

1 [San Francisco General Hospital General Obligation Bond Issuance.]

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3 **Resolution Providing for the Issuance of Not to Exceed \$887,400,000 Aggregate**
4 **Principal Amount of City and County of San Francisco General Obligation Bonds (San**
5 **Francisco General Hospital Improvement Bonds, 2008); Authorizing the Execution,**
6 **Authentication and Registration of Said Bonds; Providing for the Levy of a Tax to Pay**
7 **the Principal and Interest Thereof; Providing for the Appointment of Depositories and**
8 **Other Agents for Said Bonds; Providing for the Establishment of Accounts Related**
9 **Thereto; Ratifying Certain Actions Previously Taken; Adopting Findings Under the**
10 **California Environmental Quality Act, ("CEQA"), CEQA Guidelines and San Francisco**
11 **Administrative Code Chapter 31, Including the Adoption of a Mitigation Monitoring and**
12 **Reporting Program and a Statement Of Overriding Considerations; Finding that the**
13 **Proposed Project Is In Conformity With the Priority Policies Of Planning Code Section**
14 **101.1(B) and With the General Plan Consistency Requirement Of Charter Section 4.105**
15 **and Administrative Code Section 2A.53; and Granting General Authority to City**
16 **Officials to Take Necessary Actions In Connection With the Authorization, Issuance,**
17 **Sale and Delivery of Said Bonds.**

18 WHEREAS, By Resolution No. 307-08 adopted by the Board of Supervisors (the
19 "Board") of the City and County of San Francisco (the "City") on July 16, 2008, it was
20 determined and declared that public interest and necessity demands the acquisition,
21 construction and/or reconstruction of certain improvements to the San Francisco General
22 Hospital and related facilities and structures; and,

23 WHEREAS, By Ordinance No. 123-08, finally passed by the Board on July 22, 2008,
24 the Board duly called a special election to be held on November 4, 2008, for the purpose of
25 submitting to the electors of the City a proposition to incur bonded indebtedness of the City in

1 the amount of \$887,400,000 for the building and/or rebuilding and improving of the
2 earthquake safety of the San Francisco General Hospital and Trauma Center and related
3 costs necessary or convenient for the foregoing purposes (the "Project"); and,

4 WHEREAS, A special election was held in the City on November 4, 2008 for the
5 purpose of submitting to the qualified voters of the City a proposition for incurring
6 indebtedness of the City in the aggregate principal amount of \$887,400,000 to finance the
7 Project and the requisite two-thirds of voters approved such proposition; and,

8 WHEREAS, This Board has determined, and does hereby declare that it is necessary
9 and desirable that all of said bonds designated generally as City and County of San Francisco
10 General Obligation Bonds (San Francisco General Hospital Improvement Bonds, 2008) (the
11 "Bonds") (each series to bear such additional or other designation as may be necessary or
12 appropriate to distinguish such series from every other series and from other bonds issued by
13 the City) in the aggregate principal amount of \$887,400,000, be issued and sold in series from
14 time to time, for the purposes authorized and on the conditions set forth in this Resolution;
15 and,

16 WHEREAS, The Bonds will be payable from proceeds of the annual tax levy as
17 provided herein; and,

18 WHEREAS, The Bonds are being issued pursuant to a resolution duly adopted by the
19 Board, Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the California Government Code,
20 the Charter of the City and a duly held election; and,

21 WHEREAS, Pursuant to Section 9.106 of the Charter of the City, there shall be
22 delivered a certificate of a duly authorized officer of the City, concurrently with the issuance of
23 each series of Bonds, except for any series of Bonds issued to refund any bond anticipation
24 notes issued in anticipation of the issuance of such Series of Bonds, stating that the
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1 outstanding general obligation bond indebtedness of the City, including all series of the Bonds
2 issued and to be issued and outstanding on the date of delivery of such series, will not exceed
3 three percent of the assessed value of all taxable real and personal property located within
4 the City; now, therefore, be it

5 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as
6 follows:

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

8 Section 2. Conditions Precedent. Subject to certification to the Board by the Registrar
9 of Voters of the City that more than two-thirds of the votes cast on the proposition described in
10 Section 3 hereof favored the incurring of such bonded indebtedness, all conditions, things and
11 acts required by law to exist, to happen and to be performed precedent to and in the issuance
12 of the Bonds exist, have happened and have been performed in due time, form and manner in
13 accordance with applicable law, and the City is now authorized pursuant to this Charter and
14 applicable law to incur indebtedness in the manner and form provided in this Resolution.

15 Section 3. Issuance of the Bonds. The Board hereby authorizes the issuance and sale
16 of \$887,400,000 aggregate principal amount of the Bonds for the following proposition:

17 SAN FRANCISCO GENERAL HOSPITAL IMPROVEMENT BONDS, 2008.

18 \$887,400,000 for the building and/or rebuilding and improving of the earthquake safety of the
19 San Francisco General Hospital and Trauma Center and related costs necessary or
20 convenient for the foregoing purposes and related acquisition, construction, and
21 reconstruction necessary or convenient for the foregoing purposes.

22 The Bonds may be sold in one or more series, as the Board shall determine, and shall
23 be sold in accordance with law, as such law may from time to time be amended,
24 supplemented or revised, and on the terms and conditions approved by the Board in this
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1 Resolution, as supplemented by such other resolution or resolutions relating to such series of
2 Bonds. The offering and sale of the Bonds may be aggregated with the offering and sale of
3 other general obligation bonds being issued by the City as authorized from time to time by the
4 Board.

5 Section 4. Execution and Authentication. The resolution of the Board authorizing and
6 directing the sale of any series of the Bonds shall set forth the form of such bond, with such
7 necessary or appropriate variations, omissions and insertions as may be permitted by such
8 resolution. "CUSIP" identification numbers may be imprinted on Bonds, but such numbers
9 shall not constitute a part of the contract evidenced by the Bonds and any error or omission
10 with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery
11 of and pay for the Bonds. In addition, failure on the part of the City to use such CUSIP
12 numbers in any notice to Owners of the Bonds shall not constitute an event of default or any
13 violation of the City's contract with such Owners and shall not impair the effectiveness of any
14 such notice.

15 The Bonds shall be signed by the Mayor of the City and countersigned by the Clerk of
16 the Board. All signatures hereinbefore referred to may be facsimile or manual. The Treasurer
17 of the City (the "City Treasurer") shall authenticate the Bonds by manual signature, and when
18 so executed and authenticated, the Clerk of the Board shall deliver the Bonds to or for the
19 account of the purchaser in exchange for the purchase price thereof.

20 In case of such officers whose signatures or countersignatures appear on the Bond
21 shall cease to be such officer before the delivery of such Bonds to the purchaser, such
22 signatures or countersignatures shall nevertheless be valid and sufficient for all purposes as if
23 they had remained in office until the delivery of the Bonds.

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1 Section 5. Transfer or Exchange and Registration of Bonds. Any Bond may be
2 transferred or exchanged in accordance with its terms and the resolution of the Board
3 authorizing and directing its sale. Each Bond shall be registered in accordance with the
4 resolution of the Board authorizing and directing its sale.

5 Section 6. General Redemption Provisions. The terms of redemption (whether
6 optional redemption or mandatory redemption), if any, of any series of Bonds and the manner
7 prescribed for notice of any redemption of such series of Bonds shall be set forth in the
8 resolution of the Board authorizing and directing the sale of the Bonds to be redeemed.

9 The resolution of the Board authorizing and directing the sale of each series of Bonds
10 shall provide that the City Treasurer shall establish a Redemption Account for such series of
11 Bonds and shall further provide for the deposit and application of moneys in such Redemption
12 Account.

13 Section 7. Tax Levy. For the purpose of paying the principal of and interest on the
14 Bonds, the Board at the time of fixing the general tax levy shall fix, and in the manner
15 provided for such general tax levy, levy and collect annually until the Bonds are paid, or until
16 there shall be a sum set apart for that purpose in the treasury of the City sufficient to meet all
17 sums coming due for payment of principal of and interest on the Bonds, a tax sufficient to pay
18 the annual interest on the Bonds as the same becomes due and also such part of the principal
19 thereof as shall become due before the proceeds of a tax levied at the time for making the
20 next general tax levy can be made available for the payment of such interest or principal.

21 Said tax shall be in addition to all other taxes levied for City purposes, shall be
22 collected at the time and in the same manner as other taxes of the City are collected, and
23 shall be used only for the payment of the Bonds and the interest thereon.

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1 All taxes collected pursuant to this Section 7 shall be deposited forthwith in a special
2 account to be designated as the "General Obligation Bonds (San Francisco General Hospital
3 Improvement Bonds, 2008) Bond Account" (the "Bond Account") and each and every series of
4 Bonds issued under this Resolution shall be equally and ratably secured by the taxes
5 collected pursuant to this Section. Such account shall be administered by the City Treasurer
6 and kept separate and apart from all other accounts. Pursuant to the resolution of the Board
7 authorizing and directing the sale of any series of the Bonds, the City Treasurer may establish
8 such additional accounts and subaccounts within the Bond Account or with any agent,
9 including but not limited to any paying agent or fiscal agent, as may be necessary or
10 convenient in connection with the administration of any series of the Bonds. The resolution of
11 the Board authorizing and directing the sale of any series of the Bonds shall establish
12 subaccounts within the Bond Account for each series of the Bonds to provide for the payment
13 of principal and interest on such series of Bonds.

14 The City Treasurer shall also deposit in the Bond Account from the proceeds of sale of
15 the Bonds, any moneys received on account of interest accrued on the Bonds to the date of
16 payment of the purchase price thereof, and such other moneys, if any, as may be specified in
17 the resolution of the Board authorizing and directing the sale of each series of Bonds. So long
18 as any of the Bonds are outstanding, moneys in the Bond Account shall be used and applied
19 by the City Treasurer solely for the purpose of paying the principal of and interest on the
20 Bonds as such principal and interest shall become due and payable, or for purchase of Bonds
21 if permitted by the resolution providing for the sale of such series of Bonds; provided,
22 however, that when all of the principal of and interest on the Bonds have been paid, any
23 moneys then remaining in said account shall be transferred to the General Fund of the City.
24 The Board shall take such actions annually as are necessary or appropriate to cause the debt
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1 service on the Bonds due in any fiscal year to be included in the budget for such fiscal year
2 and to make the necessary appropriations therefor.

3 Section 8. Administration and Disbursements From Bond Account.

4 (a) Interest. On or before June 15 and December 15 in each year that any of the
5 Bonds are outstanding, the City Treasurer shall set aside in the Bond Account and the
6 appropriate subaccounts therein relating to each series of the Bonds an amount which, when
7 added to the amount contained in the Bond Account and subaccounts therein on that date, if
8 any, will be equal to the aggregate amount of the interest becoming due and payable on each
9 series of the Bonds outstanding on such interest payment date.

10 (b) Principal. On or before June 15 in each year that any of the Bonds is outstanding, the
11 City Treasurer shall set aside in the Bond Account and the appropriate subaccounts therein
12 relating to each series of the Bonds an amount which will be equal to the principal on each series
13 of the Bonds outstanding that will become due and payable on said June 15, including those
14 Bonds subject to mandatory redemption on such date pursuant to the provisions of the resolution
15 authorizing the sale of such Bonds.

16 All moneys in the Bond Account shall be used and withdrawn by the City Treasurer solely
17 for the purpose of paying the principal of and interest on each series of the Bonds as the same
18 shall become due and payable. On June 15 and December 15 in each year that any Bond is
19 outstanding, the City Treasurer shall allocate, transfer and apply to the various subaccounts in
20 the Bond Account created pursuant to the resolutions authorizing the sale of Bonds, on such
21 date on which payment of principal or interest on any series of Bonds is due, from moneys on
22 deposit in the Bond Account, an amount equal to the amount of principal of, premium, if any, or
23 interest due on said date with respect to each series of the Bonds then outstanding. Unless
24 other provision shall have been made pursuant to this Resolution for the payment of any Bond,
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1 all amounts held in the various subaccounts of the Bond Account created pursuant to the
2 resolutions authorizing the sale of any series of Bonds shall be used and applied by the City
3 Treasurer to pay principal of, premium, if any, and interest due on the series of the Bonds to
4 which such subaccount relates, as and when due.

5 Section 9. Appointment of Depositories and Other Agents. The City Treasurer is
6 hereby authorized and directed to appoint one or more depositories as he or she may deem
7 desirable and may authorize such depository to perform, under the supervision of the City
8 Treasurer, any of the City Treasurer's duties and responsibilities under this Resolution, to the
9 extent permitted by applicable law.

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

19 Section 10. Project Account. There is hereby established a project account to be
20 designated as the "General Obligation Bonds (San Francisco General Hospital Improvement
21 Bonds, 2008) Project Account" (the "Project Account"). The Project Account shall be
22 maintained by the City Treasurer, as a separate account, segregated and distinct from all
23 other accounts. The City Treasurer may establish such accounts and subaccounts within the
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1 Project Account as may be necessary or convenient in connection with the administration of
2 the Project or the Bonds.

3 All of the proceeds of the sale of the Bonds (excluding any premium and accrued
4 interest received thereon, unless otherwise determined by the Director of Public Finance)
5 shall be deposited by the City Treasurer to the credit of the Project Account and shall be
6 applied exclusively to the objects and purposes specified in the proposition set forth in
7 Section 3 hereof. When such objects and purposes have been accomplished, any moneys
8 remaining in such account shall be transferred to the Bond Account established pursuant to
9 Section 7 hereof and applied to the payment of the principal of and interest on any series of
10 Bonds. Amounts in the Project Account may be applied to the payment of costs of issuance
11 of the Bonds, including, without limitation, bond and financial printing expenses, mailing and
12 publication expenses, rating agency fees, and the fees and expenses of paying agents,
13 registrars, financial consultants and bond counsel.

14 Section 11. Defeasance Provisions. The resolution of the Board authorizing and
15 directing the sale of any series of Bonds may provide for the defeasance of such series of
16 Bonds. Any Bonds which have been deemed paid in accordance with the defeasance
17 provisions of the Board resolution authorizing and directing their sale shall no longer be
18 deemed outstanding under this Resolution.

19 Section 12. Tax Covenants. The Bonds may be issued as bonds the interest on which
20 is excluded from gross income for federal or state income tax purposes or as bonds the
21 interest on which is included in gross income for federal or state income tax purposes. With
22 respect to any series of the Bonds the interest on which is excluded from gross income for
23 federal or state income tax purposes, the City may make such covenants and representations
24 as are necessary or convenient to comply with applicable laws and regulations.

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1 Section 13. Other Terms and Provisions Relating To the Bonds. The resolution of the
2 Board providing for the sale of any series of Bonds may provide for (a) the purchase of bond
3 insurance or other credit enhancement relating to such series of Bonds and to the
4 establishment of such additional terms and procedures as may be necessary to provide for
5 the application of such bond insurance or other credit enhancement for the benefit of the
6 Bondholders; (b) the investment of moneys held in any fund or account relating to the Bonds
7 in specific categories or types of investments, so long as such investments are legal
8 investments for the City and in compliance with any policy or guideline of the City applicable
9 thereto; and (c) the adoption of any supplemental resolutions relating solely to such series of
10 Bonds.

11 Section 14. Supplemental Resolutions. For any one or more of the following purposes
12 and at any time or from time to time, a supplemental resolution of the City may be adopted,
13 which, without the requirement of consent of the owners of the Bonds, shall be fully effective in
14 accordance with its terms:

15 (a) To add to the covenants and agreements of the City in this Resolution or any
16 resolution authorizing the sale of any series of Bonds, other covenants and agreements to be
17 observed by the City which are not contrary to or inconsistent with this Resolution or any
18 resolution authorizing the sale of any series of Bonds as theretofore in effect;

19 (b) To add to the limitations and restrictions in this Resolution or any resolution
20 authorizing the sale of any series of Bonds, other limitations and restrictions to be observed by
21 the City which are not contrary to or inconsistent with this Resolution or any resolution
22 authorizing the sale of any series of Bonds as theretofore in effect;

23 (c) To confirm, as further assurance, any pledge under, and the subjection to any
24 lien or pledge created or to be created by, this Resolution or any resolution authorizing the sale
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1 of any series of Bonds as then in effect, of any moneys, securities or funds, or to establish any
2 additional funds or accounts to be held under this Resolution or any resolution authorizing the
3 sale of any series of Bonds;

4 (d) To cure any ambiguity, supply any omission, or cure or correct any defect or
5 inconsistent provision in this Resolution or any resolution authorizing the sale of any series of
6 Bonds; or

7 (e) To make such additions, deletions or modifications as shall not be materially
8 adverse to the owners of the Bonds.

9 Any modification or amendment of this Resolution or any resolution authorizing the sale of
10 any series of Bonds and of the rights and obligations of the City and of the owners of the Bonds,
11 in any particular, may be made by a supplemental resolution, with the written consent of the
12 owners of at least a majority in aggregate principal amount of the Bonds outstanding at the time
13 such consent is given (except as provided in the preceding paragraph). No such modification or
14 amendment shall permit a change in the terms or maturity of the principal of any outstanding
15 Bonds or of any interest payable thereon or a reduction in the principal amount thereof or in the
16 rate of interest thereon, or shall reduce the percentage of Bonds the consent of the owners of
17 which is required to effect any such modification or amendment, or shall reduce the amount of
18 moneys for the repayment of the Bonds without the consent of all the owners of such Bonds.

19 Section 16. CEQA Findings. The Board finds and declares that in accordance with the
20 actions contemplated in this resolution, this Board, in approving Resolution No. 307-08 on
21 July 16, 2008, including the Attachment A and Exhibit 1 to Attachment A, adopted findings
22 with respect to the Final Environmental Impact Report ("FEIR") for the Project pursuant to the
23 California Environmental Quality Act, ("CEQA"), CEQA Guidelines and San Francisco
24 Administrative Code Chapter 31, including the adoption of a mitigation monitoring and
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1 reporting program and a statement of overriding considerations, ("CEQA Findings"). The
2 CEQA Findings for the Project are on file with the Clerk of the Board in File No. 080663 and
3 are incorporated into this resolution by this reference. The Board further finds that on the
4 basis of substantial evidence and in light of the whole record, there are no changes in the
5 Project, the circumstances under which the Project will be undertaken or new information that
6 has become available since preparation of the FEIR that would alter the CEQA Findings
7 previously adopted by the Board.

8 Section 17. General Plan and Other Findings. The Board finds and declares that the
9 proposed Project is (i) in conformity with the priority policies of Section 101.1(b) of the City
10 Planning Code, (ii) in accordance with Section 4.105 of the San Francisco Charter and
11 Section 2A.53(f) of the City Administrative Code, and (iii) consistent with the City's General
12 Plan, and adopts the findings of the City Planning Department, as set forth in the General
13 Plan Referral Report, dated July _____, 2008, a copy of which is on file with the Clerk of
14 the Board in File No. 080663 and incorporates said findings by reference.

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

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

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4 APPROVED AS TO FORM:

5 DENNIS J. HERRERA
6 City Attorney

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8 By: _____
9 Kenneth David Roux
Deputy City Attorney

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