

1 [Bond Sale for Seismic Safety Loan Program Bonds.]

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3 **Resolution authorizing and directing the sale of not to exceed \$35,000,000 aggregate**  
4 **principal amount of City and County of San Francisco Taxable General Obligation**  
5 **Bonds (Seismic Safety Loan Program, 1992), Series 2006A; approving the form of a**  
6 **credit agreement pursuant to which such bonds will be issued and sold; prescribing**  
7 **the form and terms of said bonds; authorizing the execution, authentication and**  
8 **registration of said bonds; providing for the establishment of accounts related thereto;**  
9 **approving modifications to documents; ratifying certain actions previously taken; and**  
10 **granting general authority to City officials to take necessary actions in connection with**  
11 **the authorization, issuance, sale and delivery of said bonds.**

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13 WHEREAS, In November 1992 the voters of the City and County of San Francisco (the  
14 "City") approved Proposition A ("Proposition A"), which authorized the issuance of  
15 \$350,000,000 aggregate principal amount of general obligation bonds (the "Bonds") to provide  
16 funds for loans to finance the seismic strengthening of unreinforced masonry buildings within  
17 the City; and,

18 WHEREAS, By Resolution No. 160-94 (the "Authorizing Resolution"), adopted by the  
19 Board of Supervisors (the "Board") of the City on February 22, 1994 and signed by the Mayor  
20 of the City (the "Mayor") on February 25, 1994, the City authorized the issuance of the Bonds,  
21 and the sale of the first series of not to exceed \$35,000,000 aggregate principal amount of  
22 said Bonds; and,

23 WHEREAS, It is necessary and desirable to issue an additional portion of the Bonds in  
24 a series to be entitled City and County of San Francisco Taxable General Obligation Bonds

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1 (Seismic Safety Loan Program, 1992), Series 2006A (the "Series 2006A Bonds"), in an  
2 amount not to exceed \$35,000,000; and,

3 WHEREAS, There are issues specific to this transaction that are outside of the City's  
4 customary credit profile, including the City's inability to spend Series 2006A Bond proceeds  
5 unless and until applications submitted by private borrowers for such funds are approved;  
6 and,

7 WHEREAS, The Director of the Office of Public Finance has negotiated a private  
8 placement arrangement for the Series 2006A Bonds that will limit the outstanding general  
9 obligation bond debt to the amount necessary to fund approved private loans, thus avoiding  
10 significant costs associated with a more traditional competitive sale structure under this bond  
11 program; and,

12 WHEREAS, The Series 2006A Bonds are being issued pursuant to the Authorizing  
13 Resolution, Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the California Government  
14 Code (the "Act"), the Charter of the City and a duly held election; and,

15 WHEREAS, The adoption of this Resolution shall constitute authorization of the Series  
16 2006A Bonds within the meaning of Section 864 of the California Code of Civil Procedure;  
17 now therefore, be it

18 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as  
19 follows:

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

21 Section 2. Conditions Precedent. All conditions, things and acts required by law to  
22 exist, to happen and to be performed precedent to and in the issuance of the Series 2006A  
23 Bonds exist, have happened and have been performed in due time, form and manner in  
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1 accordance with applicable law, and the City is now authorized pursuant to its Charter and  
2 applicable law to incur indebtedness in the manner and form provided in this Resolution.

3 Section 3. Documents. The documents presented to this Board and on file with the  
4 Clerk of the Board of Supervisors, or his or her designee (the "Clerk of the Board of  
5 Supervisors") are contained in File No. \_\_\_\_\_.

6 Section 4. Issuance and Sale of Series 2006A Bonds. The Board hereby authorizes  
7 the issuance and sale of not to exceed \$35,000,000 principal amount of bonds to be  
8 designated as "City and County of San Francisco Taxable General Obligation Bonds (Seismic  
9 Safety Loan Program, 1992), Series 2006A" for the purposes set forth in Proposition A  
10 approved by the voters on November 3, 1992. The Director of Public Finance of the City or  
11 her or his designee (the "Director of Public Finance") is hereby authorized to determine the  
12 various terms of the Series 2006A Bonds, subject to the following terms and conditions: (i)  
13 the Series 2006A Bonds shall not have a true interest cost in excess of 12%; and (ii) the  
14 Series 2006A Bonds shall not have a final maturity date after 2036. The Director of Public  
15 Finance is further authorized to give the Series 2006A Bonds such additional or other series  
16 designation as may be necessary or appropriate to distinguish such series from every other  
17 series and from other bonds issued by the City.

18 Section 5. Approval of Credit Agreement. The form of the Credit Agreement (the  
19 "Credit Agreement") between the City and a purchaser to be determined by the Director of  
20 Public Finance ("Purchaser"), submitted to the Board of Supervisors is hereby approved and  
21 adopted, with such additions, corrections and revisions as may be determined to be  
22 necessary or desirable, made in accordance with Section 16 hereof. The Mayor is hereby  
23 authorized and directed, for and in the name and on behalf of the City, to execute and deliver  
24 the Credit Agreement in substantially said form, with such changes therein as such officer  
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1 may require or approve in consultation with the City Attorney, such approval to be  
2 conclusively evidenced by the execution and delivery thereof.

3 Section 6. Execution, Authentication and Registration of the Series 2006A Bonds. The  
4 Series 2006A Bonds shall be in fully registered form without coupons in such denominations  
5 as the Director of Public Finance shall determine. The officers of the City are hereby directed  
6 to cause the Series 2006A Bonds to be prepared in sufficient quantity for delivery to or for the  
7 account of the purchaser thereof and the Clerk of the Board of Supervisors or his or her  
8 designee (the "Clerk of the Board") is hereby directed to cause the blanks to be completed, to  
9 cause the seal of the City to be reproduced or impressed thereon, to procure their execution  
10 by the proper officers of the City (including by facsimile signature if necessary or convenient),  
11 and to deliver the Series 2006A Bonds when so executed to said purchaser in exchange for  
12 the purchase price thereof, all in accordance with the Authorizing Resolution.

13 The Series 2006A Bonds and the certificate of authentication and registration of the  
14 Treasurer or his or her designee and the form of assignment to appear thereon shall be  
15 substantially in the form attached hereto as Exhibit A (a copy of which is on file with the Clerk  
16 of the Board and which is hereby declared to be part of this Resolution as if fully set forth  
17 herein) with necessary or appropriate variations, omissions and insertions as permitted or  
18 required by this Resolution.

19 Only such of the Series 2006A Bonds as shall bear thereon a certificate of  
20 authentication and registration in the form herein recited, executed by the Treasurer, shall be  
21 valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such  
22 certificate of the Treasurer, executed as herein provided, shall be conclusive evidence that the  
23 Series 2006A Bonds so authenticated have been duly authenticated and delivered hereunder  
24 and are entitled to the benefits of this Resolution.

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1           The Treasurer shall assign a distinctive letter, or number, or letter and number to each  
2 Series 2006A Bond authenticated and registered by him or her and shall maintain a record  
3 thereof which shall be available for inspection.

4           Section 7. Registration Books. The Treasurer shall keep or cause to be kept, at the  
5 office of the Treasurer or at the designated office of any registrar appointed by the Treasurer,  
6 sufficient books for the registration and transfer of the Series 2006A Bonds, which shall at all  
7 times be open to inspection, and upon presentation for such purpose, the Treasurer shall,  
8 under such reasonable regulations as he or she may prescribe under the terms of this  
9 Resolution and the Credit Agreement, register or transfer or cause to be registered or  
10 transferred, on said books, the Series 2006A Bonds as herein provided. The City and the  
11 Treasurer may treat the registered owners of the Series 2006A Bonds as the absolute owners  
12 thereof for all purposes, and the City and the Treasurer shall not be affected by any notice to the  
13 contrary.

14           Series 8. Transfer or Exchange of Bonds. Any Series 2006A Bond may, in  
15 accordance with its terms, the terms of this Resolution and the terms of the Credit Agreement,  
16 be transferred upon the books required to be kept pursuant to the provisions of Section 6  
17 hereof, by the person in whose name it is registered, in person or by the duly authorized  
18 attorney of such person in writing, upon surrender of such Series 2006A Bond for  
19 cancellation, accompanied by delivery of a duly executed written instrument of transfer in a  
20 form approved by the Treasurer and upon such other conditions as required by the Credit  
21 Agreement.

22           Any Series 2006A Bonds may be exchanged at the office of the Treasurer for a like  
23 aggregate principal amount of other authorized denominations of the same interest rate and  
24 maturity.

1           Whenever any Series 2006A Bond shall be surrendered for transfer or exchange in  
2 accordance with the terms of the Credit Agreement, the designated City officials shall execute  
3 (as provided in Section 6 hereof) and the Treasurer shall authenticate and deliver a new  
4 Series 2006A Bond(s) of the same interest rate or rates and maturity in a like aggregate  
5 principal amount. The Treasurer shall require the payment by any bond owner requesting any  
6 such transfer of any tax or other governmental charge required to be paid with respect to such  
7 transfer or exchange.

8           Section 9. Terms of the Bonds; General Redemption Provisions. The Series 2006A  
9 Bonds shall each be dated the date such Series 2006A Bonds are purchased by the  
10 Purchaser under the Credit Agreement (the "Dated Date"). The Series 2006A Bonds shall  
11 bear interest from the Dated Date until the principal is paid in full at rates to be determined  
12 pursuant to the terms of the Credit Agreement, calculated on the basis of a 360-day year  
13 comprised of twelve 30-day months, payable December 15, 2007, and semiannually  
14 thereafter on June 15 and December 15 of each year (or such other dates as may be  
15 designated in the Credit Agreement).

16           The principal of and interest on the Series 2006A Bonds shall be payable in lawful  
17 money of the United States of America to the owner thereof in the manner provided in the  
18 Credit Agreement.

19           Each Series 2006A Bond shall bear interest which shall accrue and be payable in the  
20 manner provided in the Credit Agreement.

21           The Series 2006A Bonds shall be subject to optional and mandatory sinking fund  
22 redemption or prepayment prior to maturity under the terms and conditions and at the prices  
23 set forth in the Credit Agreement. The principal and interest on the Series 2006A Bonds  
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1 subject to redemption or prepayment shall be paid from the Series 2006A Bond Account,  
2 pursuant to Section 10 hereof.

3 At the time the Treasurer or the Controller or his or her designee determines to optionally  
4 redeem or prepay any of the Series 2006A Bonds in whole or in part, the Treasurer or his or her  
5 agent may establish a redemption account to be described or known as the "Taxable General  
6 Obligation Bonds (Seismic Safety Loan Program, 1992), Series 2006A Redemption Account"  
7 (the "Series 2006A Redemption Account") and prior to or on the redemption date there may be  
8 set aside in said Series 2006A Redemption Account moneys available for the purpose and  
9 sufficient to redeem or prepay the Series 2006A Bonds designated for redemption or  
10 prepayment. Said moneys set aside in the Series 2006A Redemption Account shall be used  
11 solely for the purpose of, and shall be applied on or after the redemption or prepayment date to,  
12 payment of the Series 2006A Bonds to be redeemed or prepaid. Any interest due on or prior to  
13 the redemption date may be paid from the Series 2006A Bond Account as provided in Section  
14 10 hereof or from the Series 2006A Redemption Account. Moneys held from time to time in the  
15 Series 2006A Redemption Account shall be invested by the Treasurer pursuant to the City's  
16 policies and guidelines for investment of General Fund moneys. If, after all of the Series 2006A  
17 Bonds have been redeemed and canceled or paid and canceled, there are moneys remaining in  
18 said Series 2006A Redemption Account, said moneys shall be transferred to the General Fund  
19 of the City or to such other fund or account as required by applicable law; provided, however,  
20 that if said moneys are part of the proceeds of refunding bonds, said moneys shall be transferred  
21 pursuant to the resolution authorizing such refunding bonds.

22 Section 10. Series 2006A Bond Account. There is hereby established with the  
23 Treasurer a special account in the Taxable General Obligation Bonds (Seismic Safety Loan  
24 Program) Bond Fund (the "Bond Fund") created pursuant to Section 4 of the Authorizing  
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1 Resolution, to be designated the "Taxable General Obligation Bonds (Seismic Safety Loan  
2 Program, 1992), Series 2006A Bond Account" (the "Series 2006A Bond Account"), to be held  
3 separate and apart from all other accounts of the City. All interest earned on amounts on  
4 deposit in the Series 2006A Bond Account shall be retained in the Series 2006A Bond  
5 Account.

6 On or prior to the date on which any payment of principal or interest on the Series  
7 2006A Bonds is due, including any Series 2006A Bonds subject to mandatory redemption or  
8 prepayment on said date, the Treasurer shall allocate to and deposit in the Series 2006A  
9 Bond Account, from amounts held in the Bond Fund pursuant to Section 4 of the Authorizing  
10 Resolution, an amount which, when added to any available moneys contained in the Series  
11 2006A Bond Account, is sufficient to pay principal and interest on the Series 2006A Bonds on  
12 such date.

13 On or prior to the date on which any Series 2006A Bonds are to be redeemed or  
14 prepaid at the option of the City pursuant to this Resolution, the Treasurer may allocate to and  
15 deposit in the Series 2006A Redemption Account, from amounts held in the Bond Fund  
16 pursuant to Section 4 of the Authorizing Resolution, an amount which, when added to any  
17 available moneys contained in the Series 2006A Redemption Account, is sufficient to pay  
18 principal, interest and premium, if any, on such Series 2006A Bonds on such date. The  
19 Treasurer may make such other provision for the payment of principal and interest and any  
20 premium on the Series 2006A Bonds as is necessary or convenient to permit the optional  
21 redemption or prepayment of the Series 2006A Bonds.

22 Amounts in the Series 2006A Bond Account may be invested in any investment of the  
23 City in which moneys in the General Fund of the City are invested. The Treasurer may  
24 commingle any of the moneys held in the Series 2006A Bond Account with other City moneys  
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1 or deposit amounts credited to the Series 2006A Bond Account into a separate fund or funds  
2 for investment purposes only; *provided, however,* that all of the moneys held in the Series  
3 2006A Bond Account hereunder shall be accounted for separately notwithstanding any such  
4 commingling or separate deposit by the Treasurer. Any premium or accrued interest received  
5 upon the sale of the Series 2006A Bonds shall be deposited into the Series 2006A Bond  
6 Account.

7 Section 11. Series 2006A Loan Repayment Account. There is hereby established with  
8 the Treasurer a special loan repayment account in the Taxable General Obligation Bonds  
9 (Seismic Safety Loan Program, 1992) Loan Repayment Fund (the "Loan Repayment Fund")  
10 created pursuant to Section 5 of the Authorizing Resolution, to be designated the "Taxable  
11 General Obligation Bonds (Seismic Safety Loan Program, 1992) Series 2006A Loan  
12 Repayment Account" (the "Series 2006A Loan Repayment Account") to be held separate and  
13 apart from all other accounts of the City. All regularly scheduled loan repayments received  
14 from loans the proceeds of which were derived from the Series 2006A Bonds (other than  
15 prepayments, which shall be deposited in the hereinafter defined Series 2006A Prepayment  
16 Account) shall be deposited upon receipt by the Treasurer in the Series 2006A Loan  
17 Repayment Account.

18 So long as any of the Bonds are outstanding or authorized but unissued, moneys in  
19 said account shall be used solely for the purpose of paying the principal of and interest on the  
20 Series 2006A Bonds as such principal and interest shall become due and payable or upon  
21 redemption; provided, however, that when the principal and interest due on all Bonds is paid  
22 and there is no remaining Bond authorization, any balance of money then remaining in said  
23 fund may be used for any lawful purpose, including, but not limited to, making additional loans  
24 for seismic strengthening of unreinforced masonry buildings and the payment of debt service  
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1 or the redemption of other outstanding general obligation bonds of the City, as shall be  
2 determined by the Director of Public Finance, in consultation with the City Attorney.

3 Section 12. Series 2006A Loan Account and Series 2006A Costs of Issuance Account.

4 There is hereby established with the Treasurer a special loan account in the Seismic Safety  
5 Loan Fund (the "Loan Fund") created pursuant to Section 14 of the Authorizing Resolution, to  
6 be designated the "Taxable General Obligation Bonds (Seismic Safety Loan Program, 1992),  
7 Series 2006A Loan Account" (the "Series 2006A Loan Account") and a special costs of  
8 issuance account to be designated as the "Taxable General Obligation Bonds (Seismic Safety  
9 Loan Program, 1992), Series 2006A Costs of Issuance Account" (the "Series 2006A Cost of  
10 Issuance Account"). Such Series 2006A Loan Account and Series 2006A Costs of Issuance  
11 Account shall be kept separate and apart from all other funds and accounts. All proceeds  
12 from the sale of the Series 2006A Bonds (except any premium and/or accrued interest on  
13 such sale which shall be deposited in the Series 2006A Bond Account pursuant to Section 10  
14 of this Resolution) shall be deposited by the Treasurer in the Series 2006A Loan Account and  
15 Series 2006A Costs of Issuance Account as directed by the Director of Public Finance.

16 All moneys in the Series 2006A Loan Account shall be applied exclusively to the object  
17 and purpose specified in the proposition set forth in Section 3 of the Authorizing Resolution.

18 All moneys in the Series 2006A Costs of Issuance Account shall be applied to the payment of  
19 costs of issuance associated with the Series 2006A Bonds. Costs of issuance of the Series  
20 2006A Bonds shall include, without limitation, mailing and publication expenses, the fees and  
21 expenses of financial consultants and co-bond counsel, fees payable under the Credit  
22 Agreement and the reimbursement of City departmental expenses in connection with the  
23 issuance of the Series 2006A Bonds. Any moneys remaining in the Series 2006A Costs of  
24 Issuance Account when all such costs have been paid shall be transferred to the Series  
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1 2006A Loan Account as directed by the Director of Public Finance. Any moneys remaining in  
2 the Series 2006A Loan Account when the object and purpose set forth above have been  
3 accomplished shall be transferred to the Series 2006A Bond Account or the Series 2006A  
4 Redemption Account as the Director of Public Finance shall direct in writing.

5 Within the Series 2006A Loan Account there are hereby established two loan  
6 subaccounts to be designated the "Series 2006A Market Rate Loan Subaccount" and the  
7 "Series 2006A Below Market Rate Loan Subaccount." The Director of Public Finance, in  
8 consultation with the Director of the Mayor's Office of Housing, shall direct the deposit of  
9 available proceeds of the Series 2006A Bonds in the Series 2006A Loan Account to one of  
10 the two subaccounts; provided, however, that no more than \$20,000,000 of the proceeds of  
11 the Series 2006A Bonds may be deposited into the Series 2006A Market Rate Loan  
12 Subaccount and no more than \$15,000,000 of the proceeds of the Series 2006A Bonds may  
13 be deposited into the Series 2006A Below Market Rate Loan Subaccount. Amounts in each  
14 respective subaccount shall be subject to the restrictions imposed under Proposition A for  
15 such type of loan, the provisions of which are incorporated herein by reference.

16 Section 13. Prepayment Fund. There is hereby established with the Treasurer a  
17 special account in the Taxable General Obligation Bonds (Seismic Safety Loan Program,  
18 1992) Prepayment Fund (the "Prepayment Fund") created pursuant to Section 15 of the  
19 Authorizing Resolution, to be designated as the "Taxable General Obligation Bonds (Seismic  
20 Safety Loan Program, 1992), Series 2006A Prepayment Account" (the "Series 2006A  
21 Prepayment Account"), to be held separate and apart from all other accounts of the City. All  
22 loan prepayments received from loans the proceeds of which were derived from the Series  
23 2006A Bonds shall be deposited upon receipt by the Treasurer in the Series 2006A  
24 Prepayment Account. All interest earned on amounts on deposit in the Series 2006A  
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1 Prepayment Account shall be retained in the Series 2006A Prepayment Account. Amounts in  
2 the Series 2006A Prepayment Account shall be used solely for the purpose of redeeming or  
3 prepaying Series 2006A Bonds or for paying principal of or interest on the Series 2006A  
4 Bonds as the same becomes due on or before their maturity date or prior redemption date, as  
5 the Director of Public Finance may direct in writing.

6 When all of the principal and interest on the bonds authorized under Proposition A  
7 have been paid, any balance of money then remaining in the Series 2006A Prepayment  
8 Account may be used for any lawful purpose, including, but not limited to, making additional  
9 loans for seismic strengthening of unreinforced masonry buildings and the payment of debt  
10 service or the redemption of other outstanding general obligation bonds of the City, as shall  
11 be determined by the Director of Public Finance, in consultation with the City Attorney.

12 Section 14. Appointment of Agents. The Treasurer is hereby authorized and directed to  
13 appoint one or more agents as he or she may deem necessary or desirable. To the extent  
14 permitted by applicable law and under the supervision of the Treasurer, such agents may serve  
15 as paying agent, fiscal agent, rebate calculation agent or escrow agent or registrar for the Series  
16 2006A Bonds or may assist the Treasurer in performing any or all of such functions and such  
17 other duties as the Treasurer shall determine. Such agents shall serve under such terms and  
18 conditions as the Treasurer shall determine. The Treasurer may remove or replace agents  
19 appointed pursuant to this paragraph at any time.

20 Section 15. Defeasance Provisions. Payment of all or any portion of the Series 2006A  
21 Bonds may be provided for prior to such Series 2006A Bonds' respective stated maturities by  
22 irrevocably depositing with the Treasurer (or any commercial bank or trust company designated  
23 by the Treasurer to act as escrow agent with respect thereto):

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1           (a)     An amount of cash equal to the principal amount of all of such Series  
2 2006A Bonds or a portion thereof, and all unpaid interest thereon to maturity, except that in the  
3 case of Series 2006A Bonds which are to be redeemed prior to such Series 2006A Bonds'  
4 respective stated maturities and in respect of which notice of such redemption shall have been  
5 given as provided in Section 8 hereof or an irrevocable election to give such notice shall have  
6 been made by the City, the amount to be deposited shall be the principal amount thereof, all  
7 unpaid interest thereon to the redemption date, and any premium due on such redemption date;  
8 or

9           (b)     Defeasance Securities (as herein defined) not subject to call, except as  
10 provided below in the definition thereof, maturing and paying interest at such times and in such  
11 amounts, together with interest earnings and cash, if required, as will, without reinvestment, as  
12 certified by an independent certified public accountant, be fully sufficient to pay the principal and  
13 all unpaid interest to maturity, or to the redemption date, as the case may be, and any premium  
14 due on the Series 2006A Bonds to be paid or redeemed, as such principal and interest come  
15 due; provided, that, in the case of the Series 2006A Bonds which are to be redeemed prior to  
16 maturity, notice of such redemption shall be given as provided in Section 8 hereof or an  
17 irrevocable election to give such notice shall have been made by the City; then, all obligations of  
18 the City with respect to said outstanding Series 2006A Bonds shall cease and terminate, except  
19 only the obligation of the City to pay or cause to be paid from the funds deposited pursuant to  
20 paragraphs (a) or (b) of this Section 15, to the owners of said Series 2006A Bonds all sums due  
21 with respect thereto; provided, that the City shall have received an opinion of nationally  
22 recognized bond counsel, that provision for the payment of said Series 2006A Bonds has been  
23 made in accordance with this Section 15.

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1 For purpose of this Section 15, "Defeasance Securities" shall mean any of the following  
2 which at the time are legal investments under the laws of the State of California for the moneys  
3 proposed to be invested therein:

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

5 (2) Pre-refunded fixed interest rate municipal obligations meeting the following  
6 conditions: (a) the municipal obligations are not subject to redemption prior to maturity, or the  
7 trustee has been given irrevocable instructions concerning their calling and redemption and the  
8 issuer has covenanted not to redeem such obligations other than as set forth in such  
9 instructions; (b) the municipal obligations are secured by cash and/or United States Obligations;  
10 (c) the principal of and interest on the United States Obligations (plus any cash in the escrow  
11 fund or the redemption account) are sufficient to meet the liabilities of the municipal obligations;  
12 (d) the United States Obligations serving as security for the municipal obligations are held by the  
13 Treasurer or, if appointed by the Treasurer pursuant to Section 14 hereof, an escrow agent or  
14 trustee; (e) the United States Obligations are not available to satisfy any other claims, including  
15 those against the trustee or escrow agent; and (f) the municipal obligations are rated, at the time  
16 of original deposit to the escrow fund, the highest ratings category by any two of the three Rating  
17 Agencies (as defined herein).

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

4 For purposes of this Section 15, "Rating Agencies" shall mean Moody's Investors Service,  
5 Inc. ("Moody's"), Fitch Ratings ("Fitch"), and Standard and Poor's Rating Services, a division of  
6 The McGraw-Hill Companies, Inc. ("S&P"), or any other nationally-recognized bond rating  
7 agency which is the successor to any of the foregoing rating agencies.

8 Section 16. Modification to Documents. Any City official authorized by this Resolution to  
9 execute any document is hereby further authorized, in consultation with the City Attorney, to  
10 approve and make such changes, additions, amendments or modifications to the document or  
11 documents such official is authorized to execute as may be necessary or advisable (provided  
12 that such changes, additions, amendments or modifications shall not authorize an aggregate  
13 principal amount of Series 2006A Bonds in excess of \$35,000,000 or conflict with the terms of  
14 Proposition A or the provisions of Section 4 hereof). The approval of any change, addition,  
15 amendment or modification to any of the aforementioned documents shall be evidenced  
16 conclusively by the execution and delivery of the document in question.

17 Section 17. Ratification. All actions heretofore taken by officials, employees and agents  
18 of the City with respect to the sale and issuance of the Series 2006A Bonds are hereby  
19 approved, confirmed and ratified.

20 Section 18. Relationship to Authorizing Resolution. In the event of any conflict between  
21 this Resolution and the Authorizing Resolution, the terms of this Resolution shall control.

22 Section 19. Accountability Reports. The Series 2006A Bonds are subject to Article VIII of  
23 Chapter 2 of the City's Administrative Code. Accountability report(s) with respect to the Series  
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1 2006A Bonds have been or shall be submitted at the time(s) and in the manner required by said  
2 Article VIII.

3 Section 20. General Authority. The Clerk of the Board, the Mayor, the Treasurer, the  
4 Director of Public Finance, the City Attorney and the Controller are each hereby authorized and  
5 directed in the name and on behalf of the City to take any and all steps and to issue, deliver or  
6 enter into any and all certificates, requisitions, agreements, notices, consents, and other  
7 documents as may be necessary to give effect to the provisions of this resolution, including but  
8 not limited to letters of representations to any depository or depositories which they or any of  
9 them might deem necessary or appropriate in order to consummate the lawful issuance, sale  
10 and delivery of the Series 2006A Bonds.

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APPROVED AS TO FORM:

DENNIS J. HERRERA  
City Attorney

By: \_\_\_\_\_  
Michael J. Martin  
Deputy City Attorney



1 EXHIBIT A

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3 [FORM OF BOND]

4 THIS SERIES 2006A BOND MAY BE SOLD OR TRANSFERRED ONLY TO QUALIFIED  
5 INSTITUTIONAL BUYERS WITHIN THE MEANING SET FORTH IN RULE 144A  
6 PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED.  
7 TRANSFEREES ARE REQUIRED TO EXECUTE A TRANSFEREE LETTER, THE FORM OF  
8 WHICH MAY BE OBTAINED FROM THE CITY, AND TRANSFER OF THIS SERIES 2006A  
9 BOND MAY NOT BE MADE UNLESS THE TRANSFEREE COMPLIES WITH THE  
10 PROVISIONS OF THE CREDIT AGREEMENT (AS HEREINAFTER DEFINED) REQUIRING  
11 SUCH TRANSFEREE TO EXECUTE A TRANSFEREE LETTER IN THE FORM ATTACHED  
12 TO THE CREDIT AGREEMENT. ANY TRANSFER MADE IN VIOLATION OF THE CREDIT  
13 AGREEMENT SHALL BE VOID AND OF NO EFFECT.

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Number	UNITED STATES OF AMERICA	Amount
_____	STATE OF CALIFORNIA	\$_____

CITY AND COUNTY OF SAN FRANCISCO  
TAXABLE GENERAL OBLIGATION BONDS

(SEISMIC SAFETY LOAN PROGRAM, 1992), SERIES 2006A

REGISTERED OWNER: \_\_\_\_\_

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

THE CITY AND COUNTY OF SAN FRANCISCO, State of California (herein called the "City"), acknowledges itself indebted to and promises to pay to the Registered Owner hereof or registered assigns, on the maturity date set forth above a principal sum not to exceed \_\_\_\_\_ Dollars (\$\_\_\_\_\_ ) in lawful money of the United States of America, the

1 actual unpaid principal hereof being equal to the funds disbursed to the City under the Credit  
2 Agreement dated as of \_\_\_\_\_, 200\_ (the "Credit Agreement") between the City and  
3 [Purchaser] ("Purchaser") to fund one or more Loans, as such term is defined in the Credit  
4 Agreement, less any portion of the principal hereof paid or redeemed pursuant to the Credit  
5 Agreement, and to pay interest upon such unpaid principal balance in like lawful money until  
6 payment of such principal sum, at the interest rate or rates per annum determined in accordance  
7 with the Credit Agreement, calculated on the basis of a 360-day year comprised of twelve 30-day  
8 months, payable on December 15, 200\_ and semiannually thereafter on June 15 and December  
9 15 in each year or such other date or dates as set forth in the Credit Agreement; provided,  
10 however, if any interest payment date occurs on a day that banks in California and New York are  
11 closed for business or the New York Stock Exchange is closed for business, then such payment  
12 shall be made on the next succeeding day that banks in both California and New York are open  
13 for business and the New York Stock Exchange is open for business (a "Business Day"). The  
14 principal hereof is payable to the registered owner hereof by the Treasurer of the City (the  
15 "Treasurer") at the times and in the manner provided in the Credit Agreement. The interest  
16 hereon is payable to the person whose name appears on the bond registration books of the  
17 Treasurer as the registered owner hereof as of the interest payment date, whether or not such  
18 day is a Business Day, such interest to be paid to such registered owner at the owner's address  
19 as it appears on such registration books in the manner set forth in the Credit Agreement.

20 This bond is one of a duly authorized issue of bonds of like tenor (except for such  
21 variations, if any, as may be required to designate varying numbers, denominations, interest  
22 rates and maturities), in the aggregate principal amount of not to exceed \$350,000,000 and is  
23 one of a duly authorized series of said issue which series is in an aggregate principal amount not  
24 to exceed \$35,000,000 and is authorized by votes of more than two-thirds of the voters voting at  
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1 an election duly and legally called, held and conducted in said City on November 3, 1992 and is  
2 issued and sold by the City pursuant to and in strict conformity with the provisions of the  
3 Constitution and laws of said State, and Charter of the City and of resolutions (the "Resolutions")  
4 adopted by the Board of Supervisors of the City (the "Board of Supervisors") on February 22,  
5 1994, and \_\_\_\_\_, 200\_.

6 The bonds are issuable as fully registered bonds without coupons in the denominations of  
7 \$\_\_\_\_,000 or any integral multiple thereof. Subject to the limitations and conditions and upon  
8 payment of the charges, if any, as provided in this bond, the Resolutions and the Credit  
9 Agreement, bonds may be exchanged for a like aggregate principal amount of bonds or other  
10 authorized denominations of the same series, interest rate and maturity.

11 This bond is transferable by the registered owner hereof, in person or by attorney duly  
12 authorized in writing, at said office of the Treasurer, but only in the manner, subject to the  
13 limitations and upon payment of the charges provided in this bond, the Resolutions and the  
14 Credit Agreement, and upon surrender and cancellation of this bond. Upon such transfer, a new  
15 bond or bonds of authorized denomination or denominations for the same interest rate and same  
16 aggregate principal amount will be issued to the transferee in exchange herefor.

17 Series 2006A Bonds are subject to redemption and prepayment under the terms set forth  
18 in the Credit Agreement.

19 The City and the Treasurer may treat the registered owner hereof as the absolute owner  
20 hereof for all purposes, and the City and the Treasurer shall not be affected by any notice to the  
21 contrary.

22 The Board of Supervisors hereby certifies and declares that the total amount of  
23 indebtedness of said City, including the amount of this bond, is within the limit provided by law,  
24 that all acts, conditions and things required by the law to be done or performed precedent to and  
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1 in the issuance of this bond have been done and performed in strict conformity with the laws  
2 authorizing the issuance of the bond, that this bond is in the form prescribed by order of the  
3 Board of Supervisors duly made and entered on its minutes and shall be payable out of the  
4 general fund of said City, and the money for the redemption of this bond, and the payment of  
5 interest thereon, shall be raised by taxation upon the taxable property of said City.

6 This bond shall not be entitled to any benefit under the Resolutions, or become valid or  
7 obligatory for any purpose, until the certificate of authentication and registration hereon endorsed  
8 shall have been signed by the Treasurer.

9 IN WITNESS WHEREOF the Board of Supervisors of the City and County of San  
10 Francisco has caused this bond to be executed under the official seal of the City and County  
11 of San Francisco or a facsimile thereof by the Mayor of the City and County of San Francisco  
12 and the Treasurer, and to be countersigned by the Clerk of said Board, which signature is to  
13 be countersigned by a Deputy Clerk of said Board, all as of \_\_\_\_\_, 200\_.

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[SEAL]

\_\_\_\_\_  
Mayor of the City and  
County of San Francisco

\_\_\_\_\_  
Treasurer of the City and  
County of San Francisco

Countersigned:

\_\_\_\_\_  
Clerk of the Board

1 of Supervisors

2 Countersigned:

3 \_\_\_\_\_  
4 Deputy Clerk of the Board  
5 of Supervisors

6 [FORM OF TREASURER'S CERTIFICATE  
7 OF AUTHENTICATION TO APPEAR ON BONDS]

8 This is one of the Series 2006A Bonds described in the within-mentioned Resolutions and  
9 authenticated and registered \_\_\_\_\_.

10 TREASURER OF THE CITY AND  
11 COUNTY OF SAN FRANCISCO

12  
13  
14  
15 By: \_\_\_\_\_

16 [FORM OF ASSIGNMENT]

17 For value received the undersigned do(es) hereby sell, assign and transfer unto  
18 \_\_\_\_\_ the within-mentioned registered Series 2006A Bond and hereby  
19 irrevocably constitute(s) and appoint(s) \_\_\_\_\_ attorney, to transfer the same  
20 on the books of the Treasurer with full power of substitution in the premises.  
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22 Dated: \_\_\_\_\_

23 NOTE: The signature(s) on this Assignment must  
24 correspond with the name(s) as written on the face of  
25 the within registered Series 2006A Bond in every  
particular, without alteration or enlargement or any  
change whatsoever.

Signature Guarantee:

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\_\_\_\_\_ Tax ID Number: \_\_\_\_\_