

1 [Tax Exempt and Taxable Lease Revenue Commercial Paper Certificates of Participation
2 (Series 3 and Series 4) - Capital Improvements and Equipment - Not to Exceed
2 \$100,000,000]

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4 **Resolution re-authorizing the execution and delivery of Tax-Exempt Lease Revenue**
5 **Commercial Paper Certificates of Participation, Series 3 and Series 4, and Taxable**
6 **Lease Revenue Commercial Paper Certificates of Participation, Series 3-T and Series 4-**
7 **T, in an aggregate principal amount not to exceed \$100,000,000 to finance the costs of**
8 **the acquisition, construction, and rehabilitation of capital improvements and capital**
9 **equipment approved by the Board of Supervisors and the Mayor; authorizing the**
10 **maintenance of a liquidity facility in the total stated amount of \$109,000,000; and**
11 **approving and authorizing execution of a second supplement to trust agreement, a**
12 **third amendment to site lease, a third amendment to sublease, an amended and**
13 **restated revolving credit agreement, a revolving bank certificate, an amended and**
14 **restated fee agreement, an offering memorandum, dealer agreements, and certain other**
15 **related financing documents; and authorizing other related actions, as defined herein.**

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17 WHEREAS, Pursuant to Charter, Section 9.113(e), the Board of Supervisors ("Board")
18 has the authority to borrow money through the issuance from time to time of commercial
19 paper; and

20 WHEREAS, The Board of Supervisors adopted Resolution No. 85-09 on March 17,
21 2009, signed by the Mayor on March 24, 2009, Resolution No. 136-10 on April 6, 2010,
22 signed by the Mayor on April 14, 2010, and Resolution No. 247-13 on July 16, 2013, signed
23 by the Mayor on July 25, 2013 (collectively, the "Program Resolutions"), to establish a
24 commercial paper program ("Program") with an authorization of not to exceed \$250,000,000
25 in aggregate principal amount to provide interim financing of the acquisition, construction and

1 rehabilitation of capital improvements within or owned by the City, and the financing of
2 vehicles and equipment (herein the “Capital Projects”); and

3 WHEREAS, As part of the Program, the City is authorized to cause to be executed and
4 delivered, under and pursuant to the provisions of the Trust Agreement dated as of
5 February 1, 2014 (as amended prior to the date hereof, the “Trust Agreement”), between the
6 City and U.S. Bank Trust Company, National Association (“Trustee”), as successor trustee to
7 U.S. Bank National Association, its Tax-Exempt Lease Revenue Commercial Paper
8 Certificates of Participation, Series 3 and Series 4, and its Taxable Lease Revenue
9 Commercial Paper Certificates of Participation, Series 3-T and 4-T (each a “Series” and,
10 collectively, the “Commercial Paper Certificates”), in an aggregate principal amount not to
11 exceed \$100,000,000, which will be sufficient to, among other things, (i) pay on an interim
12 basis the costs of the Capital Projects, (ii) fund capitalized interest with respect to the
13 Commercial Paper Certificates, (iii) to fund Capitalized Fees and Expenses (as defined in the
14 Trust Agreement), and (iv) to pay costs incurred in connection with the sale and delivery of the
15 Commercial Paper Certificates; and

16 WHEREAS, Pursuant to a Site Lease dated as of February 1, 2014 (as amended prior
17 to the date hereof, the “Site Lease”), the City, as lessor, currently leases certain real property
18 and improvements thereon commonly known as the Public Safety Building (collectively, the
19 “Property”) to the Trustee, as lessee, and, in return therefor, the Trustee causes a portion of
20 the proceeds of the Commercial Paper Certificates to be applied to the acquisition,
21 construction and rehabilitation of the Capital Projects; and

22 WHEREAS, Pursuant to a Sublease dated as of February 1, 2014 (as amended prior to
23 the date hereof, the “Sublease”), the Trustee leases the Property back to the City, and the
24 City, pursuant to the Sublease, pays to the Trustee base rental lease payments (“Base Rental
25 Payments”) for the use and occupancy of the Property, which will be used to (i) reimburse the

1 credit or liquidity providers for payments made by the credit or liquidity providers with respect
2 to the Commercial Paper Certificates, pay the fees set forth in the Fee Agreement (as
3 hereinafter defined) and pay all other amounts due and owing to credit or liquidity providers or
4 (ii) if necessary, make payments on the Commercial Paper Certificates; and

5 WHEREAS, Pursuant to an amendment to the Site Lease ("Third Amendment to Site
6 Lease") and an amendment to the Sublease ("Third Amendment to Sublease"), the City
7 proposes to release the Public Safety Building from the Property subject to the leasehold
8 under the Site Lease and the Sublease, and to add certain real property and improvements
9 thereon commonly known as the Police Academy and the Office of the Chief Medical
10 Examiner, or any other additional or other substitute property to be identified by a Designated
11 Officer, to the Property subject to the leasehold under the Site Lease and the Sublease; and

12 WHEREAS, U.S. Bank Trust Company, National Association, as successor to U.S.
13 Bank National Association, currently acts as delivery and paying agent for the Commercial
14 Paper Certificates; and

15 WHEREAS, U.S. Bank Trust Company, National Association, proposes to act as
16 delivery and paying agent for the Commercial Paper Certificates pursuant to a Second
17 Amended and Restated Delivery and Paying Agent Agreement ("Second Amended and
18 Restated Delivery and Paying Agent Agreement"); and

19 WHEREAS, The Commercial Paper Certificates are currently remarketed by U.S.
20 Bancorp Investments, Inc., as dealer; and

21 WHEREAS, U.S. Bancorp Investments, Inc., a commercial paper dealer selected
22 through a competitive bid process, proposes to act as dealer to remarket a portion of the
23 Commercial Paper Certificates pursuant to an Amended and Restated Commercial Paper
24 Dealer Agreement ("US Bancorp Commercial Paper Dealer Agreement"); and

1 WHEREAS, Wells Fargo Bank, National Association, a commercial paper dealer
2 selected through a competitive bid process, proposes to act as dealer to remarket a portion of
3 the Commercial Paper Certificates pursuant to a Commercial Paper Dealer Agreement
4 ("Wells Fargo Commercial Paper Dealer Agreement"); and

5 WHEREAS, BMO Bank N.A. ("Bank"), as successor by merger to Bank of the West,
6 currently provides liquidity support to the Tax-Exempt Lease Revenue Commercial Paper
7 Certificates of Participation, Series 3 and Taxable Lease Revenue Commercial Paper
8 Certificates of Participation, Series 3-T (collectively, the "Series 3 Commercial Paper
9 Certificates"), through a line of credit pursuant to a Revolving Credit Agreement between the
10 City and the Bank ("Existing Liquidity Agreement"); and

11 WHEREAS, The Bank, selected through a competitive bid process, proposes to
12 continue to provide liquidity support to the Series 3 Commercial Paper Certificates through a
13 line of credit ("Line of Credit") in the aggregate total stated amount (reflecting support for
14 principal and interest on the Commercial Paper Certificates) of \$109,000,000 under an
15 Amended and Restated Revolving Credit Agreement to be entered into between the City and
16 the Bank ("Revolving Credit Agreement") that amends and restates the Existing Liquidity
17 Agreement, and an Amended and Restated Fee Agreement to be entered into between the
18 City and the Bank ("Fee Agreement"); and

19 WHEREAS, The Line of Credit and the Revolving Credit Agreement collectively
20 constitute an Alternate Credit Facility, a Credit Facility and a Reimbursement Agreement
21 under the Trust Agreement; and

22 WHEREAS, In connection with the delivery of the Revolving Credit Agreement, the City
23 desires to enter into the documents described herein; and

24 WHEREAS, This Board has duly considered such transactions and has determined at
25 this time to approve said transactions in the public interests of the City; now, therefore, be it,

1 RESOLVED, By the Board of Supervisors of the City and County of San Francisco as
2 follows:

3 Section 1. Re-Authorization of Commercial Paper Program; Approval of Second
4 Supplement to Trust Agreement. This Board hereby re-authorizes the Program as it relates to
5 the Commercial Paper Certificates in the maximum aggregate principal amount of
6 \$100,000,000 outstanding from time to time; provided, however, that the interest rate on the
7 Commercial Paper Certificates shall not exceed the maximum rate permitted by law, and the
8 Commercial Paper Certificates shall mature not later than 270 days from the date of issuance,
9 although additional Commercial Paper Certificates may be issued to repay maturing
10 Commercial Paper Certificates for periods also not to exceed 270 days. This Board hereby
11 approves the execution and delivery by the City of the Second Supplement to Trust
12 Agreement in the form on file with the Clerk of the Board, together with such additions thereto
13 and changes therein as the City Controller or the Director of the Office of Public Finance, or
14 their respective designees (each, a "Designated Officer") deem necessary, desirable or
15 appropriate in accordance with Section 10 hereof and upon consultation with the City
16 Attorney, the execution of which by a Designated Officer shall be conclusive evidence of the
17 approval of any such additions and changes. Each Designated Officer, acting alone, is
18 hereby authorized to execute and deliver the final form of the Second Supplement to Trust
19 Agreement for and on behalf of the City. This Board hereby authorizes the performance by
20 the City of its obligations under the Trust Agreement as amended by the Second Supplement
21 to Trust Agreement.

22 Section 2. Approval of Second Amended and Restated Delivery and Paying Agent
23 Agreement. This Board hereby approves the execution and delivery by the City of the Second
24 Amended and Restated Delivery and Paying Agent Agreement in the form on file with the
25 Clerk of the Board, together with such additions thereto and changes therein as a Designated

1 Officer deems necessary, desirable or appropriate in accordance with Section 10 hereof and
2 upon consultation with the City Attorney, the execution of which by a Designated Officer shall
3 be conclusive evidence of the approval of any such additions and changes. Each Designated
4 Officer, acting alone, is hereby authorized to execute and deliver the final form of the Second
5 Amended and Restated Delivery and Paying Agent Agreement for and on behalf of the City.
6 This Board hereby authorizes the performance by the City of its obligations under the Second
7 Amended and Restated Delivery and Paying Agent Agreement.

8 Section 3. Approval of Amendments to Site Lease and Sublease. This Board
9 hereby approves the execution and delivery by the City of the Third Amendment to Site Lease
10 and the Third Amendment to Sublease in the forms on file with the Clerk of the Board,
11 together with such additions thereto and changes therein as a Designated Officer deems
12 necessary, desirable or appropriate in accordance with Section 10 hereof and upon
13 consultation with the City Attorney, the execution of which by a Designated Officer shall be
14 conclusive evidence of the approval of any such additions and changes. Each Designated
15 Officer, acting alone, is hereby authorized to execute and deliver the final form of the Third
16 Amendment to Site Lease and the Third Amendment to Sublease for and on behalf of the
17 City. This Board hereby authorizes the performance by the City of its obligations under the
18 Site Lease, as amended by the Third Amendment to Site Lease, and the Sublease, as
19 amended by the Third Amendment to Sublease.

20 Section 4. Approval of Revolving Credit Agreement and Fee Agreement. This Board
21 hereby approves the execution and delivery by the City of the Revolving Credit Agreement,
22 the Revolving Bank Certificate included as an exhibit thereto ("Revolving Bank Certificate")
23 and the Fee Agreement, in the forms on file with the Clerk of the Board, together with such
24 additions thereto and changes therein as a Designated Officer deems necessary, desirable or
25 appropriate in accordance with Section 10 hereof and upon consultation with the City

1 Attorney, the execution of which by a Designated Officer shall be conclusive evidence of the
2 approval of any such additions and changes. Each Designated Officer, acting alone, is
3 hereby authorized to execute and deliver the final forms of the Revolving Credit Agreement,
4 the Revolving Bank Certificate and the Fee Agreement, for and on behalf of the City. This
5 Board hereby authorizes the performance by the City of its obligations under the Revolving
6 Credit Agreement, the Revolving Bank Certificate and the Fee Agreement.

7 Section 5. Offering Memorandum. This Board hereby approves the Offering
8 Memorandum to be used with respect to the marketing and sale from time to time of the
9 Commercial Paper Certificates, in the form on file with the Clerk of the Board, together with
10 such additions thereto and changes therein as a Designated Officer deems necessary,
11 desirable or appropriate upon consultation with the City Attorney, the execution of which by a
12 Designated Officer shall be conclusive evidence of the approval of any such additions and
13 changes to the Offering Memorandum. The Designated Officers are each further authorized to
14 cause the distribution of the Offering Memorandum.

15 Section 6. Commercial Paper Dealer Agreements. This Board hereby approves the
16 execution and delivery by the City of the US Bancorp Commercial Paper Dealer Agreement
17 and the Wells Fargo Commercial Paper Dealer Agreement, in the forms on file with the Clerk
18 of the Board, together with such additions thereto and changes therein as a Designated
19 Officer deems necessary, desirable or appropriate in accordance with Section 10 hereof and
20 upon consultation with the City Attorney, the execution of which by a Designated Officer shall
21 be conclusive evidence of the approval of any such additions and changes. Each Designated
22 Officer, acting alone, is hereby authorized to execute and deliver the final form of the US
23 Bancorp Commercial Paper Dealer Agreement and the Wells Fargo Commercial Paper
24 Dealer Agreement for and on behalf of the City. This Board hereby authorizes the
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1 performance by the City of its obligations under the US Bancorp Commercial Paper Dealer
2 Agreement and the Wells Fargo Commercial Paper Dealer Agreement.

3 Section 7. Extension of Line of Credit. This Board hereby delegates the authority to
4 the Designated Officers, each acting alone, to execute and deliver one or more extensions to
5 the Line of Credit and the Revolving Credit Agreement or the commitment available under the
6 Line of Credit and the Revolving Credit Agreement for any duration of time that they deem
7 necessary, advisable or prudent, provided that such extension shall not (i) increase the
8 principal amount of Commercial Paper Certificates authorized hereunder, (ii) require an initial
9 annual commitment fee, based upon a long-term, unenhanced rating assigned to the lease
10 obligation debt of the City at the time of such extension, in excess of 1.00% per year of the
11 commitment available under the Line of Credit without the approval of this Board, or (iii)
12 exceed the duration contained in Charter Section 9.118. In connection with obtaining such
13 extension, the Designated Officers shall be authorized to execute such amendments or
14 modifications and such contracts, assignments, certificates, requisitions, agreements, notices,
15 consents, instruments of conveyance, warrants and other documents as are necessary or
16 advisable to obtain such extensions, provided that such amendments or modifications and
17 such contracts, assignments, certificates, requisitions, agreements, notices, consents,
18 instruments of conveyance, warrants and other documents reflect customary provisions, as
19 determined by the Designated Officers in the credit or liquidity facilities being executed at the
20 time the extension is obtained and the execution of which by a Designated Officer shall be
21 conclusive evidence of the approval thereof.

22 Section 8. Source of Repayment. Notwithstanding anything herein to the contrary, if
23 the ultimate source of repayment of the Commercial Paper Certificates delivered for Capital
24 Projects are bonds, notes, other indebtedness or certificates of participations ("Indebtedness")
25 that are payable from or secured by funds or monies other than the general fund of the City,

1 then in such event, prior to drawing on the proceeds of Commercial Paper Certificates to fund
2 such Capital Project, all approvals required for the issuance of said Indebtedness shall have
3 been obtained, including any prior approval by this Board. This paragraph shall not apply to
4 drawings under the program for emergencies declared by the Mayor under Charter
5 Section 3.100 (14).

6 Section 9. General Authority. The Designated Officers and any and all other officers
7 of the City are hereby authorized, for and on behalf of the City, to do any and all things and
8 take any and all actions, including execution and delivery of any and all contracts,
9 assignments, certificates, requisitions, agreements, notices, consents, instruments of
10 conveyance, warrants, amendments and other documents, which they, or any of them, may
11 deem necessary or advisable in order to consummate the lawful issuance and sale of the
12 Commercial Paper Certificates, the consummation of the transactions as described herein,
13 and in furtherance of the documents and agreements approved by this Resolution. Any such
14 actions are solely intended to further the purposes of this Resolution, and are subject in all
15 respect to the terms of this Resolution. No such actions shall increase the maximum amount
16 of Commercial Paper Certificates authorized under this Resolution to be outstanding or
17 otherwise materially increase the risk to the City or require the City to spend or pledge any
18 resources not otherwise granted herein. Final revisions of any such documents shall be
19 provided to the Clerk of the Board for inclusion in the official file within 30 days of execution
20 (or as soon thereafter as final documents are available) by all parties.

21 Section 10. Modifications, Changes, Additions. The proper officers of the City,
22 including, but not limited to, the Designated Officers, are hereby authorized to approve and
23 make such modifications, changes or additions to the agreements and documents approved
24 by this Resolution, upon consultation with the City Attorney, as may be necessary or desirable
25 in the interests of the City, and which changes do not materially increase the liabilities or

1 obligations of the City thereunder as determined by the Designated Officers, upon
2 consultation with the City Attorney. Approval of such modifications, changes or additions shall
3 be conclusively evidenced by the execution and delivery by the Designated Officers of said
4 documents. Final versions of any such documents shall be provided to the Clerk of the Board
5 for inclusion in the official file within 30 days of execution by all parties.

6 Section 11. Ratification. All actions authorized and directed by this Resolution,
7 consistent with any documents presented herein, and heretofore taken, are hereby ratified,
8 approved and confirmed by this Board. This Board hereby re-affirms its approval of the
9 Program, all as set forth in Program Resolutions, and the terms of the Program Resolutions
10 are incorporated therewith as if set forth in full herein.

11 Section 12. File. All documents referenced herein as being on file with the Clerk of
12 the Board are located in File No. 260091, which is hereby declared to be a part of this
13 Resolution as if set forth fully herein.

14 Section 13. Effective Date. This resolution shall take effect upon its enactment.
15 Enactment occurs when the Mayor signs the resolution, the Mayor returns the resolution
16 unsigned or does not sign the resolution within ten days of receiving it, or the Board of
17 Supervisors overrides the Mayor's veto of the resolution.

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19 APPROVED AS TO FORM:
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21 DAVID CHIU
City Attorney

22 By: /s/
23 MARK D. BLAKE
Deputy City Attorney

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