

FILE NO. 000677

RESOLUTION NO. 379-00

1 [Community College General Obligation Bond Sale]
2 AUTHORIZING AND DIRECTING THE SALE OF NOT TO EXCEED \$29,605,000 CITY AND
3 COUNTY OF SAN FRANCISCO GENERAL OBLIGATION BONDS (EDUCATIONAL
4 FACILITIES BONDS, 1997 – COMMUNITY COLLEGE DISTRICT), SERIES 2000A;
5 PRESCRIBING THE FORM AND TERMS OF SAID BONDS; AUTHORIZING THE
6 EXECUTION, AUTHENTICATION AND REGISTRATION OF SAID BONDS; PROVIDING FOR
7 THE APPOINTMENT OF DEPOSITORIES AND OTHER AGENTS FOR SAID BONDS;
8 PROVIDING FOR THE ESTABLISHMENT OF ACCOUNTS RELATED THERETO;
9 APPROVING THE FORMS OF OFFICIAL NOTICE OF SALE AND NOTICE OF INTENTION
10 TO SELL BONDS; DIRECTING THE PUBLICATION OF THE NOTICE OF INTENTION TO
11 SELL BONDS; APPROVING THE FORM AND EXECUTION OF THE OFFICIAL STATEMENT
12 RELATING THERETO; APPROVING THE FORM OF THE CONTINUING DISCLOSURE
13 CERTIFICATE; APPROVING MODIFICATIONS TO DOCUMENTS; RATIFYING CERTAIN
14 ACTIONS PREVIOUSLY TAKEN; AND GRANTING GENERAL AUTHORITY TO CITY
15 OFFICIALS TO TAKE NECESSARY ACTIONS IN CONNECTION WITH THE
16 AUTHORIZATION, ISSUANCE, SALE AND DELIVERY OF SAID BONDS.

17 WHEREAS, By Resolution No. 1018-97 (the "Authorizing Resolution"), adopted by the
18 Board of Supervisors (the "Board of Supervisors") of the City and County of San Francisco (the
19 "City") on November 10, 1997, and signed by the Mayor of the City (the "Mayor") on
20 November 17, 1997, the City authorized the issuance of its Educational Facilities Bonds, 1997 -
21 Community College District; and,

22 WHEREAS, It is necessary and desirable to issue a portion of said Bonds in a single
23 series as City and County of San Francisco General Obligation Bonds (Educational Facilities
24 Bonds, 1997 - Community College District), Series 2000A (the "Bonds"); and,

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MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

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

4 WHEREAS, The City and County of San Francisco (the "City") expects to pay certain
5 expenditures in connection with the projects to be financed by the Bonds prior to the issuance
6 and sale of the Bonds, and the City intends to reimburse itself and to pay third parties for such
7 prior expenditures from the proceeds of the Bonds; and,

8 WHEREAS, Section 1.150-2 of the Treasury Regulations promulgated under the Internal
9 Revenue Code of 1986 (the "Treasury Regulations") requires the City to declare its reasonable
10 official intent to reimburse prior expenditures with the proceeds of a subsequent borrowing; and,

11 WHEREAS, The Treasury Regulations require that any reimbursement allocation of
12 proceeds of the Bonds to be made with respect to expenditures incurred prior to the issuance of
13 the Bonds will occur not later than eighteen (18) months after the later of (i) the date on which
14 the expenditure is paid or (ii) the date on which the facilities are placed in service, but in no event
15 later than three (3) years after the expenditure is paid; and,

16 WHEREAS, The adoption of this Resolution shall constitute authorization of the Bonds
17 within the meaning of Section 864 of the California Code of Civil Procedure;

18 NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the City and
19 County of San Francisco, as 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 exist,
22 to happen and to be performed precedent to and in the issuance of the Bonds exist, have
23 happened and have been performed in due time, form and manner in accordance with
24 applicable law, and the City is now authorized pursuant to its Charter and applicable law to incur
25 indebtedness in the manner and form provided in this Resolution.

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

1 Section 3. Documents. The documents presented to this Board of Supervisors and on
2 file with the Clerk of the Board of Supervisors are contained in File No. 000677.

3 Section 4. Issuance and Sale of Bonds. The Board of Supervisors hereby authorizes the
4 issuance and sale of not to exceed \$29,605,000 aggregate principal amount of bonds to be
5 designated as "City and County of San Francisco General Obligation Bonds (Educational
6 Facilities Bonds, 1997 - Community College District), Series 2000A" for the purposes set forth in
7 the Authorizing Resolution. The Director of Public Finance of the City (the "Director of Public
8 Finance") is hereby authorized to determine the sale date, the maturity dates and the redemption
9 dates of the Bonds, subject to the following terms and conditions: (i) the Bonds shall not have a
10 true interest cost in excess of 12% (as such term is defined in the Official Notice of Sale); (ii) the
11 Bonds shall not have a final maturity date after June 15, 2026; and (iii) any original issue
12 discount on the purchase of the Bonds shall not exceed 2% of the principal amount of the
13 Bonds. The Director of Public Finance is further authorized to give the Bonds such additional or
14 other series designation as may be necessary or appropriate to distinguish such series from
15 every other series and from other bonds issued by the City.

16 Section 5. Execution, Authentication and Registration of the Bonds. The Bonds shall be
17 in fully registered form without coupons in denominations of \$5,000 or any integral multiple
18 thereof. The officers of the City are hereby directed to cause the Bonds to be prepared in
19 sufficient quantity for delivery to the purchaser thereof and the Clerk of the Board of Supervisors
20 is hereby directed to cause the blanks therein to be completed in accordance with the
21 Authorizing Resolution, to cause the seal of the City to be reproduced or impressed thereon, to
22 procure their execution by the proper officers of the City, and to deliver the Bonds when so
23 executed to said purchaser in exchange for the purchase price thereof.

24 The Bonds and the certificate of authentication and registration of the Treasurer of the
25 City (the "City Treasurer") and the form of assignment to appear thereon shall be substantially in

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

Page 3
4/26/00

1 the form attached hereto as Exhibit A (a copy of which is on file with the Clerk of the Board of
2 Supervisors and which is hereby declared to be a part of this Resolution as if fully set forth
3 herein) with necessary or appropriate variations, omissions and insertions as permitted or
4 required by this Resolution.

5 Only such of the Bonds as shall bear thereon a certificate of authentication and
6 registration in the form herein recited, executed by the City Treasurer, shall be valid or obligatory
7 for any purpose or entitled to the benefits of this Resolution, and such certificate of the City
8 Treasurer shall be conclusive evidence that the Bonds so authenticated have been duly
9 authenticated and delivered hereunder and are entitled to the benefits of this Resolution.

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

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

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

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

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MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

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

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

11 Section 8. Terms of the Bonds; General Redemption Provisions. The Bonds shall each
12 be dated the first day of the month in which the Bonds are sold or such other date (the "Dated
13 Date") as specified in the award to be made by motion of the Finance Committee of the Board of
14 Supervisors pursuant to Section 13 hereof (the "Finance Committee Award"). The Bonds shall
15 bear interest from the date thereof until paid at rates to be determined upon sale of the Bonds
16 calculated on the basis of a 360-day year comprised of twelve 30-day months, payable on
17 December 15, 2000, and semiannually thereafter on June 15 and December 15 of each year (or
18 such other dates as may be designated in the Finance Committee Award).

19 The principal of the Bonds shall be payable in lawful money of the United States of
20 America to the owner thereof, upon the surrender thereof at maturity or earlier redemption at the
21 office of the City Treasurer. The interest on the Bonds shall be payable in like lawful money to
22 the person whose name appears on the bond registration books of the City Treasurer as the
23 owner thereof as of the close of business on the last day of the month immediately preceding an
24 interest payment date (the "Record Date"), whether or not such day is a Business Day (as herein
25 defined).

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

1 Each Bond shall bear interest from the interest payment date next preceding the date of
2 authentication thereof unless it is authenticated as of a day during the period from the Record
3 Date next preceding any interest payment date to the interest payment date, inclusive, in which
4 event it shall bear interest from such interest payment date, or unless it is authenticated on or
5 before November 30, 2000 (or such other date as may be designated in the Finance Committee
6 Award), in which event it shall bear interest from the Dated Date; provided, however, that if, at
7 the time of authentication of any Bond, interest is in default on the Bonds, such Bond shall bear
8 interest from the interest payment date to which interest has previously been paid or made
9 available for payment on the Bonds or from the Dated Date if the first interest payment is not
10 made. Payment of the interest on any Bond shall be paid by check mailed to such owner at
11 such owner's address as it appears on the registration books as of the Record Date; provided,
12 however, if any interest payment occurs on a day that banks in California and New York are
13 closed for business, then such payment shall be made on the next succeeding day that banks in
14 both California and New York are open for business and the New York Stock Exchange is open
15 for business (a "Business Day"); and provided, further, that the registered owner of an aggregate
16 principal amount of at least \$1,000,000 of the Bonds may submit a written request to the City
17 Treasurer on or before a Record Date preceding an interest payment date for payment of
18 interest by wire transfer to a commercial bank located within the continental United States. For
19 so long as Cede & Co. or its registered assignee is the registered owner of all of the Bonds,
20 payment shall be made by wire transfer of immediately available funds to Cede & Co.

21 The Bonds maturing on or before June 15, 2008 (or such other date as may be
22 designated in the Finance Committee Award) shall not be subject to optional redemption prior to
23 maturity. The Bonds maturing on or after June 15, 2009 (or such other date as may be
24 designated in the Finance Committee Award) are subject to optional redemption prior to their
25 respective stated maturities, at the option of the City, from any source of available funds, as a

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

1 whole or in part on any date (with the maturities to be redeemed to be determined by the City
2 and by lot within a maturity) on or after June 15, 2008 (or such other date as may be designated
3 in the Finance Committee Award), at redemption prices equal to 102% of the principal amount
4 redeemed in the first year the Bonds are subject to optional redemption (with such redemption
5 price declining to 100% at the rate of 1% annually), together with accrued interest to the date of
6 redemption, or such other redemption prices as may be designated in the Finance Committee
7 Award.

8 The Bonds shall be subject to mandatory redemption at par, by lot, in any year for which
9 the successful bidder therefor has designated that the principal amount payable with respect to
10 that year shall constitute a mandatory sinking fund payment as permitted by the Official Notice of
11 Sale (as more fully described in Section 13 hereof). Any Bonds subject to mandatory
12 redemption shall be designated as such in the Finance Committee Award. The principal and
13 interest on Series 2000A Bonds subject to mandatory redemption shall be paid from the Series
14 2000A Bond Account pursuant to Section 9 hereof. In lieu of any such mandatory redemption, at
15 any time prior to the selection of the Bonds for redemption, the City may apply such amounts on
16 deposit in the Series 2000A Bond Account (as defined in Section 9 hereof) to make such
17 payment to the purchase of Bonds subject to such redemption at public or private sale, as and
18 when and at such prices not in excess of the principal amount thereof (including brokerage and
19 other charges but excluding accrued interest), as the City may determine.

20 The date on which the Bonds which are called for redemption are to be presented for
21 redemption is herein sometimes called the "redemption date." Notice of any redemption of
22 Bonds shall be mailed, postage prepaid, to the respective registered owners thereof at the
23 addresses appearing on the bond registration books not less than thirty (30) nor more than sixty
24 (60) days prior to the redemption date. The notice of redemption shall (a) state the redemption
25 date; (b) state the redemption price; (c) state the dates of maturity of the Bonds and, if less than

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

Page 7
4/26/00

1 all of any such maturity is called for redemption, the distinctive numbers of the Bonds of such
2 maturity to be redeemed, and in the case of Bonds redeemed in part only, the respective
3 portions of the principal amount thereof to be redeemed; (d) state the CUSIP number, if any, of
4 each Bond to be redeemed; (e) require that such Bonds be surrendered by the owners at the
5 office of the City Treasurer or his or her agent; and (f) give notice that interest on such Bonds will
6 cease to accrue after the designated redemption date.

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

11 At least five (5) days before the above notice date, notice also shall be given by
12 (i) registered or certified mail, postage prepaid, (ii) confirmed facsimile transmission or
13 (iii) overnight delivery service, to (i) all organizations registered with the Securities and
14 Exchange Commission as securities depositories, (ii) to at least two information services of
15 national recognition which disseminate redemption information with respect to municipal
16 securities, and (iii) as may be further required in accordance with the Continuing Disclosure
17 Certificate described in Section 18 hereof.

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

22 At the time the City Treasurer or Controller determines to optionally call and redeem any
23 of the Bonds, the City Treasurer or his or her agent shall establish a redemption account to be
24 described or known as the "General Obligation Bonds (Educational Facilities Bonds, 1997 -
25 Community College District), Series 2000A Redemption Account" (the "Series 2000A

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

1 Redemption Account”) and prior to or on the redemption date there must be set aside in said
2 Series 2000A Redemption Account moneys available for the purpose and sufficient to redeem,
3 as provided in this Resolution, the Bonds designated in said notice of redemption. Said moneys
4 must be set aside in the Series 2000A Redemption Account solely for the purpose of, and shall
5 be applied on or after the redemption date to, payment of the redemption price of the Bonds to
6 be redeemed upon presentation and surrender of such Bonds. Any interest due on or prior to
7 the redemption date may be paid from the Series 2000A Bond Account as provided in Section 9
8 hereof or from the Series 2000A Redemption Account. Moneys held from time to time in the
9 Series 2000A Redemption Account shall be invested by the City Treasurer pursuant to the City’s
10 policies and guidelines for investment of General Fund moneys or pursuant to any resolution
11 authorizing the issuance of refunding bonds or escrow agreement relating thereto. If, after all of
12 the Bonds have been redeemed and canceled or paid and canceled, there are moneys
13 remaining in said Series 2000A Redemption Account, said moneys shall be transferred to the
14 General Fund of the City provided, however, that if said moneys are part of the proceeds of
15 refunding bonds, said moneys shall be transferred pursuant to the resolution authorizing such
16 refunding bonds.

17 When notice of optional redemption has been given, substantially as provided herein, and
18 when the amount necessary for the redemption of the Bonds called for redemption (principal and
19 premium, if any) is set aside for that purpose in said Series 2000A Redemption Account, as
20 provided herein, the Bonds designated for redemption shall become due and payable on the
21 date fixed for redemption thereof, and upon presentation and surrender of said Bonds at the
22 place specified in the notice of redemption, such Bonds shall be redeemed and paid at said
23 redemption price out of said Series 2000A Redemption Account. No interest will accrue on such
24 Bonds called for redemption after the redemption date and the registered owners of such Bonds
25 shall look for payment of such Bonds only to said Series 2000A Redemption Account. All Bonds

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

1 redeemed shall be canceled forthwith by the City Treasurer and shall not be reissued.

2 The City may rescind any optional redemption and notice thereof for any reason on any
3 date prior to the date fixed for redemption by causing written notice of the rescission to be
4 given to the owners of all Bonds so called for redemption. Any optional redemption and notice
5 thereof shall be rescinded if for any reason on the date fixed for redemption funds are not
6 available in the Series 2000A Redemption Account in an amount sufficient to pay in full on
7 said date the principal of, interest, and any premium due on the Bonds called for redemption.
8 Notice of rescission of redemption shall be given in the same manner notice of redemption
9 was originally given. The actual receipt by the owner of any Bond of notice of such rescission
10 shall not be a condition precedent to rescission, and failure to receive such notice or any
11 defect in such notice shall not affect the validity of the rescission.

12 Section 9. Series 2000A Bond Account. There is hereby established with the City
13 Treasurer a special subaccount in the General Obligation Bonds (Educational Facilities
14 Bonds, 1997 - Community College District) Bond Account (the "Bond Account") created
15 pursuant to the Authorizing Resolution, to be designated the "General Obligation Bonds
16 (Educational Facilities Bonds, 1997 - Community College District), Series 2000A Bond
17 Account" (the "Series 2000A Bond Account"), to be held separate and apart from all other
18 accounts of the City. All interest earned on amounts on deposit in the Series 2000A Bond
19 Account shall be deposited in the Series 2000A Bond Account.

20 On or prior to the date on which any payment of principal or interest on the Bonds is
21 due, including any Bonds subject to mandatory redemption on said date, the City Treasurer
22 shall allocate to and deposit in the Series 2000A Bond Account, from amounts held in the
23 Bond Account pursuant to Section 9 of the Authorizing Resolution, an amount which, when
24 added to any available moneys contained in the Series 2000A Bond Account, is sufficient to
25 pay principal and interest on the Bonds on such date.

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

1 On or prior to the date on which any Bonds are to be redeemed at the option of the City
2 pursuant to this Resolution, the City Treasurer may allocate to and deposit in the Series
3 2000A Redemption Account, from amounts held in the Bond Account pursuant to Section 9 of
4 the Authorizing Resolution, an amount which, when added to any available moneys contained
5 in the Series 2000A Bond Account, is sufficient to pay principal and interest and any premium
6 on the Bonds on such date. The City Treasurer may make such other provision for the
7 payment of principal and interest and any redemption premium on the Bonds as is necessary
8 or convenient to permit the optional redemption of the Bonds.

9 Amounts in the Series 2000A Bond Account may be invested in any investment of the
10 City in which moneys in the General Fund of the City are invested. The City Treasurer may
11 commingle any of the moneys held in the Series 2000A Bond Account with other City moneys
12 or deposit amounts credited to the Series 2000A Bond Account into a separate fund or funds
13 for investment purposes only; *provided, however*, that all of the moneys held in the Series
14 2000A Bond Account hereunder shall be accounted for separately notwithstanding any such
15 commingling or separate deposit by the City Treasurer.

16 Section 10. Series 2000A Project Account. There is hereby established with the City
17 Treasurer a special subaccount in the General Obligation Bonds (Educational Facilities
18 Bonds, 1997 - Community College District) Project Account (the "Project Account") created
19 pursuant to the Authorizing Resolution, to be designated the "General Obligation Bonds
20 (Educational Facilities Bonds, 1997 - Community College District), Series 2000A Project
21 Account" (the "Series 2000A Project Account"), to be held separate and apart from all other
22 accounts of the City. All interest earned on amounts on deposit in the Series 2000A Project
23 Account shall be deposited in the Series 2000A Project Account. Amounts in the Series
24 2000A Project Account shall be expended for the acquisition, construction and reconstruction
25 of the Project in accordance with the provisions of the Authorizing Resolution.

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

1 Amounts in the Series 2000A Project Account may be invested in any investment of the
2 City in which moneys in the General Fund of the City are invested. The City Treasurer may
3 commingle any of the moneys held in the Series 2000A Project Account with other City
4 moneys and deposit amounts credited to the Series 2000A Project Account into a separate
5 fund or funds for investment purposes only; *provided, however*, that all of the moneys held in
6 the Series 2000A Project Account hereunder shall be accounted for separately
7 notwithstanding any such commingling or separate deposit by the City Treasurer.

8 The City Treasurer is hereby authorized to pay or cause to be paid from the proceeds
9 of the Bonds, on behalf of the City, the costs of issuance associated with the Bonds. Costs of
10 issuance of the Bonds shall include, without limitation, bond and financial printing expenses,
11 mailing and publication expenses, rating agency fees, the fees and expenses of paying
12 agents, registrars, financial consultants and bond counsel and the reimbursement of
13 departmental expenses in connection with the issuance of the Bonds.

14 Section 11. Appointment of Depositories and Other Agents. The City Treasurer is
15 hereby authorized and directed to appoint one or more depositories as he or she may deem
16 desirable and the provisions of Section 8 hereof relating to payments and redemption notices to
17 owners of the Bonds may be modified to comply with the policies and procedures of such
18 depository. The City will not have any responsibility or obligation to any purchaser of a beneficial
19 ownership interest in any Bonds or to any participants in such a depository with respect to (i) the
20 accuracy of any records maintained by such securities depository or any participant therein; (ii)
21 any notice that is permitted or required to be given to the owners of the Bonds under this
22 Resolution; (iii) the selection by such securities depository or any participant therein of any
23 person to receive payment in the event of a partial redemption of the Bonds; (iv) the payment by
24 such securities depository or any participant therein of any amount with respect to the principal
25 or redemption premium, if any, or interest due with respect to the Bonds; (v) any consent given

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

1 or other action taken by such securities depository as the owner of the Bonds; or (vi) any other
2 matter.

3 The City Treasurer is hereby also authorized and directed to appoint one or more agents
4 as he or she may deem necessary or desirable. To the extent permitted by applicable law and
5 under the supervision of the City Treasurer, such agents may serve as paying agent, fiscal
6 agent, or escrow agent or registrar for the Bonds or may assist the City Treasurer in performing
7 any or all of such functions and such other duties as the City Treasurer shall determine. Such
8 agents shall serve under such terms and conditions as the City Treasurer shall determine. The
9 City Treasurer may remove or replace agents appointed pursuant to this paragraph at any time.

10 Section 12. Defeasance Provisions. Payment of all or any portion of the Bonds may be
11 provided for prior to maturity by irrevocably depositing with the City Treasurer (or any
12 commercial bank or trust company designated by the City Treasurer to act as escrow agent with
13 respect thereto):

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

21 (b) Defeasance Securities (as herein defined) not subject to call, except as
22 provided below in the definition thereof, maturing and paying interest at such times and in
23 such amounts, together with cash, if required, as will, without reinvestment, as certified by
24 an independent certified public accountant, be fully sufficient to pay the principal and all
25 unpaid interest to maturity, or to the redemption date, as the case may be, and any

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

Page 13
4/26/00

1 premium due on the Bonds to be paid or redeemed, as such principal and interest come
2 due; provided, that, in the case of the Bonds which are to be redeemed prior to maturity,
3 notice of such redemption shall be given as provided in Section 8 hereof or an irrevocable
4 election to give such notice shall have been made by the City; then, all obligations of the
5 City with respect to said outstanding Bonds shall cease and terminate, except only the
6 obligation of the City to pay or cause to be paid from the funds deposited pursuant to
7 paragraphs (a) or (b) of this Section 12, to the owners of said Bonds all sums due with
8 respect thereto; provided, that the City shall have received an opinion of nationally
9 recognized bond counsel, that provision for the payment of said Bonds has been made in
10 accordance with this Section 12.

11 For purpose of this Section 12, "Defeasance Securities" shall mean any of the following
12 which at the time are legal investments under the laws of the State of California for the moneys
13 proposed to be invested therein:

- 14 (1) United States Obligations (as herein defined); and
- 15 (2) Pre-refunded fixed interest rate municipal obligations meeting the following
16 conditions: (a) the municipal obligations are not subject to redemption prior to maturity, or
17 the trustee has been given irrevocable instructions concerning their calling and
18 redemption and the issuer has covenanted not to redeem such obligations other than as
19 set forth in such instructions; (b) the municipal obligations are secured by cash and/or
20 United States Obligations; (c) the principal of and interest on the United States
21 Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the
22 municipal obligations; (d) the United States Obligations serving as security for the
23 municipal obligations are held by an escrow agent or trustee; (e) the United States
24 Obligations are not available to satisfy any other claims, including those against the

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MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

Page 14
4/26/00

1 trustee or escrow agent; and (f) the municipal obligations are rated "AAA" by S&P and
2 "Aaa" by Moody's.

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

8 Section 13. Official Notice of Sale. The form of proposed Official Notice of Sale inviting
9 bids for the Bonds is hereby approved and adopted as the Official Notice of Sale inviting bids for
10 the Bonds with such changes, additions and completions as may be made in accordance with
11 Section 19 hereof.

12 The Director of Public Finance is hereby authorized and directed to determine a date for
13 the sale of the Bonds, and the Finance Committee of the Board of Supervisors is hereby
14 authorized to award the Bonds to the bidder whose bid represents the lowest true interest cost to
15 the City, all in accordance with the procedures described in the Official Notice of Sale. Sealed
16 proposals shall be received by the Clerk of the Board of Supervisors on the sale date designated
17 by the Director of Public Finance. The Director of Public Finance is hereby authorized and
18 directed to cause to be mailed to prospective bidders for the Bonds copies of said Official Notice
19 of Sale, subject to such corrections, revisions or additions as may be acceptable to the Director
20 of Public Finance.

21 Section 14. Publication of Notice of Intention to Sell Bonds. The form of proposed Notice
22 of Intention to Sell Bonds is hereby approved and adopted as the Notice of Intention to Sell
23 Bonds, and the Clerk of the Board of Supervisors is hereby authorized and directed to cause
24 said Notice of Intention to Sell Bonds, subject to such corrections, revisions or additions as may
25 be made in accordance with Section 19 hereof, to be published once at least fifteen (15) days

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

1 before the date of sale in The Bond Buyer, or another financial publication generally circulated
2 throughout the State of California.

3 Section 15. Solicitation of Competitive Bids. This Board of Supervisors hereby
4 authorizes the solicitation of competitive bids for the purchase of the Bonds on the date and at
5 the place determined in accordance with the Official Notice of Sale herein referenced.

6 Section 16. Official Statement. The form of proposed Official Statement describing the
7 Bonds (the "Official Statement") submitted to the Board of Supervisors is hereby approved and
8 adopted as the Official Statement describing the Bonds, with such additions, corrections and
9 revisions as may be determined to be necessary or desirable made in accordance with
10 Section 19 hereof. The Controller of the City (the "Controller") is hereby authorized to cause the
11 distribution of a Preliminary Official Statement deemed final for purposes of Rule 15c2-12 of the
12 Securities Exchange Act of 1934, as amended, and to sign a certificate to that effect. The
13 Controller is further hereby authorized and directed to sign the final Official Statement. The
14 Director of Public Finance is hereby authorized and directed to cause to be printed and mailed to
15 prospective bidders for the Bonds copies of the Official Statement in substantially the form of the
16 Preliminary Official Statement approved and adopted hereby, as supplemented, corrected or
17 revised.

18 Section 17. Tax Covenants.

19 (a) General. The City hereby covenants with the holders of the Bonds that,
20 notwithstanding any other provisions of this Resolution, it shall not take any action, or fail to
21 take any action, if any such action or failure to take action would adversely affect the
22 exclusion from gross income of interest on the Bonds under Section 103 of the Internal
23 Revenue Code of 1986 (the "Code"), and the regulations issued thereunder, as the same may
24 be amended from time to time, and any successor provisions of law. Reference to a particular
25 section of the Code shall be deemed to be a reference to any successor to any such section.

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

1 The City shall not, directly or indirectly, use or permit the use of proceeds of the Bonds or any
2 of the property financed or refinanced with proceeds of the Bonds, or any portion thereof, by
3 any person other than a governmental unit (as such term is used in Section 141 of the Code),
4 in such manner or to such extent as would result in the loss of exclusion from gross income
5 for federal income tax purposes of interest on the Bonds.

6 (b) Use of Proceeds. The City shall not take any action, or fail to take any action, if
7 any such action or failure to take action would cause the Bonds to be "private activity bonds"
8 within the meaning of Section 141 of the Code, and in furtherance thereof, shall not make any
9 use of the proceeds of the Bonds or any of the property financed or refinanced with proceeds
10 of the Bonds, or any portion thereof, or any other funds of the City, that would cause the
11 Bonds to be "private activity bonds" within the meaning of Section 141 of the Code. To that
12 end, so long as any Bonds are outstanding, the City, with respect to such proceeds and
13 property and such other funds, will comply with applicable requirements of the Code and all
14 regulations of the United States Department of the Treasury issued thereunder and under
15 Section 103 of the Internal Revenue Code of 1954, as amended (the "1954 Code"), to the
16 extent such requirements are, at the time, applicable and in effect. The City shall establish
17 reasonable procedures necessary to ensure continued compliance with Section 141 of the
18 Code (or, if applicable, the 1954 Code) and the continued qualification of the Bonds as
19 "governmental bonds."

20 (c) Arbitrage. The City shall not, directly or indirectly, use or permit the use of any
21 proceeds of any Bonds, or of any property financed or refinanced thereby, or other funds of
22 the City, or take or omit to take any action, that would cause the Bonds to be "arbitrage
23 bonds" within the meaning of Section 148 of the Code. To that end, the City shall comply with
24 all requirements of Section 148 of the Code and all regulations of the United States

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MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

1 Department of the Treasury issued thereunder to the extent such requirements are, at the
2 time, in effect and applicable to the Bonds.

3 (d) Federal Guarantee. The City shall not make any use of the proceeds of the
4 Bonds or any other funds of the City, or take or omit to take any other action, that would cause
5 the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

6 (e) Compliance with Tax Certificate. In furtherance of the foregoing tax covenants
7 of this Section 17, the City covenants that it will comply with the provisions of the Tax
8 Certificate to be executed by the City, dated the date of issuance of the Bonds, as it may be
9 amended from time to time (herein called the "Tax Certificate"). These covenants shall survive
10 payment in full or defeasance of the Bonds.

11 Section 18. Continuing Disclosure Certificate. The form of Continuing Disclosure
12 Certificate issued by the City to permit the original purchasers of the Bonds to comply with
13 Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities
14 Exchange Act of 1934, as amended, submitted to the Board of Supervisors is hereby approved
15 and adopted as the Continuing Disclosure Certificate, with such additions, corrections and
16 revisions as may be determined to be necessary or desirable made in accordance with
17 Section 19 hereof. The Controller is hereby authorized and directed to enter into the Continuing
18 Disclosure Certificate on behalf of the City.

19 Section 19. Modification to Documents. Any City official authorized by this Resolution to
20 execute any document is hereby further authorized, in consultation with the City Attorney, to
21 approve and make such changes, additions, amendments or modifications to the document or
22 documents such official is authorized to execute as may be necessary or advisable (provided
23 that such changes, additions, amendments or modifications shall not authorize an aggregate
24 principal amount of Series 2000A Bonds in excess of \$29,605,000 or conflict with the provisions
25 of Section 4 hereof). The approval of any change, addition, amendment or modification to any of

MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

1 the aforementioned documents shall be evidenced conclusively by the execution and delivery of
2 the document in question.

3 Section 20. Ratification. All actions heretofore taken by officials, employees and agents
4 of the City with respect to the sale and issuance of the Bonds are hereby approved, confirmed
5 and ratified.

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

8 Section 22. Reimbursement. The City hereby declares its official intent to reimburse
9 prior expenditures of the City incurred prior to the issuance and sale of the Bonds in connection
10 with the projects to be financed by the Bonds.

11 Section 23. Accountability Reports. The Series 2000A Bonds are subject to Article VIII of
12 Chapter 2 of the City's Administrative Code. Accountability report(s) with respect to the Series
13 2000B Bonds shall be submitted at the time(s) and in the manner required by said Article VIII.

14 Section 24. General Authority. The Clerk of the Board of Supervisors, the Finance
15 Committee of the Board of Supervisors, the Mayor, the City Treasurer, the Director of Public
16 Finance, the City Attorney and the Controller are each hereby authorized and directed in the
17 name and on behalf of the City to take any and all steps and to issue and deliver any and all
18 certificates, requisitions, agreements, notices, consents, and other documents, including but not
19 limited to letters of representations to any depository or depositories which they or any of them
20 might deem necessary or appropriate in order to consummate the lawful issuance, sale and
21 delivery of the Bonds.

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MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS

APPROVED AS TO FORM:

LOUISE H. RENNE
City Attorney

By: 
DAVE ANGELO SANCHEZ
Deputy City Attorney

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MAYOR WILLIE L. BROWN, JR.
BOARD OF SUPERVISORS



City and County of San Francisco

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

Tails

Resolution

File Number: 000677

Date Passed:

Resolution authorizing and directing the sale of not to exceed \$29,605,000 City and County of San Francisco General Obligation Bonds (Educational Facilities Bonds, 1997 - Community College District), Series 2000A; 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 thereto; 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 and execution of the official statement relating thereto; approving the form of the continuing disclosure certificate; approving modifications to documents; ratifying certain actions previously taken; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale and delivery of said Bonds.

May 1, 2000 Board of Supervisors — ADOPTED

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

File No. 000677

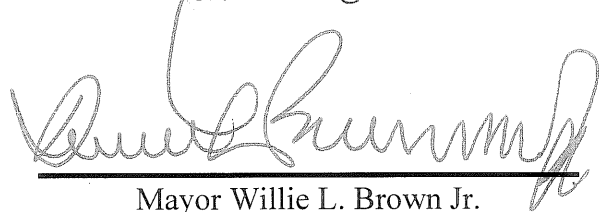
I hereby certify that the foregoing Resolution was ADOPTED on May 1, 2000 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

MAY 12 2000

Date Approved



Mayor Willie L. Brown Jr.