

1 [Authorizing Tax-Exempt and/or Taxable Certificates of Participation - Multiple Capital
2 Improvement Projects - Not to Exceed \$61,395,000]

3 **Ordinance authorizing the execution and delivery of Certificates of Participation, in one**
4 **or more series on a tax-exempt and/or taxable basis and from time to time, evidencing**
5 **and representing an aggregate principal amount of not to exceed \$61,395,000**
6 **("Certificates"), to finance and refinance certain capital improvement projects within**
7 **the City and County of San Francisco's ("City") capital plan and generally consisting of**
8 **critical repairs, renovations and improvements to City-owned buildings, facilities,**
9 **streets and works maintained and utilized by various City departments; approving the**
10 **form of a Supplement to Trust Agreement between the City and U.S. Bank Trust**
11 **Company, National Association (as successor-in-interest to U.S. Bank National**
12 **Association), as trustee ("Trustee") (including certain indemnities contained therein);**
13 **approving respective forms of a Supplement to Property Lease and a Supplement to**
14 **Project Lease, each between the City and the Trustee, for the lease to the Trustee and**
15 **lease back to the City of all or a portion of certain real property and improvements**
16 **owned by the City and located at 375 Laguna Honda Boulevard within the City, at 1**
17 **South Van Ness Avenue within the City and at 1 Moreland Drive, San Bruno, California,**
18 **together with any other property determined by the City's Director of Public Finance to**
19 **be made subject to the lease and lease back arrangements; approving the form of an**
20 **Official Notice of Sale and a Notice of Intention to Sell the Certificates; approving the**
21 **form of an Official Statement in preliminary and final form; approving the form of a**
22 **purchase contract between the City and one or more initial purchasers of the**
23 **Certificates; approving the form of a Continuing Disclosure Certificate, as defined**
24 **herein; granting general authority to City officials to take necessary actions in**
25 **connection with the authorization, sale, execution and delivery of the Certificates;**

1 **approving modifications to documents; ratifying previous actions taken in connection**
2 **therewith, as defined herein; and repealing and rescinding a portion of the**
3 **authorization to execute and deliver certificates of participation of the City established**
4 **through the adoption of Ordinance No. 101-23 of the City on June 2, 2023.**

5 **NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font.
6 **Additions to Codes** are in *single-underline italics Times New Roman font*.
7 **Deletions to Codes** are in ~~strikethrough italics Times New Roman font~~.
8 **Board amendment additions** are in double-underlined Arial font.
9 **Board amendment deletions** are in ~~strikethrough Arial font~~.
10 **Asterisks (* * * *)** indicate the omission of unchanged Code
11 subsections or parts of tables.

12 Be it ordained by the People of the City and County of San Francisco:

13 Section 1. Background.

14 (a) The Board of Supervisors (“Board of Supervisors” or “Board”) of the City and
15 County of San Francisco (“City”) desires to provide funds to finance and refinance certain
16 capital improvement projects within the City, including but not limited to certain projects
17 within the City’s capital plan and generally consisting of critical repairs, renovations and
18 improvements to City-owned buildings, facilities, streets and works maintained and utilized
19 by various City departments (“Project”), (ii) fund a debt service or other similar reserve for
20 the Certificates, as appropriate; and (iii) pay costs of execution and delivery of the
21 Certificates, and the City is authorized pursuant to its charter (“Charter”) and the laws of the
22 State to enter into lease financings for such purposes.

23 (b) The City and U.S. Bank Trust Company, National Association (as successor-
24 in-interest to U.S. Bank National Association), as trustee (“Trustee”), have previously
25 entered into a Property Lease, dated as of May 1, 2009 (“Original Property Lease”),
26 pursuant to which the City has leased certain real property and all improvements thereon,

1 generally consisting of certain land and improvements comprising portions of the Laguna
2 Honda Hospital campus within the City ("Laguna Honda Hospital"), owned by the City and
3 located at 375 Laguna Honda Boulevard within the City (collectively, the "Prior Leased
4 Property") to the Trustee.

5 (c) The Trustee and the City have previously entered into a Project Lease, dated
6 as of May 1, 2009 ("Original Project Lease"), pursuant to which the Trustee has leased the
7 Prior Leased Property back to the City.

8 (d) The City previously caused the execution and delivery of the City and County
9 of San Francisco Certificates of Participation, Series 2009A (Multiple Capital Improvement
10 Projects) ("2009A Certificates") pursuant to a Trust Agreement, dated as of May 1, 2009, by
11 and between the City and the Trustee ("Original Trust Agreement" and, together with the
12 Original Property Lease and the Original Project Lease, the "Original Agreements").

13 (e) The 2009A Certificates evidenced direct undivided interests in the lease
14 payments made by the City under the Original Project Lease.

15 (f) The Original Trust Agreement provides for the execution and delivery of
16 additional certificates of participation by the execution and delivery of a supplement to the
17 Original Trust Agreement, and authorizes the principal and interest with respect to said
18 certificates of participation to be secured by a supplement to the Original Property Lease
19 and to be paid from amounts paid by the City under a supplement to the Original Project
20 Lease.

21 (g) The City subsequently caused the execution and delivery of the City and
22 County of San Francisco Certificates of Participation, Series 2009B (Multiple Capital
23 Improvement Projects) ("2009B Certificates" and, together with the 2009A Certificates,
24 "2009 Certificates") pursuant to a First Supplement to Trust Agreement, dated as of
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1 September 1, 2009 (“First Supplement to Trust Agreement”), supplementing the Original
2 Trust Agreement.

3 (h) In connection therewith, the City and the Trustee have previously entered into
4 a First Supplement to Property Lease, dated as of September 1, 2009 (“First Supplement to
5 Property Lease”), supplementing the Original Property Lease.

6 (i) In connection therewith, the City and the Trustee have previously entered into
7 a First Supplement to Project Lease, dated as of September 1, 2009 (“First Supplement to
8 Project Lease”), supplementing the Original Project Lease.

9 (j) The 2009B Certificates evidenced direct undivided interests in the lease
10 payments made by the City under the Original Project Lease, as supplemented by the First
11 Supplement to Project Lease, on a parity basis with the 2009A Certificates.

12 (k) The City subsequently caused the execution and delivery of the City and
13 County of San Francisco Certificates of Participation, Series 2012A (Multiple Capital
14 Improvement Projects) (“2012A Certificates”), in order to provide funds for certain street
15 improvements of the City, pursuant to a Second Supplement to Trust Agreement, dated as
16 of June 1, 2012 (“Second Supplement to Trust Agreement”), supplementing the Original
17 Trust Agreement.

18 (l) In connection therewith, the City and the Trustee have previously entered into
19 a Second Supplement to Property Lease, dated as of June 1, 2012 (“Second Supplement to
20 Property Lease”), supplementing the Original Property Lease.

21 (m) In connection therewith, the City and the Trustee have previously entered into
22 a Second Supplement to Project Lease, dated as of June 1, 2012 (“Second Supplement to
23 Project Lease”), supplementing the Original Project Lease.

24 (n) The 2012A Certificates evidenced direct undivided interests in the lease
25 payments made by the City under the Original Project Lease, as supplemented by the First

1 Supplement to Project Lease and Second Supplement to Project Lease, on a parity basis
2 with the 2009 Certificates.

3 (o) The City subsequently caused the execution and delivery of the City and
4 County of San Francisco Refunding Certificates of Participation, Series 2019-R1 (Multiple
5 Capital Improvement Projects) ("2019-R1 Certificates") pursuant to a Third Supplement to
6 Trust Agreement, dated as of November 1, 2019 ("Third Supplement to Trust Agreement"),
7 supplementing the Original Trust Agreement, which 2019-R1 Certificates were executed
8 and delivered to prepay all of the then-outstanding 2009 Certificates.

9 (p) In connection therewith, the City and the Trustee have previously entered into
10 a Third Supplement to Property Lease, dated as of November 1, 2019 ("Third Supplement
11 to Property Lease"), supplementing the Original Property Lease;

12 (q) In connection therewith, the City and the Trustee have previously entered into
13 a Third Supplement to Project Lease, dated as of November 1, 2019 ("Third Supplement to
14 Project Lease"), supplementing the Original Project Lease;

15 (r) The 2019-R1 Certificates evidence direct undivided interests in the lease
16 payments made by the City under the Original Project Lease, as supplemented by the First
17 Supplement to Project Lease, the Second Supplement to Project Lease and the Third
18 Supplement to Project Lease, on a parity basis with the 2012A Certificates.

19 (s) The City subsequently caused the execution and delivery of the City and
20 County of San Francisco Refunding Certificates of Participation, Series 2020-R1 (Multiple
21 Capital Improvement Projects) ("2020-R1 Certificates") pursuant to a Fourth Supplement to
22 Trust Agreement, dated as of November 1, 2020 ("Fourth Supplement to Trust Agreement"),
23 supplementing the Original Trust Agreement, which 2020-R1 Certificates were executed
24 and delivered to prepay all of the then-outstanding City and County of San Francisco
25 Refunding Certificates of Participation, Series 2010A ("2010A Certificates") executed and

1 delivered pursuant to that certain Trust Agreement, dated as of September 1, 2010 (“2010A
2 Trust Agreement”), by and between the City and the City and U.S. Bank National
3 Association, as successor trustee (“2010A Trustee”).

4 (t) The City’s prepayment of all of the 2010A Certificates permitted the City to
5 terminate (i) the 2010A Trust Agreement, (ii) that certain Property Lease between the City
6 and the 2010A Trustee, dated as of September 1, 2010 (“2010A Property Lease”), pursuant
7 to which the City had leased certain City-owned real property located at 1 Moreland Drive,
8 San Bruno, California and all improvements thereon, generally known as the San Bruno
9 Complex (“San Bruno Complex Property”) to the 2010A Trustee, and (iii) that certain Project
10 Lease between the City and the 2010A Trustee, dated as of September 1, 2010 (“2010A
11 Project Lease”), pursuant to which the 2010A Trustee had leased the San Bruno Complex
12 Property back to the City, which termination of the 2010A Trust Agreement, 2010A Property
13 Lease and 2010A Project Lease caused the San Bruno Complex Property to then be
14 unencumbered and vest in the City.

15 (u) In connection with the execution and delivery of the 2020-R1 Certificates, the
16 City and the Trustee have previously entered into a Fourth Supplement to Property Lease,
17 dated as of November 1, 2020 (“Fourth Supplement to Property Lease”), supplementing
18 and amending the Original Property Lease, including to add the San Bruno Complex
19 Property to the Leased Property subject thereto.

20 (v) In connection with the execution and delivery of the 2020-R1 Certificates, the
21 City and the Trustee have previously entered into a Fourth Supplement to Project Lease,
22 dated as of November 1, 2020 (“Fourth Supplement to Project Lease”), supplementing and
23 amending the Original Project Lease, including to add the San Bruno Complex Property to
24 the Leased Property subject thereto.

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(w) The 2020-R1 Certificates evidence direct undivided interests in the lease payments made by the City under the Original Project Lease, as supplemented by the First Supplement to Project Lease, the Second Supplement to Project Lease, the Third Supplement to Project Lease and the Fourth Supplement to Project Lease, on a parity basis with the then-outstanding 2012A Certificates and 2019-R1 Certificates.

(x) The City subsequently caused the execution and delivery of the City and County of San Francisco Certificates of Participation, Series 2021A (Multiple Capital Improvement Projects) (“2021A Certificates”) pursuant to a Fifth Supplement to Trust Agreement, dated as of May 1, 2021 (“Fifth Supplement to Trust Agreement”), supplementing the Original Trust Agreement.

(y) In connection therewith, the City and the Trustee have previously entered into a Fifth Supplement to Property Lease, dated as of May 1, 2021 ("Fifth Supplement to Property Lease"), supplementing and amending the Original Property Lease, including to add the improvements on the Laguna Honda Hospital campus generally known as the South Residence building and the land associated therewith (collectively, the "South Residence") to the Leased Property subject thereto, as authorized by the City's Ordinance No. 226-19 and its Ordinance No. 227-19, each approved as of October 11, 2019.

(z) In connection therewith, the City and the Trustee have previously entered into a Fifth Supplement to Project Lease, dated as of May 1, 2021 ("Fifth Supplement to Project Lease"), supplementing and amending the Original Project Lease, including to add the South Residence to the Leased Property subject thereto, as authorized by the City's Ordinance No. 226-19 and its Ordinance No. 227-19, each approved as of October 11, 2019.

(aa) The 2021A Certificates evidence direct undivided interests in the lease payments made by the City under the Original Project Lease, as supplemented by the First

1 Supplement to Project Lease, the Second Supplement to Project Lease, the Third
2 Supplement to Project Lease, the Fourth Supplement to Project Lease and the Fifth
3 Supplement to Project Lease, on a parity basis with the then-outstanding 2012A
4 Certificates, 2019-R1 Certificates and 2020-R1 Certificates.

5 (bb) The 2021A Certificates were executed and delivered by the City in the
6 aggregate principal amount of \$76,020,000 as portions of the authority provided therefor
7 under the City's Ordinance No. 226-19 and its Ordinance No. 227-19, each approved as of
8 October 11, 2019.

9 (cc) The Board, as advised by the City's Office of Public Finance, determined that
10 \$22,385,000 in aggregate principal amount of Certificates authorized to be executed and
11 delivered for capital improvement projects pursuant to Ordinance No. 226-19, approved as
12 of October 11, 2019 ("Improvement Certificates"), will not be executed and delivered, and
13 the Board, by its adoption of Ordinance 197-23, approved as of September 29, 2023,
14 partially repealed such Ordinance No. 226-19 and reduced the amount of Improvement
15 Certificates authorized thereunder and rescinded the authority granted thereunder to
16 execute, deliver and sell \$22,385,000 in aggregate principal amount of Improvement
17 Certificates.

18 (dd) The City subsequently caused the execution and delivery of the City and
19 County of San Francisco Certificates of Participation, Series 2023A (Affordable Housing
20 and Community Facilities Projects) (Federally Taxable) ("2023A Certificates"), in order to
21 provide funds for certain capital improvement, affordable housing and community facilities
22 projects within the City, pursuant to a Sixth Supplement to Trust Agreement, dated as of
23 November 1, 2023 ("Sixth Supplement to Trust Agreement"), supplementing the Original
24 Trust Agreement.

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(ee) In connection with the execution and delivery of the 2023A Certificates, the City and the Trustee have previously entered into a Sixth Supplement to Property Lease, dated as of November 1, 2023 ("Sixth Supplement to Property Lease"), supplementing and amending the Original Property Lease.

(ff) In connection with the execution and delivery of the 2023A Certificates, the City and the Trustee have previously entered into a Sixth Supplement to Project Lease, dated as of November 1, 2023 ("Sixth Supplement to Project Lease"), supplementing and amending the Original Project Lease.

(gg) The 2023A Certificates evidence direct undivided interests in the lease payments made by the City under the Original Project Lease, as supplemented by the First Supplement to Project Lease, the Second Supplement to Project Lease, the Third Supplement to Project Lease, the Fourth Supplement to Project Lease and the Fifth Supplement to Project Lease, on a parity basis with the then-outstanding 2012A Certificates, 2019-R1 Certificates, 2020-R1 Certificates and 2021A Certificates.

(hh) The 2023A Certificates were executed and delivered by the City in the aggregate principal amount of \$103,410,000 as a portion of the authorization provided therefor under the City's Ordinance No. 102-23, approved as of June 2, 2023.

(ii) The City subsequently caused the execution and delivery of the City and County of San Francisco Certificates of Participation, Series 2023B (Multiple Capital Improvement Projects) (Tax-Exempt) ("2023B Certificates"), in order to provide funds for certain capital improvement projects within the City and for retiring certain commercial paper notes of the City, pursuant to a Seventh Supplement to Trust Agreement, dated as of November 1, 2023 ("Seventh Supplement to Trust Agreement"), supplementing the Original Trust Agreement.

(jj) In connection with the execution and delivery of the 2023B Certificates, the City and the Trustee have previously entered into a Seventh Supplement to Property Lease, dated as of November 1, 2023 ("Seventh Supplement to Property Lease"), supplementing and amending the Original Property Lease.

(kk) In connection with the execution and delivery of the 2023B Certificates, the City and the Trustee have previously entered into a Seventh Supplement to Project Lease, dated as of November 1, 2023 (“Seventh Supplement to Project Lease”), supplementing and amending the Original Project Lease.

(II) The 2023B Certificates evidence direct undivided interests in the lease payments made by the City under the Original Project Lease, as supplemented by the First Supplement to Project Lease, the Second Supplement to Project Lease, the Third Supplement to Project Lease, the Fourth Supplement to Project Lease, the Fifth Supplement to Project Lease and the Sixth Supplement to Project Lease, on a parity basis with the then-outstanding 2012A Certificates, 2019-R1 Certificates, 2020-R1 Certificates, 2021A Certificates and 2023A Certificates.

(mm) The 2023B Certificates were executed and delivered by the City in the aggregate principal amount of \$80,040,000 as portions of the authorization provided therefor under the City's Ordinance No. 123-21 and its Ordinance 183-22, approved as of August 4, 2021, and August 4, 2022, respectively.

(nn) The City subsequently caused the execution and delivery of the City and County of San Francisco Refunding Certificates of Participation, Series 2024-R1 (Multiple Capital Improvements) (Tax-Exempt) (“2024-R1 Certificates”), pursuant to an Eighth Supplement to Trust Agreement, dated as of May 1, 2024 (“Eighth Supplement to Trust Agreement”), supplementing the Original Trust Agreement, which 2024-R1 Certificates were executed and delivered to prepay all of the then-outstanding: 2012A Certificates; City and

1 County of San Francisco Refunding Certificates of Participation, Series 2014-R2 (Juvenile
2 Hall Project) ("Refunded 2014-R2 Certificates"); City and County of San Francisco
3 Refunding Certificates of Participation, Series 2015-R1 (City Office Buildings - Multiple
4 Properties Project) ("Refunded 2015-R1 Certificates"); and City and County of San
5 Francisco Certificates of Participation, Series 2015A (Tax Exempt) (War Memorial Veterans
6 Building Seismic Upgrade and Improvements).

7 (oo) The City's prepayment of Refunded the 2014-R2 Certificates permitted the
8 City to terminate (i) that certain Trust Agreement between the City and Trustee, dated as of
9 April 1, 2014 ("2014-R2 Trust Agreement"), (ii) that certain Lease Agreement between the
10 City and the Trustee, dated as of April 1, 2014 ("2014-R2 Lease Agreement"), pursuant to
11 which the City had leased certain City-owned real property located at 375 Woodside
12 Avenue, San Francisco, California and all improvements thereon, generally known as
13 Juvenile Hall ("Juvenile Hall Property") to the Trustee, and (iii) that certain Facility Lease
14 between the City and the Trustee, dated as of April 1, 2014 ("2014-R2 Facility Lease"),
15 pursuant to which the Trustee had leased the Juvenile Hall Property back to the City, which
16 termination of the 2014-R2 Trust Agreement, 2014-R2 Lease Agreement and 2014-R2
17 Facility Lease caused the Juvenile Hall Property to then be unencumbered and vest in the
18 City.

19 (pp) The City's prepayment of the Refunded 2015-R1 Certificates permitted the
20 City to terminate (i) that certain Trust Agreement between the City and Trustee, dated as of
21 April 1, 2015 ("2015-R1 Trust Agreement"), (ii) that certain Lease Agreement between the
22 City and the Trustee, dated as of October 1, 2015 ("2015-R1 Lease Agreement"), pursuant
23 to which the City had leased certain City-owned real property located at 1 South Van Ness
24 Avenue, San Francisco, California and all improvements thereon, generally known as One
25 South Van Ness ("One South Van Ness Property"), to the Trustee, and (iii) that certain

1 Facility Lease between the City and the Trustee, dated as of October 1, 2015 ("2015-R1
2 Facility Lease"), pursuant to which the Trustee had leased the One South Van Ness
3 Property back to the City, which termination of the 2015-R1 Trust Agreement, 2015-R1
4 Lease Agreement and 2015-R1 Facility Lease caused the One South Van Ness Property to
5 then be unencumbered and vest in the City.

6 (qq) In connection with the execution and delivery of the 2024-R1 Certificates, the
7 City and the Trustee have previously entered into an Eighth Supplement to Property Lease,
8 dated as of May 1, 2024 ("Eighth Supplement to Property Lease"), supplementing and
9 amending the Original Property Lease, supplementing and amending the Original Property
10 Lease, including to add the One South Van Ness Property to the Leased Property subject
11 thereto, as authorized by the City's Ordinance No. 101-23, approved as of June 2, 2023.

12 (rr) In connection with the execution and delivery of the 2024-R1 Certificates, the
13 City and the Trustee have previously entered into an Eighth Supplement to Project Lease,
14 dated as of May 1, 2024 ("Eighth Supplement to Project Lease"), supplementing and
15 amending the Original Project Lease, including to add the One South Van Ness Property to
16 the Leased Property subject thereto, as authorized by the City's Ordinance No. 101-23,
17 approved as of June 2, 2023.

18 (ss) The 2024-R1 Certificates evidence direct undivided interests in the lease
19 payments made by the City under the Original Project Lease, as supplemented by the First
20 Supplement to Project Lease, the Second Supplement to Project Lease, the Third
21 Supplement to Project Lease, the Fourth Supplement to Project Lease, the Fifth
22 Supplement to Project Lease, the Sixth Supplement to Project Lease and the Seventh
23 Supplement to Project Lease on a parity basis with the then-outstanding 2019-R1
24 Certificates, 2020-R1 Certificates, 2021A Certificates, 2023A Certificates and 2023B
25 Certificates.

(tt) The 2024-R1 Certificates were executed and delivered by the City in the aggregate principal amount of \$214,585,000 as a portion of the authorization provided therefor under the City's Ordinance No. 101-23, approved as of June 2, 2023.

(uu) The Board, as advised by the City's Office of Public Finance, has determined that \$60,415,000 in aggregate principal amount of the refunding Certificates authorized to be executed and delivered pursuant to Ordinance No. 101-23, approved as of June 2, 2023 ("Refunding Certificates"), will not be executed and delivered, and this Board now desires to partially repeal such Ordinance No. 101-23 solely to reduce the amount of Refunding Certificates authorized thereunder and to rescind the authority granted thereunder to execute, deliver and sell \$60,415,000 in aggregate principal amount of Refunding Certificates.

(vv) The City, pursuant to its Ordinance No. 61-16, approved as of April 27, 2016; pursuant to its Ordinance No. 227-19, approved as of October 11, 2019; pursuant to its Ordinance No. 281-19, approved as of December 20, 2019; pursuant to its Ordinance No. 222-20, approved as of November 6, 2020; pursuant to its Ordinance No. 123-21, approved as of August 4, 2021; pursuant to its Ordinance No. 183-22, approved as of August 4, 2022; pursuant to its Ordinance No. 102-23, approved as of June 2, 2023, and pursuant to its Ordinance No. 197-23, approved as of September 28, 2023, has authorized (i) the expansion of the Leased Property subject to the Original Property Lease, as previously supplemented, and subject to the Original Project Lease, as previously supplemented, pursuant to additional supplements to such Original Property Lease and Original Project Lease to be executed and delivered in the future, to include (A) the entire campus of Laguna Honda Hospital (except for the portion thereof generally known as the City's Juvenile Detention Center) and (B) such other City-owned and then-unencumbered property as may be determined by the City's Director of Public Finance to be made subject

1 to the Original Property Lease, as previously supplemented, and subject to the Original
2 Project Lease, as previously supplemented, and (ii) the execution and delivery of additional
3 certificates of participation of the City to be executed and delivered as "Additional
4 Certificates" under the Original Trust Agreement, pursuant to additional supplements to the
5 Original Trust Agreement, as previously supplemented, to be executed and delivered in the
6 future, to finance various projects in and of the City in an aggregate principal amount of up
7 to \$641,815,000 (collectively, "Additional Certificates"), and when executed and delivered,
8 such Additional Certificates are to be secured and payable on a parity basis with the then-
9 outstanding 2019-R1 Certificates, 2020-R1 Certificates, 2021A Certificates, 2023A
10 Certificates, 2023B Certificates, 2024-R1 Certificates, any theretofore executed and
11 delivered Additional Certificates and the Certificates (defined below) herein authorized,
12 which supplements to the Original Property Lease, Original Project Lease and Original Trust
13 Agreement may be executed and delivered and which Additional Certificates may be
14 executed and delivered as previously authorized, in whole or in part, on a tax-exempt and/or
15 taxable basis, prior to, on, or after the date of the adoption of this Ordinance.

16 (ww) The Board desires to finance the Project and to cause the execution and
17 delivery of one or more additional series of certificates of participation (as further defined
18 herein, the "Certificates") in an aggregate principal amount not to exceed \$61,395,000.

19 (xx) The Certificates will be executed and delivered in one or more series, from
20 time to time, on a tax-exempt and/or taxable basis pursuant to a one or more supplements
21 to the Original Trust Agreement (each, a "Supplement to Trust Agreement"), by and
22 between the City and the Trustee, supplementing the Original Trust Agreement.

23 (yy) In connection with the execution and delivery of the Certificates, the Board
24 desires to cause the execution of one or more supplements to the Original Property Lease
25 (each, a "Supplement to Property Lease"), supplementing and amending the Original

1 Property Lease (i) if determined to be necessary and advisable by the Director of Public
2 Finance, supplementing and amending the Original Property Lease to supplement the
3 Leased Property (defined below), pursuant to Section 18 of the Original Property Lease,
4 Section 7.02 of the Original Trust Agreement and Sections 16 and 20 of the Original Project
5 Lease (collectively, the “Leased Property Amendment Provisions”), by the addition to such
6 Leased Property of any City-owned and then-unencumbered property, in each case as
7 determined by the Director of Public Finance and all as specified in the Supplement to
8 Property Lease (collectively, the “Additional Leased Property”), and (ii) to provide for
9 additional rental to be paid by the Trustee in connection with the financing of the Project and
10 certain related matters and pursuant to which the City intends to lease to the Trustee the
11 Prior Leased Property, as previously supplemented and as further supplemented to include
12 the Additional Leased Property, if any, as specified in the Supplement to Property Lease
13 (collectively, the “Leased Property”); one or more supplements to the Original Project Lease
14 (each, a “Supplement to Project Lease”), supplementing and amending the Original Project
15 Lease to supplement the Leased Property pursuant to the Leased Property Amendment
16 Provisions, by the addition of all or a portion of the Additional Leased Property, if any, all as
17 specified in the applicable Supplement or Supplements to Project Lease, and to provide for
18 (i) the leasing of the Leased Property back to the City, (ii) the additional Base Rental to be
19 paid by the City in connection with the execution and delivery of the Certificates and the
20 financing of the Project and (iii) certain related matters, with such additional changes to the
21 Supplement to Property Lease and Supplement to Project Lease as shall be determined by
22 the Director of Public Finance; a form of a purchase contract between the City and one or
23 more initial purchasers of the Certificates (“Purchase Contract”); a Continuing Disclosure
24 Certificate and certain other related documents.

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(zz) The Certificates, when executed and delivered, will evidence direct undivided interests in the lease payments made by the City under the Original Project Lease, as previously supplemented and amended and as supplemented and amended by the Supplement or Supplements to Project Lease, on a parity basis with the then-outstanding 2019-R1 Certificates, 2020-R1 Certificates, 2021A Certificates, 2023A Certificates, 2023B Certificates, 2024-R1 Certificates and any Additional Certificates executed and delivered prior to or concurrently with the execution and delivery of the Certificates.

(aaa) The Board has been presented with the forms of certain documents and agreements referred to herein relating to the Certificates, and the Board has examined and is approving each such document and agreement and desires to authorize the execution of such documents and agreements and the consummation of such financing.

(bbb) The Board has received from the City's Office of Public Finance and disclosed to the public certain good faith estimates, as required by Section 5852.1 of the California Government Code, regarding certain costs relating to, the net proceeds of, and the debt service cost of the proposed issuance of the Certificates, which estimated information has been provided by the City's municipal advisor, KNN Public Finance, LLC, and which estimated information is based upon conditions that are subject to change prior to, on, or after the date of final adoption of this Ordinance, including prevailing market conditions.

(ccc) Upon the effectiveness of this Ordinance, all conditions, things and acts required by law to exist, to happen and to be performed precedent to and as a condition of the execution and delivery of the Supplement or Supplements to Property Lease, the Supplement or Supplements to Project Lease, the Supplement or Supplements to Trust Agreement, the Purchase Contract(s), the Continuing Disclosure Certificate, the Official Statement (as defined herein) and the Certificates will exist, have happened and have been performed in due time, form and manner in accordance with applicable law, and the City

1 shall be authorized pursuant to its Charter and other applicable law to execute and deliver
2 each Supplement to Property Lease, each Supplement to Project Lease, the Purchase
3 Contract(s), the Continuing Disclosure Certificate, each Supplement to Trust Agreement
4 and the Official Statement and to cause the execution and delivery of the Certificates in the
5 manner and form provided in this Ordinance.

6 (ddd) The City has paid and expects to pay certain expenditures in connection with
7 the Project to be financed by the Certificates prior to the execution and delivery of the
8 Certificates, and the City intends to reimburse itself and to pay third parties for such prior
9 expenditures from the proceeds of the Certificates.

10 (eee) Section 1.150-2 of the Treasury Regulations promulgated under the Internal
11 Revenue Code of 1986, as amended ("Reimbursement Regulations"), requires the City to
12 declare its reasonable official intent to reimburse prior expenditures with the proceeds of a
13 subsequent borrowing.

14 (fff) The Reimbursement Regulations require that any reimbursement allocation of
15 proceeds of the Certificates to be made with respect to expenditures incurred prior to the
16 execution and delivery of the Certificates will occur not later than eighteen (18) months after
17 the later of (i) the date on which the expenditure is paid or (ii) the date on which the facilities
18 are placed in service, but in no event later than three (3) years after the expenditure is paid.

19 (ggg) The adoption of this Ordinance constitutes authorization of the Certificates
20 within the meaning of Section 864 of the California Code of Civil Procedure, as amended,
21 and any Validation Act that is effective after this Ordinance takes effect.

22

23 Section 2. Findings and Determinations.

24 a. Findings. The Board hereby finds and determines that the recitals set forth
25 above are true and correct.

1 b. Conditions Precedent. All conditions, things and acts required by law to exist, to
2 happen and to be performed precedent to the execution and delivery of the Certificates exist,
3 have happened and have been performed in due time, form and manner in accordance with
4 applicable law, and the City is now authorized pursuant to its Charter and applicable law to
5 incur indebtedness in the manner and form provided in this Ordinance.

6

7 Section 3. File Documents. The documents presented to the Board and on file with the
8 Clerk of the Board of Supervisors or his, her or their designee (collectively, the "Clerk") are
9 contained in File No. 240784.

10

11 Section 4. Authorization of the Certificates. The Board hereby authorizes and
12 approves the execution and delivery of the Certificates in one or more series on a tax-exempt
13 and/or taxable basis and on one or more delivery dates in accordance with the applicable
14 Supplement to Trust Agreement. The proceeds of the Certificates will be used, together with
15 other available funds of the City, to (i) finance and/or refinance the Project, including through
16 the retirement of certain commercial paper notes of the City issued therefor; (ii) fund a debt
17 service or other similar reserve, as appropriate; and (iii) pay costs of execution and delivery of
18 the Certificates. The Certificates shall be designated as "City and County of San Francisco
19 Certificates of Participation (Multiple Capital Improvement Projects)" with such other or
20 additional designations as to series and sub-series, tax-exempt and/or taxable status and the
21 year of execution and delivery as determined by the Director of Public Finance or his, her or
22 their designee.

23 (a) Certain Terms of the Certificates. The Certificates shall evidence an aggregate
24 principal amount of not to exceed Sixty-One Million Three Hundred Ninety-Five Thousand
25 Dollars (\$61,395,000), and shall evidence interest at a true interest cost up to but not to

1 exceed twelve percent (12%) per annum. The Certificates shall be subject to prepayment as
2 set forth in the applicable Supplement to Project Lease and Supplement to Trust Agreement.
3 The Director of Public Finance is hereby authorized, to the extent such officer deems it
4 necessary or advisable and financially advantageous to the City, to procure credit
5 enhancement for the Certificates, including but not limited to municipal bond insurance and/or
6 a debt service reserve fund surety policy.

7 (b) Tax Status of the Certificates. The Director of Public Finance is hereby
8 authorized, to the extent such officer deems it necessary or advisable and in the interests of
9 the City, to cause the execution and delivery of the Certificates (i) with interest with respect
10 thereto being exempt or not exempt from federal income tax, and (ii) under any federal tax law
11 provisions which provide for federal grants or credits to the City or to investors in lieu of the
12 exemption of interest from federal income tax.

13 (c) Approval of the Supplement to Trust Agreement. The form of a Supplement to
14 Trust Agreement between the City and the Trustee, as presented to the Board, a copy of
15 which is on file with the Clerk, is hereby approved. The Mayor of the City (“Mayor”) or the
16 City’s Controller (“Controller”) is hereby authorized, and each may select a designee who is
17 authorized, to execute and deliver one or more Supplements to Trust Agreement in the form
18 hereby approved, and the Clerk is hereby authorized to attest to and affix the seal of the City
19 on such Supplement or Supplements to Trust Agreement, with such changes, additions and
20 modifications as the Mayor or the Controller may make or approve in accordance with Section
21 20 hereof.

22
23 Section 5. Approval of the Supplement to Property Lease. The form of a Supplement
24 to Property Lease between the City and the Trustee, as presented to the Board, a copy of
25 which is on file with the Clerk, is hereby approved. The Mayor or the Controller is hereby

1 authorized, and each may select a designee who is authorized, to execute and deliver one or
2 more Supplements to Property Lease in the form hereby approved, and the Clerk is hereby
3 authorized to attest to and affix the seal of the City on such Supplement or Supplements to
4 Property Lease, with such changes, additions and modifications as the Mayor or the
5 Controller may make or approve in accordance with Section 20 hereof.

6

7 Section 6. Approval of the Supplement to Project Lease. The form of a Supplement to
8 Project Lease between the City and the Trustee, as presented to the Board, a copy of which is
9 on file with the Clerk, is hereby approved. The Mayor or the Controller is hereby authorized,
10 and each may select a designee who is authorized, to execute and deliver one or more
11 Supplements to Project Lease in the form hereby approved, and the Clerk is hereby
12 authorized to attest to and affix the seal of the City on such Supplement or Supplements to
13 Project Lease with such changes, additions and modifications as the Mayor or Controller may
14 make or approve in accordance with Section 20 hereof; provided, however, that the maximum
15 Base Rental (as defined in the Project Lease) to be paid under such Supplement(s) to Project
16 Lease in any fiscal year shall not exceed Eight Million Two Hundred Twenty Thousand Dollars
17 (\$8,220,000) and the term of any Supplement to Project Lease shall not extend beyond the
18 30th year following its date of execution, as such initial term may be extended in accordance
19 with the Project Lease.

20

21 Section 7. Approval of the Leased Property and the Base Rental Payments. The Board
22 hereby approves the leasing, pursuant to the terms of the Supplement to Property Lease and
23 the Supplement to Project Lease, of all or a portion of the Leased Property, including as such
24 Leased Property may be supplemented, as determined by the Director of Public Finance,

25

1 pursuant to the applicable provisions of the Property Lease and the Project Lease. The Board
2 also hereby approves the payment by the City of the Base Rental with respect thereto.

3

4 Section 8. Sale and Award of Certificates by Competitive Sale. In the event the
5 Director of Public Finance determines to sell the Certificates by competitive sale, the Director
6 of Public Finance, on behalf of the Controller, is hereby authorized and directed to receive
7 bids for the purchase of the Certificates, and the Controller and the Director of Public Finance
8 are each hereby authorized and directed to award the Certificates to the bidder whose bid
9 represents the lowest true interest cost to the City, all in accordance with the procedures
10 described in the Official Notice of Sale (as defined herein).

11

12 Section 9. Approval of Form of Official Notice of Sale. The form of an official notice of
13 sale relating to the Certificates ("Official Notice of Sale"), as presented to this Board, a copy of
14 which is on file with the Clerk, is hereby approved. The Controller or the Director of Public
15 Finance is authorized to approve the distribution of an Official Notice of Sale for the
16 Certificates, with such changes, additions and modifications as such official may make or
17 approve in accordance with Section 20 hereof.

18

19 Section 10. Approval of Notice of Intention to Sell Relating to the Certificates. The form
20 of a notice of intention to sell relating to the Certificates ("Notice of Intention to Sell"), as
21 presented to this Board, a copy of which is on file with the Clerk, is hereby approved. The
22 Controller or the Director of Public Finance is hereby authorized to approve the publication of
23 the Notice of Intention to Sell relating to the Certificates, with such changes, additions and
24 modifications as such official may make or approve in accordance with Section 20 hereof.

25

1 Section 11. Sale of Certificates by Negotiated Sale. If the Controller or the Director of
2 Public Finance determines to sell the Certificates by negotiated sale, the Controller or the
3 Director of Public Finance is hereby authorized, and each may select a designee who is
4 authorized, to sell the Certificates by negotiated sale pursuant to one or more Purchase
5 Contracts by and between the City and the underwriter or underwriters named therein;
6 provided, however, that the underwriters' discount under any such Purchase Contract shall
7 not exceed one-half of one percent (0.5%) of the principal amount of the Certificates. The
8 form of Purchase Contract, as presented to the Board, a copy of which is on file with the
9 Clerk, is hereby approved.

10
11 Section 12. Authorization to Appoint Underwriters. To accomplish the sale of the
12 Certificates by negotiated sale, if applicable, the Controller or the Director of Public Finance is
13 hereby authorized to appoint one or more financial institutions to act as underwriter(s) for the
14 Certificates in accordance with City policies and procedures, including but not limited to the
15 City's policy to provide locally disadvantaged business enterprises an equal opportunity to
16 participate in the performance of all City contracts.

17
18 Section 13. Approval of the Official Statement in Preliminary and Final Form. The form
19 of an official statement relating to the Certificates ("Official Statement"), as presented to this
20 Board, a copy of which is on file in preliminary form with the Clerk, is hereby approved. The
21 Controller is hereby authorized to approve the preliminary Official Statement in substantially
22 said form, with such changes, additions, modifications (including but not limited to the
23 inclusion of the most current City financial information) or deletions as such official may make
24 or approve in accordance with Section 20 hereof, and to deem the preliminary Official
25 Statement final for purposes of the Rule 15c2-12 of the Securities and Exchange Act of 1934,

1 as amended, to execute, and to designate the Director of Public Finance to execute in his, her
2 or their stead, a certificate to that effect, and to cause the preliminary Official Statement to be
3 delivered, in printed or electronic form, to potential purchasers of the Certificates, such
4 approval to be conclusively evidenced by the delivery of said deemed-final certificate. The
5 Controller is hereby further authorized and directed to sign and deliver the Official Statement
6 in final form to purchasers of the Certificates.

7

8 Section 14. Approval of the Continuing Disclosure Certificate. The form of a Continuing
9 Disclosure Certificate of the City relating to the Certificates, as presented to the Board, a copy
10 of which is on file with the Clerk, is hereby approved. The Controller or the Director of Public
11 Finance is hereby authorized to execute the Continuing Disclosure Certificate, with such
12 changes, additions, modifications or deletions as the Controller or the Director of Public
13 Finance may approve upon consultation with the City Attorney; such approval to be
14 conclusively evidenced by the execution and delivery of the Continuing Disclosure Certificate.

15

16 Section 15. Sale and Award of Certificates by Direct Placement. In the event the
17 Director of Public Finance determines to sell the Certificates by direct placement, the Director
18 of Public Finance, on behalf of the Controller, is hereby authorized and directed to receive
19 bids for the purchase of the Certificates, and the Controller is hereby authorized and directed
20 to award the Certificates to the bidder whose bid represents the lowest true interest cost to the
21 City.

22

23 Section 16. Authorization to Appoint Placement Agents. To accomplish the sale of the
24 Certificates by direct placement, if applicable, the Controller or the Director of Public Finance
25 is hereby authorized to appoint one or more financial institutions to act as placement agent(s)

1 for the Certificates in accordance with City policies and procedures, including but not limited to
2 the City's policy to provide locally disadvantaged business enterprises an equal opportunity to
3 participate in the performance of all City contracts.

4

5 Section 17. Reimbursement. The City declares its official intent to reimburse prior
6 expenditures of the City incurred prior to the execution and delivery of the Certificates in
7 connection with the Project or portions thereof with the proceeds of the Certificates. The
8 Board of Supervisors declares the City's intent to reimburse the City with the proceeds of the
9 Certificates for the expenditures with respect to the Project ("Expenditures" and each, an
10 "Expenditure") made on and after that date that is no more than 60 days prior to adoption of
11 this Ordinance. The City reasonably expects on the date of adoption of this Ordinance that it
12 will reimburse the Expenditures with the proceeds of the Certificates.

13

14 Section 18. Terms of Reimbursement. Each Expenditure was and will be either (a) of a
15 type properly chargeable to a capital account under general federal income tax principles
16 (determined in each case as of the date of the Expenditure), (b) a cost of execution and
17 delivery with respect to the Certificates, (c) a nonrecurring item that is not customarily payable
18 from current revenues, or (d) a grant to a party that is not related to or an agent of the City so
19 long as such grant does not impose any obligation or condition (directly or indirectly) to repay
20 any amount to or for the benefit of the City. The maximum aggregate principal amount of the
21 Certificates expected to be executed and delivered for the Project is \$61,395,000. The City
22 shall make a reimbursement allocation, which is a written allocation by the City that evidences
23 the City's use of proceeds of the Certificates to reimburse an Expenditure, no later than 18
24 months after the later of the date on which the Expenditure is paid or the Project is placed in
25 service or abandoned, but in no event more than three (3) years after the date on which the

1 Expenditure is paid. The City recognizes that exceptions are available for certain “preliminary
2 expenditures,” costs of execution and delivery, certain de minimis amounts, expenditures by
3 “small issuers” (based on the year of execution and delivery and not the year of expenditure)
4 and expenditures for construction projects of at least five (5) years.

5

6 Section 19. General Authority. The Mayor, the Treasurer, the City Attorney, the
7 Controller, the City Administrator, the Director of Public Finance, the Clerk and other officers
8 of the City and their duly authorized deputies, designees and agents are hereby authorized
9 and directed, jointly and severally, to take such actions and to execute and deliver such
10 certificates, agreements, requests or other documents as they may deem necessary or
11 desirable to accomplish the purposes of this Ordinance, including but not limited to the
12 execution and delivery of any Supplement to Property Lease, any Supplement to Project
13 Lease, any Supplement to Trust Agreement, the Official Statement, one or more Purchase
14 Contracts, the Continuing Disclosure Certificate and the Certificates, to obtain bond insurance
15 or other credit enhancements and/or a surety policy with respect to the Certificates, to obtain
16 title insurance, to clear any encumbrances to title and to carry out other title work. Any such
17 actions are solely intended to further the purposes of this Ordinance and are subject in all
18 respects to the terms of this Ordinance. No such actions shall increase the risk to the City or
19 require the City to spend any resources not otherwise granted herein. Final versions of any
20 such documents shall be provided to the Clerk for inclusion in the official file within 30 days of
21 execution (or as soon thereafter as final documents are available) by all parties.

22

23 Section 20. Modifications, Changes and Additions. The Mayor, the Treasurer, the
24 Controller and the Director of Public Finance each are hereby authorized, and each may
25 select a designee who is authorized, to make such modifications, changes and additions to

1 the documents and agreements approved hereby, upon consultation with the City Attorney, as
2 may be necessary or desirable and in the interests of the City, and which changes do not
3 materially increase the City's obligations or reduce its rights thereunder or hereunder. The
4 respective official's approval of such modifications, changes and additions shall be
5 conclusively evidenced by the execution and delivery by such official and the Clerk of the
6 applicable Supplement to Property Lease, Supplement to Project Lease and Supplement to
7 Trust Agreement, one or more Purchase Contracts or any of the other documents approved in
8 this Ordinance. Any such actions are solely intended to further the purposes of this Ordinance
9 and are subject in all respects to the terms of this Ordinance. No such actions shall increase
10 the risk to the City or require the City to spend any resources not otherwise granted herein.
11 Final versions of any such documents shall be provided to the Clerk for inclusion in the official
12 file within 30 days (or as soon thereafter as final documents are available) of execution by all
13 parties.

14

15 Section 21. Partial Repeal of Ordinance No. 101-23. Ordinance No. 101-23 is hereby
16 repealed in part solely to reduce by \$60,415,000 in aggregate principal amount the Additional
17 Certificates authorized to be executed and delivered pursuant thereto, and the authorization
18 granted under Ordinance No. 101-23 to execute, deliver and sell \$60,415,000 in aggregate
19 principal amount of Additional Certificates is hereby rescinded.

20

21 Section 22. Partial Invalidity. Any provision of this Ordinance found to be prohibited by
22 law shall be ineffective only to the extent of such prohibition, and shall not invalidate the
23 remainder of this Ordinance.

24

25

1 Section 23. Effective Date. This Ordinance shall take effect immediately.

2

3 Section 24. Ratification of Prior Actions. All actions authorized consistent with any

4 documents presented herein and approved by this Ordinance but heretofore taken are hereby

5 ratified, approved and confirmed by the Board.

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8 APPROVED AS TO FORM:

9 DAVID CHIU, City Attorney

10 By: /s/ MARK D. BLAKE

11 MARK D. BLAKE

12 Deputy City Attorney

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