

File No. 171249

Committee Item No. 10
Board Item No. 12

COMMITTEE/BOARD OF SUPERVISORS AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date January 11, 2018

Board of Supervisors Meeting

Date January 23, 2018

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
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| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
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OTHER (Use back side if additional space is needed)

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Completed by: Linda Wong Date January 5, 2018
Completed by: Linda Wong Date January 14, 2018

1 [Appropriation - Proceeds from General Obligation Bonds - Recreation and Park Department
2 - Renovation, Repair, and Construction of Parks and Open Spaces - \$76,710,000 - FY2017-
3 2018]

4 **Ordinance appropriating \$76,710,000 consisting of proceeds from the third issuance of**
5 **the 2012 Clean and Safe Neighborhood Parks General Obligation Bond, Series 2018A,**
6 **to the Recreation and Park Department to support the renovation, repair, and**
7 **construction of parks and open spaces; and placing \$76,710,000 on Controller’s**
8 **Reserve pending receipt of proceeds of indebtedness in FY2017-2018.**

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10 Note: **Unchanged Code text and uncodified text** are in plain Arial font.
11 **Additions to Codes** are in *single-underline italics Times New Roman font*.
12 **Deletions to Codes** are in ~~*strikethrough italics Times New Roman font*~~.
13 **Board amendment additions** are in double-underlined Arial font.
14 **Board amendment deletions** are in ~~strikethrough Arial font~~.

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

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16 Section 1. The sources of funding outlined below are herein appropriated to reflect the funding
17 available for Fiscal Year 2017-2018.

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1 **SOURCES Appropriation**

2	Fund /	Project & Activity /	Account	Description	Amount
3	Department ID	Authority			
4	TBD	10003453-0002	480111	Clean & Safe	\$76,710,000
5	CPRPF 12 CLN&SF	RP 2012 Bond Proceeds	Proceeds	Neighborhood Parks	
6	NEIG PK S2018A /	/	from Sale of	Fund -- Proceeds from	
7	262676	14865	Bond-	Sale of Bonds	
8		RP Bond Proceeds	FaceAmt		
9	Total SOURCES Appropriation				\$76,710,000

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 11 Section 2. The uses of funding outlined below are herein appropriated in Fiscal Year 2017-
 12 2018, and reflect the projected uses of funding to support the renovation, repair, and
 13 construction of parks and open spaces.

14 **USES Appropriation**

15	Fund /	Project & Activity /	Account	Description	Amount
16	Department ID	Authority			
17	TBD	10013404-0002	581130	CSA 0.2% Controller's	\$151,799
18	CPRPF 12 CLN&SF	Controller's Audit /		Audit Fund	
19	NEIG PK S2018A/	14863			
20	262676	RP Controller's Audit			

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Fund / Department ID	Project & Activity / Authority	Account	Description	Amount
TBD CPRPF 12 CLN&SF NEIG PK S2018A/ 262676	10013404-0002 GOBOC / 14863 RP GOBOC	581420	0.1% GO Bond Oversight Committee (GOBOC)	\$76,710
TBD CPRPF 12 CLN&SF NEIG PK S2018A/ 262676	10013405-0003 Bond Issuance Cost / 14864 RP Bond Issuance Cost	573110	Bond Issuance Cost- Unamortized	\$581,964
TBD CPRPF 12 CLN&SF NEIG PK S2018A/ 262676	10013432-0026 RP Angelo J. Rossi Playground / 14870 RP Neighborhood Parks	567000	Bldgs, Struct&Imprv Proj-Budget	\$6,150,000
TBD CPRPF 12 CLN&SF NEIG PK S2018A/ 262676	10013425-0007 RP 3210V Garfield Square Pool Bldg / 14870 RP Neighborhood Parks	567000	Bldgs, Struct&Imprv Proj-Budget	\$8,021,000

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	TBD	10013423-0006	567000	Bldgs, Struct&Imprv	\$2,010,000
4	CPRPF 12 CLN&SF	3272V-George		Proj-Budget	
5	NEIG PK S2018A/	Christopher Playg /			
6	262676	14870			
7		RP Neighborhood Parks			
8					
9	TBD	10013426-0003	567000	Bldgs, Struct&Imprv	\$850,000
10	CPRPF 12 CLN&SF	RP Hyde & Turk Mini		Proj-Budget	
11	NEIG PK S2018A/	Park /			
12	262676	14870			
13		RP Neighborhood Parks			
14					
15	TBD	10013428-0007	567000	Bldgs, Struct&Imprv	\$10,150,000
16	CPRPF 12 CLN&SF	3247V-Margaret		Proj-Budget	
17	NEIG PK S2018A/	Hayward /			
18	262676	14870			
19		RP Neighborhood Parks			
20					
21	TBD	10013430-0002	567000	Bldgs, Struct&Imprv	\$97,500
22	CPRPF 12 CLN&SF	Moscone Rec Center /		Proj-Budget	
23	NEIG PK S2018A/	14870			
24	262676	RP Neighborhood Parks			
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Fund /	Project & Activity /	Account	Description	Amount
Department ID	Authority			
TBD	10013431-0002	567000	Bldgs,Struct&Imprv	\$2,900,000
CPRPF 12 CLN&SF	3271V-Potrero Hill Rec		Proj-Budget	
NEIG PK S2018A/	Centers /			
262676	14870			
	RP Neighborhood Parks			
TBD	10013421-0004	567000	Bldgs,Struct&Imprv	\$3,850,000
CPRPF 12 CLN&SF	3244V-Willie "Woo Woo"		Proj-Budget	
NEIG PK S2018A/	Wong Pg /			
262676	14870			
	RP Neighborhood Parks			
TBD	10013433-0003	567000	Bldgs,Struct&Imprv	\$990,000
CPRPF 12 CLN&SF	Np Contingency /		Proj-Budget	
NEIG PK S2018A/	14870			
262676	RP Neighborhood Parks			

Fund /	Project & Activity /	Account	Description	Amount
Department ID	Authority			
TBD	10013442-0003	567000	Bldgs, Struct&Imprv	\$40,881,027
CPRPF 12 CLN&SF	Citywide Parks &		Proj-Budget	
NEIG PK S2018A/	Programs /			
262676	14873			
	RP Citywide Parks &			
	Programs			
Total USES Appropriation				\$76,710,000


Section 3: The total uses appropriation of the General Obligation Bond outlined above for \$76,710,000 is placed on Controller's Reserve pending receipt of proceeds of indebtedness from sale of the General Obligation Bonds.

Section 4: The Controller is authorized to apply funds appropriated by this ordinance to abate advanced expenditures incurred by the General Fund for projects support by Clean and Safe Neighborhood Parks Bonds that are eligible to be reimbursed by bond proceeds.

Section 5: The Controller is authorized to record transfers between funds and adjust the accounting treatment of sources and uses appropriated in this ordinance as necessary to conform to Generally Accepted Accounting Principles.

1 Section 6: If, in the event of the bond series final issuance, the bond's cost of issuance is lower
2 than the estimated costs herein appropriated, the Controller is authorized to reallocate the
3 savings in the appropriated cost of issuance to projects support by Clean and Safe
4 Neighborhood Parks Bonds.
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7 APPROVED AS TO FORM:
8 DENNIS J. HERRERA, City Attorney

9 By: 
10 BUCK DELVENTHAL
11 Deputy City Attorney

FUNDS AVAILABLE
BEN ROSENFELD, Controller

By: 
12 BEN ROSENFELD
13 Controller

Items 9 and 10 Files 17-1254 and 17-1249	Department: Recreation and Parks Department (RPD)
EXECUTIVE SUMMARY	
Legislative Objectives	
<p>File 17-1254: The proposed resolution would authorize the sale of not-to-exceed \$76,710,000 aggregate principal amount of 2012 Clean and Safe Neighborhood Parks Bonds (Series 2018A).</p>	
<p>File 17-1249: The proposed ordinance would appropriate \$76,710,000 in Series 2018A bond proceeds to the Recreation and Park Department to support the renovation, repair, and construction of parks and open spaces.</p>	
Key Points	
<ul style="list-style-type: none"> • In November 2012, voters approved Proposition B, which authorizes the City to issue \$195 million in General Obligation (GO) bonds to finance the construction, reconstruction, purchase and/or improvements for various neighborhood parks and citywide parks under the Recreation and Parks Department (RPD) and waterfront parks under the Port. • In two prior issuances, \$115,190,000 in bonds has been issued to date. The third issuance of \$76,710,000 in bonds is anticipated for January 2018 (Series 2018A). The remaining \$3,100,000 will be issued at a later date. 	
Fiscal Impact	
<ul style="list-style-type: none"> • The proposed ordinance would appropriate (a) \$35.0 million to neighborhood park projects, (b) \$40.9 million to citywide parks and programs, and (c) \$0.8 million to bond issuance costs. • Average annual debt service over 20 years on the Series 2018A GO Bonds is expected to be approximately \$5,524,879. The estimated total principal and interest payment over the approximate 20-year life of the GO Bonds is \$110,497,588, of which \$33,787,588 is interest and \$76,710,000 is principal. • If the Series 2018A GO Bonds are approved, the debt ratio would increase by 0.03 percent to 0.91 percent—within the 3 percent legal debt limit. • Debt service payments will be recovered through increases in the annual Property Tax rate, which would be \$0.00243 per \$100 or \$2.43 per \$100,000 of assessed valuation over the anticipated 20-year term of the bonds. If the Series 2018A GO Bonds are approved, the property tax rate for GO bonds for FY 2017-18 would increase from \$0.1074 to \$0.1098 per \$100 of assessed value, which would be below the FY 2005-06 rate of \$0.1201 and within the Capital Planning Committee's approved financial constraint. 	
Recommendation	
<ul style="list-style-type: none"> • Approve the proposed resolution (File 17-1254) and the proposed ordinance (File 17-1249). 	

MANDATE STATEMENT

City Charter Section 9.105 provides that the issuance and sale of General Obligation (GO) bonds is subject to Board of Supervisors approval in accordance with State law or local procedures adopted by ordinance.

City Charter Section 9.105 states that amendments to the Annual Appropriation Ordinance are subject to Board of Supervisors approval by ordinance after the Controller certifies the availability of funds.

BACKGROUND

In November 2012, San Francisco voters approved \$195 million of Clean and Safe Neighborhood Parks GO Bonds (2012 Proposition B) to finance the construction, reconstruction, purchase and/or improvements for various neighborhood parks and citywide parks under the Recreation and Parks Department (RPD) and waterfront parks under the Port.

Of the total \$195,000,000 authorization, \$115,190,000 has been issued to date, leaving \$79,810,000 remaining in 2012 Proposition B funds, as shown in Table 1 below.

Table 1: 2012 Clean and Safe Neighborhood Parks Bond Issuances

Bond	Date	RPD	Port	Other ^a	Total
1st Sale	June 2013	\$53,187,500	\$18,200,000	\$582,500	\$71,970,000
2nd Sale	October 2015	29,152,430	13,200,000	867,570	43,220,000
<i>Subtotal To Date</i>					\$115,190,000
3rd Sale ^b	Expected January 2018	75,899,527	--	810,473	\$76,710,000
4 th Sale ^c	TBD	--	3,100,000	--	3,100,000
<i>Subtotal Remaining</i>					\$79,810,000
Total		\$158,239,457	\$34,500,000	\$2,260,543	\$195,000,000

^a Other costs are for bond issuance and audit costs including: Controller's Audit Fund, Cost of Issuance, Underwriter's Discount, and Citizens' General Bond Obligation Oversight Committee. The original budget for the \$195,000,000 in GO Bonds included \$2,000,000 for bond issuance and audit costs; however because these costs for the 1st and 2nd sales exceeded projections, total bond issuance and oversight costs are estimated to be \$2,260,543, an increase of \$260,543. To offset the increase of \$260,543, the total budget for Recreation and Park Department projects has been reduced from the original amount of \$158,500,000 to the proposed amount of \$158,239,457. According to Mr. Vishal Trivedi, Financial Analyst in the Office of Public Finance, the increase of \$260,543 in bond issuance and audit costs is due to an underestimate of future issuance costs. Mr. Trivedi notes that the actual cost excess may be less than \$260,543, as the Office of Public Finance is using a conservative estimate for issuance costs.

^b Upon approval of File 17-1254

^c Subject to future Board of Supervisors approval.

DETAILS OF PROPOSED LEGISLATION

File 17-1254: The proposed resolution would:

1. Authorize the sale of not-to-exceed \$76,710,000 aggregate principal amount of 2012 Clean and Safe Neighborhood Parks Bonds (Series 2018A);
2. Prescribe the form and terms of the bonds;
3. Provide for the appointment of depositories and other agents for the bonds;
4. Provide for the manner of sale of the bonds by competitive or negotiated sale;
5. Approve the forms of Official Notice of Sale and Intention to Sell Bonds;
6. Direct the publication of the Notice of Intention to Sell Bonds;
7. Approve the form of the Preliminary Official Statement and the form and execution of the Official Statement relating to the sale of the bonds;
8. Approve the form of the Continuing Disclosure Certificate;
9. Authorize and approve modifications to documents declaring the City's intent to reimburse certain expenditures;
10. Waive the deadline for submission of Bond Accountability Reports;
11. Adopt findings under the California Environmental Quality Act (CEQA);
12. Ratify certain actions previously taken; and
13. Grant authority to City officials to take necessary actions for the authorization, issuance, sale, and delivery of the bonds.

File 17-1249: The proposed ordinance would appropriate \$76,710,000 in Series 2018A bond proceeds to the Recreation and Park Department to support the renovation, repair, and construction of parks and open spaces. The \$76,710,000 appropriation would be placed on Controller's Reserve pending receipt of proceeds of indebtedness in FY 2017-18.

The proposed resolution (File 17-1249) waives the deadline for submission of accountability reports required under Administrative Code Section 2.71(a). According to Mr. Vishal Trivedi, Financial Analyst in the Office of Public Finance, the waiver was to ensure that the sale would not be delayed if the bond accountability report was not submitted 60 days prior to appropriation of the bond proceeds. However, the bond accountability report was published on November 7, 2017, and the appropriation of bond proceeds will occur no earlier than January 16, 2018, or more than 60 days after completion of the bond accountability report.

Table 2 below outlines anticipated sources and uses for the bond proceeds.

Table 2: Sources and Uses of Series 2018A Bond Proceeds

Sources	
Par Amount	\$76,710,000
Total Not-To-Exceed Amount	\$76,710,000
Uses	
<i>Administrative Costs</i>	
Citizens' GO Bond Oversight Committee	\$76,710
Costs of Issuance	198,414
Underwriter's Discount	383,550
Controller's Audit Fund	151,799
Administrative Costs Subtotal	\$810,473
<i>Projects</i>	
Angelo J. Rossi Playground	\$6,150,000
Garfield Square Pool Building	8,021,000
George Christopher Playground	2,010,000
Hyde & Turk Mini Park	850,000
Margaret S. Hayward Playground	10,150,000
Moscone Recreation Center	97,500
Potrero Hill Recreation Center	2,900,000
Willie "Woo Woo" Wong Playground	3,850,000
Program Contingency	990,000
Citywide Parks & Programs	40,881,027
Projects Subtotal	\$75,899,527
Total Uses	\$76,710,000

As shown in Table 3 below, with the proposed appropriation of \$76,710,000 in Series 2018A GO bond proceeds to RPD, the sale and appropriation of 2012 Clean and Safe Neighborhood Parks GO Bonds would total \$191,900,000, or \$3,100,000 less than the limit approved by voters in 2012. A fourth bond sale to allocate the remaining \$3,100,000 to Port waterfront parks projects is expected to occur at a later date, to be determined, and will be subject to Board of Supervisors approval.

Allocation of Bond Proceeds

The 2012 Clean and Safe Neighborhood Parks Bond approved by the voters allocated \$195,000,000 in bond proceeds as follows:

- \$98,805,000 to Neighborhood Projects
- \$21,000,000 to Citywide Park Projects
- \$12,000,000 to the Community Opportunity Fund
- \$15,500,000 to rehabilitate facility playgrounds
- \$4,000,000 to trails
- \$4,000,000 to forestry projects
- \$5,000,000 to water conservation
- \$34,500,000 to Port projects

- \$195,000 (0.1 percent) to the Citizens' Oversight Committee audits

These allocations are shown in Table 3 below.

Table 3: 2012 Clean and Safe Parks Funds Allocation

	2012 Bond Program Budget	Prior Appropriations ^a	Proposed Appropriation (File 17-1254)	Total	Difference in Budget to Actual
Recreation and Park					
<u>Neighborhood Projects</u>					
Angelo J. Rossi Playground	\$8,200,000	\$2,050,000	\$6,150,000	\$8,200,000	\$0
Balboa Pool Renovation Project	7,000,000	8,860,000	0	8,860,000	1,860,000
Garfield Square Pool Building	11,000,000	2,979,000	8,021,000	11,000,000	0
George Christopher Playground	2,800,000	790,000	2,010,000	2,800,000	0
Gilman Playground	1,800,000	1,800,000	0	1,800,000	0
Glen Canyon Park Recreation Center	12,000,000	13,900,000	0	13,900,000	1,900,000
Hyde & Turk Mini Park	1,000,000	150,000	850,000	1,000,000	0
Joe DiMaggio Playground	5,500,000	6,120,000	0	6,120,000	620,000
Margaret S. Hayward Playground	14,000,000	3,850,000	10,150,000	14,000,000	0
Moscone Recreation Center	1,500,000	1,402,500	97,500	1,500,000	0
Mountain Lake	2,000,000	2,180,000		2,180,000	180,000
Potrero Hill Recreation Center	4,000,000	1,100,000	2,900,000	4,000,000	0
South Park	1,000,000	1,000,000		1,000,000	0
West Sunset Playground	13,200,000	13,600,000		13,600,000	400,000
Willie "Woo Woo" Wong Playground	6,000,000	2,150,000	3,850,000	6,000,000	0
Project Contingency	<u>6,000,000</u>	<u>50,000</u>	<u>990,000</u>	<u>1,040,000</u>	<u>(4,960,000)</u>
Neighborhood Projects Total	\$97,000,000	\$61,981,500	\$35,018,500	\$97,000,000	\$0
<u>Citywide Parks and Programs</u>					
Community Opportunity Fund	\$12,000,000	\$2,966,181	\$9,033,819	\$12,000,000	\$0
Failing Playgrounds	15,500,000	4,800,000	10,700,000	15,500,000	0
Forestry ^b	4,000,000	716,974	3,022,483	3,739,457	(260,543)
Trails	4,000,000	300,000	3,700,000	4,000,000	0
Water Conservation	<u>5,000,000</u>	<u>4,134,345</u>	<u>865,655</u>	<u>5,000,000</u>	<u>0</u>
Citywide Programs Subtotal	40,500,000	12,917,500	36,033,227	40,239,457	(260,543)
Citywide Park Projects Subtotal	<u>21,000,000</u>	<u>7,440,930</u>	<u>4,847,800</u>	<u>21,000,000</u>	<u>0</u>
Citywide Parks and Programs Total	\$61,500,000	\$20,358,430	\$40,881,027	\$61,239,457	(\$260,543)
Recreation and Park Total	\$158,500,000	\$82,339,930	\$75,899,527	\$158,239,457	(\$260,543)
Port Projects	\$34,500,000	\$31,400,000	\$0	\$31,400,000	(\$3,100,000)
Issuance and Oversight ^c	2,000,000	1,450,070	810,473	2,260,543	260,543
Total ^d	\$195,000,000	\$115,190,000	\$76,710,000	\$191,900,000	(\$3,100,000)

^a The Board of Supervisors previously appropriated proceeds from the first and second sales of 2012 Clean and Safe Parks GO bonds (Files 13-0371, 15-0219, and 15-1002) and Annual Appropriation Ordinance reallocations.

^b The proposed ordinance allocates \$260,543 from Forestry projects to issuance costs, as noted above, thus reducing the appropriation to Forestry from \$4,000,000 to \$3,739,457.

^c Issuance and audit costs include \$195,000 for Citizens' Oversight Committee audits.

^d As noted above, the unissued amount of \$3,100,000 will be issued at a later date for Port projects.

According to Mr. Guerra, the project allocations for Balboa Pool, Glen Canyon Park Recreation Center, Joe DiMaggio Playground, Mountain Lake, and West Sunset Playground exceeded their budgets due to a competitive bid environment that resulted in higher than expected construction costs. The project contingency was used to cover the excess project costs.

FISCAL IMPACT

Annual Debt Service

As shown above in Table 2, the Office of Public Finance expects to sell \$76,710,000 in par value Series 2018A bonds.

The proposed resolution authorizes the Director of Public Finance to determine the sale date, interest rates, principal amount, and maturity dates of the bonds, subject to the following conditions: (1) the true interest cost shall not exceed 12 percent; and (2) the maturity date shall not be after June 15, 2043.

The Office of Public Finance estimates that, based on a conservative estimate of 3.99 percent interest rate, that average annual debt service over 20 years on the Series 2018A GO Bonds will be approximately \$5,524,879. The anticipated par value of \$76,710,000 is estimated to result in approximately \$33,787,588 in interest payments over the 20-year life of the GO Bonds. The estimated total principal and interest payment over the approximate 20-year life of the GO Bonds is \$110,497,588, of which \$33,787,588 is interest and \$76,710,000 is principal.

The Office of Public Finance intends to sell the GO Bonds through a competitive sale process, but in the case of significant change in market conditions, reserves the option to seek a negotiated sale with underwriter(s) selected competitively.

Debt Limit

Section 9.106 of the City Charter limits the amount of GO bonds the City can have outstanding at any given time to 3 percent of the total assessed value of property in San Francisco. The City calculates its debt limit on the basis of total assessed valuation net of non-reimbursable and homeowner exemptions. On this basis, the City's gross general obligation debt limit for FY 2017-18 is approximately \$7.02 billion, based on a net assessed valuation of approximately \$234.1 billion. This net assessed valuation is based on the Controller's Certificate of Assessed Valuation, as of August 1, 2017.

As of October 1, 2017, the City had outstanding approximately \$2.07 billion in aggregate principal amount of GO bonds, which equals approximately 0.88 percent of the net assessed valuation for FY 2017-18. If the Board of Supervisors approves the issuance of the Series 2018A GO Bonds, the debt ratio would increase by 0.03 percent to 0.91 percent—within the 3 percent legal debt limit. If all of the City's authorized and unissued bonds were issued, the total debt burden would be 1.47 percent of the net assessed value of property in the City.

Property Tax Rates

For Series 2018A, repayment of the annual debt service will be recovered through increases in the annual Property Tax rate, which, according to the Controller's Office, would be \$0.00243 per \$100 or \$2.43 per \$100,000 of assessed valuation over the anticipated 20-year term of the

bonds based on current valuations. The owner of a residence with an assessed value of \$600,000, assuming a homeowner's exemption of \$7,000, would pay average annual additional Property Taxes to the City of \$14.44 per year if the \$76,710,000 Series 2018A Bonds are sold.

Capital Plan

Under financial constraints adopted by the City's Capital Planning Committee, debt service on approved and issued GO bonds may not increase property owners' long-term property tax rates above FY 2005-06 levels. The FY 2005-06 property tax rate for the GO bond fund was \$0.1201 per \$100 of assessed value. If the Board of Supervisors approves the issuance of the Series 2018A GO Bonds, the property tax rate for GO bonds for FY 2017-18 would increase from \$0.1074 to \$0.1098, which would be below the FY 2005-06 rate and within the Capital Planning Committee's approved financial constraint.

RECOMMENDATION

Approve the proposed resolution (File 17-1254) and the proposed ordinance (File 17-1249).

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *For* Mayor Edwin M. Lee *[Signature]*
RE: City and County of San Francisco General Obligation Bonds (Clean and Safe Neighborhood Parks, 2012), Series 2018A (Transportation and Road Improvement, 2014), Series 2018B
DATE: November 28, 2017

RECEIVED
11/28/2017 @ 8:31pm
[Signature]

Attached for introduction to the Board of Supervisors are two resolutions authorizing the sale of General Obligation Bonds for Clean & Safe Neighborhood Parks and Transportation & Road Improvement and two ordinances appropriating bond proceeds:

1. Resolution authorizing and directing the sale of not to exceed \$177,000,000 aggregate principal amount of City and County of San Francisco General Obligation Bonds (Transportation and Road Improvement Bonds, 2014), Series 2018B; prescribing the form and terms of said bonds, authorizing the execution, authentication, and registration of said bonds; providing for the appointment of depositories and other agents for said bonds, providing for the establishment of accounts related to said bonds, providing for the manner of sale of said bonds by either competitive or negotiated sale; approving the forms of Official Notice of Sale and Notice of Intention to Sell Bonds; directing the publication of the Notice of Intention to Sell Bonds; approving the form of the Preliminary Official Statement and the form and execution of the Official Statement relating to the sale of said bonds; approving the form of the Continuing Disclosure Certificate; authorizing and approving modifications to documents, as defined herein, declaring the City's official intent to reimburse certain expenditures; waiving the deadline for submission of Bond Accountability Reports; adopting findings under the California Environmental Quality Act (CEQA), CEQA Guidelines and Chapter 31 of the Administrative Code; ratifying certain actions previously taken as defined herein; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale, and delivery of said bonds, as defined herein.
2. Ordinance appropriating \$177,000,000 of proceeds from General Obligation Bonds Transportation and Road Improvements, 2014— Series 2018B to Municipal Transportation Agencies for street and transit projects in FY 2017-2018; and placing \$177,000,000 of appropriations on Controller's Reserve pending receipt of proceeds of indebtedness.
3. Resolution authorizing and directing the sale of not to exceed \$76,710,000 aggregate principal amount of City and County of San Francisco General Obligation Bonds (Clean and Safe Neighborhood Parks Bonds, 2012), Series 2018A; prescribing the form and terms of said bonds; authorizing the execution, authentication, and registration of said bonds; providing for the appointment of depositories and other agents for said bonds; providing for the establishment of

accounts related to said bonds; providing for the manner of sale of said bonds by competitive or negotiated sale; approving the forms of Official Notice of Sale and Notice of Intention to Sell Bonds; directing the publication of the Notice of Intention to Sell Bonds; approving the form of the Preliminary Official Statement and the form and execution of the Official Statement relating to the sale of said Bonds; approving the form of the Continuing Disclosure Certificate; authorizing and approving modifications to documents, as defined herein; declaring the City's official intent to reimburse certain expenditures; waiving the deadline for submission of Bond Accountability Reports; adopting findings under the California Environmental Quality Act (CEQA), CEQA Guidelines and Chapter 31 of the Administrative Code; ratifying certain actions previously taken as defined herein; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale, and delivery of said bonds, as defined herein.

4. Ordinance appropriating \$76,710,000, consisting of proceeds from the third issuance of the 2012 Clean and Safe Neighborhood Parks General Obligation Bond, Series 2018A, to the Recreation and Park Department to support the renovation, repair, and construction of parks and open spaces; and placing \$76,710,000 on Controller's Reserve pending receipt of proceeds of indebtedness in FY2017-18.

I respectfully request that this items be calendared in Budget & Finance Committee on December 14, 2017.

Should you have any questions, please contact Mawuli Tugbenyoh (415) 554-5168.

