bonds. The Director of Public
5 Finance is hereby authorized and directed to cause a Notice of Intention to Sell Bonds in such
6 form as she may approve upon consultation with the City Attorney to be published once at least
7 fifteen days before the date of sale in The Bond Buyer, or a financial publication generally
8 circulated throughout the State of California.

9 Section 16. Receipt of Bids; Award of Bonds. The Bonds shall be sold at a competitive
10 public sale as described in this Section and in the Official Notice of Sale. The Board of
11 Supervisors hereby authorizes the receipt of bids for the purchase of not to exceed \$16,730,000
12 principal amount of the Bonds at such time, date and place as determined by the Director of
13 Public Finance.

14 The Finance and Labor Committee of the Board of Supervisors is hereby authorized to
15 award the Bonds to the bidder whose bid represents the lowest true interest cost to the City,
16 provided that: (a) the price bid shall not be less than the principal amount of the Bonds, (b) the
17 true interest cost of the Bonds shall not exceed 12%, and (c) the Bonds shall otherwise conform
18 to all provisions set forth herein, all in accordance with the procedures described in the Official
19 Notice of Sale. Proposals shall be received by the Clerk of the Board of Supervisors on the sale
20 date designated by the Director of Public Finance.

21 Section 17. Official Statement. The form of proposed Official Statement describing the
22 Bonds (the "Official Statement") (a copy of which is on file with the Clerk of the Board of
23 Supervisors and which is hereby declared to be a part of this Resolution as if fully set forth
24 herein) submitted to the Board of Supervisors is hereby approved and adopted as the Official
25 Statement describing the Bonds, with such additions, corrections and revisions as may be

MAYOR'S OFFICE OF PUBLIC FINANCE
BOARD OF SUPERVISORS

1 determined to be necessary or desirable made in accordance with Section 20 hereof. The
2 Controller of the City (the "Controller") is hereby authorized to cause the distribution of a
3 Preliminary Official Statement deemed final for purposes of Rule 15c2-12 of the Securities and
4 Exchange Act of 1934, as amended, and to sign a certificate to that effect. The Controller is
5 further hereby authorized and directed to sign the final Official Statement. The Director of Public
6 Finance is hereby authorized and directed to cause to be printed and mailed to prospective
7 bidders for the Bonds copies of the Official Statement in substantially the form of the Preliminary
8 Official Statement approved and adopted hereby as supplemented, corrected or revised.

9 Section 18. Tax Covenant. (a) The City hereby covenants that the City will not make any
10 use of the proceeds of the Bonds or any other funds of the City which would cause the Bonds to
11 be: (i) "arbitrage bonds," the interest on which will be subject to inclusion in gross income for
12 purposes of federal income taxation by reason of Section 148 of the Internal Revenue Code of
13 1986, as amended (herein called the "Code"); (ii) "private activity bonds," the interest on which
14 will be subject to inclusion in gross income for purposes of federal income taxation by reason of
15 Section 141(a) of the Code; or, (iii) obligations the interest on which will be subject to inclusion in
16 gross income for purposes of federal income taxation because they are "federally guaranteed"
17 as provided in Section 149(b) of the Code; and to that end the City, with respect to the proceeds
18 of the Bonds, will comply with all requirements of such sections of the Code (including, without
19 limitation, the requirements regarding the rebate of excess investment earnings set forth in
20 Section 148(f) of the Code) and all regulations of the United States Department of Treasury
21 issued thereunder to the extent that such requirements are, at the time, applicable and in effect,
22 and will comply with the provisions of the Certificate as to Arbitrage to be executed by the City,
23 dated the date of issuance of the Bonds, as originally executed and as it may be amended from
24 time to time (herein called the "Tax Certificate").

25 ///

MAYOR'S OFFICE OF PUBLIC FINANCE
BOARD OF SUPERVISORS

Page 17
8/17/99

1 (b) In furtherance of the covenants of the City set forth above, this Board of
2 Supervisors will cause the Controller and the Treasurer and all other appropriate City officials to
3 comply with the Tax Certificate.

4 Section 19. Continuing Disclosure Certificate. The form of Continuing Disclosure
5 Certificate required pursuant to Securities and Exchange Commission Rule 15c2-12 (the "Rule")
6 promulgated under the Securities Exchange Act of 1934, as amended, (a copy of which is on file
7 with the Clerk of the Board of Supervisors and which is hereby declared to be a part of this
8 Resolution as if fully set forth herein) submitted to the Board of Supervisors is hereby approved
9 and adopted as the Continuing Disclosure Certificate, with such additions, corrections and
10 revisions as may be determined to be necessary or desirable made in accordance with
11 Section 20 hereof. The Controller is hereby authorized and directed to enter into the Continuing
12 Disclosure Certificate on behalf of the City to the original purchasers of the Bonds.

13 Section 20. Modification to Documents. Any City official authorized by this Resolution to
14 execute any document is hereby further authorized, in consultation with the City Attorney, to
15 approve and make such changes, additions, amendments or modifications to the document or
16 documents such official is authorized to execute as may be necessary or advisable (provided
17 that such changes, additions, amendments or modifications shall not authorize an aggregate
18 principal amount of Bonds in excess of \$16,730,000). The approval of any change, addition,
19 amendment or modification to any of the aforementioned documents shall be evidenced
20 conclusively by the execution and delivery of the document in question.

21 Section 21. Ratification. All actions heretofore taken by officials, employees and agents
22 of the City with respect to the sale and issuance of the Bonds are hereby approved, confirmed
23 and ratified.

24 Section 22. General Authority. The Clerk of the Board of Supervisors, the Finance and
25 Labor Committee of the Board of Supervisors, the Treasurer, the Director of Public Finance, the

1 City Attorney and the Controller are each hereby authorized and directed in the name and on
2 behalf of the City to take any and all steps and to issue and deliver any and all certificates,
3 requisitions, agreements, notices, consents, and other documents, including but not limited to
4 letters of representations to any depository or depositories which they or any of them might
5 deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of
6 the Bonds.

7
8 APPROVED AS TO FORM:

9 LOUISE H. RENNE
10 City Attorney

11
12 By:


13 DAVE ANGELO SANCHEZ
14 Deputy City Attorney

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MAYOR'S OFFICE OF PUBLIC FINANCE
BOARD OF SUPERVISORS

Page 19
8/17/99



City and County of San Francisco

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

Tails

Resolution

File Number: 991489

Date Passed:

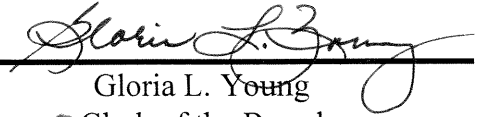
Resolution authorizing and directing the sale of not to exceed \$16,730,000 City and County of San Francisco General Obligation Bonds (Asian Art Museum Relocation Project) Series 1999D; prescribing the form and terms of said Bonds; authorizing the execution, authentication and registration of said Bonds; providing for the appointment of depositories and other agents for said Bonds; providing for the establishment of funds related thereto; approving the forms of official notice of sale of Bonds; directing the publication of the notice of sale and notice of intention to sell bonds; approving the form and execution of the official statement relating thereto; 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.

August 23, 1999 Board of Supervisors — ADOPTED

Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

File No. 991489

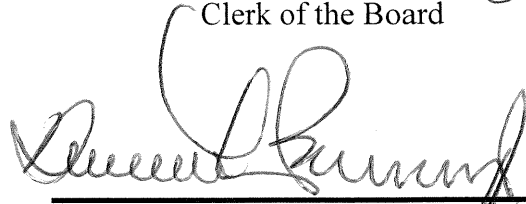
I hereby certify that the foregoing Resolution was ADOPTED on August 23, 1999 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

SEP - 3 1999

Date Approved



Mayor Willie L. Brown Jr.