

1 [Certificates of Participation - Housing Trust Fund - Reimbursement of Certain Expenditures]

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3 **Resolution declaring the intent of the City and County of San Francisco to reimburse**
4 **certain expenditures from proceeds of future bonded indebtedness.**

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6 WHEREAS, The Board of Supervisors of the City and County of San Francisco (Board
7 of Supervisors), desires to finance the costs of certain Housing Trust Fund projects including,
8 but not limited to, certain Rental Assistance Demonstration projects (collectively, Project)
9 within the City and County of San Francisco (City); and

10 WHEREAS, The City intends to finance the Project or portions of the Project with a
11 portion of the proceeds of the sale of City and County of San Francisco certificates of
12 participation in an approximate amount of up to \$50,000,000 (Obligations); and

13 WHEREAS, Prior to the issuance of the Obligations, the City expects to pay for the
14 costs of certain capital expenditures (Expenditures) with respect to the Project from available
15 moneys prior to the issuance of the Obligations; and

16 WHEREAS, The Board of Supervisors has determined that the moneys advanced and
17 to be advanced to pay such Expenditures are or will be available only for a temporary period
18 and it is necessary to reimburse such expenditures with respect to the Project from the
19 proceeds of the Obligations; and

20 WHEREAS, Section 1.150-2 of the United States Treasury Regulations requires that
21 the Board of Supervisors declare its reasonable official intent to reimburse prior expenditures
22 for the Project with proceeds of the Obligations; now, therefore, be it

23 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as
24 follows:

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1 Section 1. The Board of Supervisors finds and determines that the foregoing recitals
2 are true and correct.

3 Section 2. The Board of Supervisors adopts this Resolution solely for purposes of
4 establishing compliance with the requirements of Section 1.150-2 of the United States
5 Treasury Regulations. This Resolution does not bind the Board of Supervisors to issue the
6 Obligations, approve any loan or to make any expenditure, incur any indebtedness or proceed
7 with the Project. The Project is subject to the City’s normal project review procedures,
8 including environmental review under the California Environmental Quality Act, and is subject
9 to the City’s discretion to modify, approve or disapprove the Project following completion of
10 environmental review.

11 Section 3. The Board of Supervisors hereby declares its official intent under United
12 States Treasury Regulations Section 1.150-2 to use proceeds of the Obligations to reimburse
13 expenditures incurred in connection with the Project.

14 Section 4. On the date of the expenditure to be reimbursed, all reimbursable costs of
15 the Project will be of a type properly chargeable to a capital account under general federal
16 income tax principles.

17 Section 5. The maximum principal amount of the Obligations expected to be issued for
18 the Project is \$50,000,000.

19 Section 6. The Board of Supervisors hereby states its intention and reasonably expects
20 to reimburse certain capital costs of the Project paid from available moneys prior to the
21 issuance of the Obligations with proceeds of the Obligations.

22 Section 7. This resolution is being adopted no later than 60 days after the date on
23 which the City will expend moneys for certain capital costs of the Project to be reimbursed
24 from proceeds of the Obligations.

1 Section 8. The City will make a reimbursement allocation, which is a written allocation
2 that evidences the City's use of proceeds of the Obligations to reimburse an Expenditure, no
3 later than 18 months after the later of the date on which the Expenditure is paid or the Project
4 is placed in service or abandoned, but in no event more than three years after the date on
5 which the Expenditure is paid.

6 Section 9. Each Expenditure will be either (a) of a type properly chargeable to a capital
7 account under general federal income tax principles (determined in each case as of the date
8 of the Expenditure), (b) a cost of issuance with respect to the Obligations, (c) a nonrecurring
9 item that is not customarily payable from current revenues, or (d) a grant to a party that is not
10 related to or an agent of the City so long as such grant does not impose any obligation or
11 condition (directly or indirectly) to repay any amount to or for the benefit of the City.

12 Section 10. This Resolution shall take effect from and after its adoption by the Board
13 and approval by the Mayor.

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15 APPROVED AS TO FORM:
16 DENNIS J. HERRERA
17 City Attorney

18 By: _____
19 KENNETH DAVID ROUX
20 Deputy City Attorney

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