

1 [Road Repaving and Street Safety General Obligation Bonds, 2011, Series 2013C - Not to  
2 Exceed \$133,275,000]

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4 **Resolution authorizing and directing the sale of not to exceed \$133,275,000 aggregate**  
5 **principal amount of Road Repaving and Street Safety General Obligation Bonds, 2011,**  
6 **Series 2013C; prescribing the form and terms of said bonds; authorizing the execution,**  
7 **authentication, and registration of said bonds; providing for the appointment of**  
8 **depositories and other agents for said bonds; providing for the establishment of**  
9 **accounts related to said bonds; providing for the manner of sale of said bonds by**  
10 **competitive sale; approving the forms of official notice of sale and notice of intention**  
11 **to sell bonds; directing the publication of the notice of intention to sell bonds;**  
12 **approving the form of the preliminary official statement and the form and execution of**  
13 **the official statement relating to the sale of said bonds; approving the form of the**  
14 **continuing disclosure certificate; authorizing and approving modifications to**  
15 **documents; declaring the City’s intent to reimburse certain expenditures; ratifying**  
16 **certain actions previously taken; and granting general authority to City officials to take**  
17 **necessary actions in connection with the authorization, issuance, sale, and delivery of**  
18 **said bonds.**

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20 WHEREAS, By Resolution No. 248-11 adopted by the Board of Supervisors (the  
21 “Board of Supervisors”) of the City and County of San Francisco (the “City”) on June 7, 2011  
22 and signed by the Mayor of the City (the “Mayor”) on June 13, 2011, it was determined and  
23 declared that public interest and necessity demand the repaving and reconstruction of roads,  
24 the rehabilitation and seismic improvement of street structures, the replacement of sidewalks  
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1 the installation and renovation of curb ramps, the redesign of streetscapes to include  
2 pedestrian and bicycle safety improvements, and the construction, rehabilitation and  
3 renovation of traffic infrastructure within the City (the "Project"); and

4 WHEREAS, By Ordinance No. 148-11, finally passed by the Board of Supervisors on  
5 July 26, 2011, and signed by the Mayor on July 26, 2011 (the "Bond Ordinance"), the Board of  
6 Supervisors duly called a special election to be held on November 8, 2011 (the "Bond  
7 Election"), for the purpose of submitting to the electors of the City a proposition to incur  
8 bonded indebtedness in the amount of \$248,000,000 to finance the Project, and such  
9 proposition was approved by not less than a two-thirds vote of the qualified electors of the City  
10 voting on such proposition; and

11 WHEREAS, By Resolution No. 24-12 (the "Authorizing Resolution"), adopted by the  
12 Board of Supervisors on January 24, 2012, and signed by the Mayor on February 3, 2012, the  
13 City authorized the issuance of its General Obligation Bonds (Road Repaving and Street  
14 Safety Bonds, 2011), Series 2012C (the "Bonds") in an aggregate principal amount not to  
15 exceed \$248,000,000; and

16 WHEREAS, By Resolution No. 25-12, adopted by the Board of Supervisors on January  
17 24, 2012, and signed by the Mayor on February 3, 2012, the City authorized the issuance of  
18 said General Obligation Bonds (Road Repaving and Street Safety Bonds, 2011), Series  
19 2012C in an amount not to exceed \$76,500,000, which Series 2012C Bonds were  
20 subsequently issued in the principal amount of \$74,295,000; and

21 WHEREAS, The City has issued and sold, to date, a total of \$74,295,000 of the Bonds;  
22 and there remains \$173,705,000 of authorized and unissued Bonds; and,

23 WHEREAS, It is necessary and desirable to issue an additional series of the Bonds in  
24 an aggregate principal amount of the Bonds not to exceed of \$133,275,000 (the "Series  
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1 2013C Bonds”), to finance a portion of the costs of the Project (as defined in the Authorizing  
2 Resolution); and

3 WHEREAS, The Series 2013C Bonds are being issued pursuant to the Authorizing  
4 Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the California Government  
5 Code, the Charter of the City (the “Charter”), the Bond Ordinance and the Bond Election; and

6 WHEREAS, The City has paid and expects to pay certain expenditures in connection  
7 with the Project to be financed by the Series 2013C Bonds prior to the issuance and sale of  
8 the Series 2013C Bonds, and the City intends to reimburse itself and to pay third parties for  
9 such prior expenditures from the proceeds of the Series 2013C Bonds; and

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

14 WHEREAS, The Reimbursement Regulations require that any reimbursement  
15 allocation of proceeds of the Series 2013C Bonds to be made with respect to expenditures  
16 incurred prior to the issuance of the Series 2013C Bonds will occur not later than eighteen  
17 (18) months after the later of (i) the date on which the expenditure is paid or (ii) the date on  
18 which the facilities are placed in service, but in no event later than three (3) years after the  
19 expenditure is paid; and

20 WHEREAS, The Citizens' General Obligation Bond Oversight Committee shall conduct  
21 an annual review of bond spending and shall provide an annual report on the management of  
22 the program to the Mayor and the Board, and, to the extent permitted by law, one-tenth of one  
23 percent (0.1%) of the gross proceeds of the Series 2013C Bonds shall be deposited in a fund  
24 established by the Controller's Office and appropriated by the Board at the direction of the  
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1 Citizens' General Obligation Bond Oversight Committee to cover the costs of such Committee  
2 and its review process; now, therefore, be it

3 RESOLVED by the Board of Supervisors of the City and County of San Francisco, as  
4 follows:

5 Section 1. Recitals. All of the recitals in this Resolution are true and correct.

6 Section 2. Conditions Precedent. All conditions, things and acts required by law to  
7 exist, to happen and to be performed precedent to and in connection with the issuance of the  
8 Series 2013C Bonds exist, have happened and have been performed in due time, form and  
9 manner in accordance with applicable law, and the City is now authorized pursuant to the  
10 Bond Election, the Charter and applicable law to incur indebtedness in the manner and form  
11 provided in this Resolution.

12 Section 3. Documents. The documents presented to the Board and on file with the  
13 Clerk of the Board of Supervisors or designee thereof (the "Clerk of the Board of Supervisors")  
14 are contained in File No. 130381.

15 Section 4. Issuance and Sale of Series 2013C Bonds; Determination of Certain Terms;  
16 Designation. The Board authorizes the issuance and sale of not to exceed \$133,275,000 in  
17 aggregate principal amount of Bonds to be designated as "City and County of San Francisco  
18 General Obligation Bonds (Road Repaving and Street Safety Bonds, 2011), Series 2013C,"  
19 for the purposes set forth in the Bond Election Ordinance and Proposition B approved by the  
20 voters at the Bond Election.

21 The Director of Public Finance of the City or designee thereof (the "Director of Public  
22 Finance") is authorized to determine, for the Series 2013C Bonds, the sale date, the interest  
23 rates, the definitive principal amount, the maturity dates and the redemption dates, if any, and  
24 the terms of any optional or mandatory redemption, subject to the other specific provisions of  
25 this Resolution, including the following terms and conditions: (i) the Series 2013C Bonds shall

1 not have a true interest cost in excess of 12% (as such term is defined in the Official Notice of  
2 Sale (as defined in Section 17)); and (ii) the Series 2013C Bonds shall not have a final  
3 maturity date after June 15, 2033. The Director of Public Finance is further authorized to give  
4 the Series 2013C Bonds such additional or other series designation, or to modify such series  
5 designation, as may be necessary or appropriate to distinguish the Series 2013C Bonds from  
6 every other series of Bonds and from other bonds issued by the City.

7 Section 5. Execution, Authentication and Registration of the Series 2013C Bonds.

8 Each of the Series 2013C Bonds shall be in fully registered form without coupons in  
9 denominations of \$5,000 or any integral multiple of that amount. The officers of the City are  
10 directed to cause the Series 2013C Bonds to be prepared in sufficient quantity for delivery to  
11 or for the account of their purchaser and the Controller or designee thereof (the "Controller") is  
12 directed to cause the blanks in the Series 2013C Bonds to be completed in accordance with  
13 the Authorizing Resolution and the Bond Award (as defined in Section 13), to procure their  
14 execution by the proper officers of the City (including by facsimile signature if necessary or  
15 convenient) and authentication as provided in this Section, and to deliver the Series 2013C  
16 Bonds when so executed and authenticated to said purchaser in exchange for their purchase  
17 price, all in accordance with the Authorizing Resolution.

18 The Series 2013C Bonds and the certificate of authentication and registration, to be  
19 manually executed by the Treasurer of the City or designee thereof (the "City Treasurer"), and  
20 the form of assignment to appear on the Series 2013C Bonds shall be substantially in the  
21 form attached as Exhibit A (a copy of which is on file with the Clerk of the Board of  
22 Supervisors and which is declared to be a part of this Resolution as if fully set forth in this  
23 Resolution), with necessary or appropriate variations, omissions and insertions as permitted  
24 or required by this Resolution.

1           Only Series 2013C Bonds bearing a certificate of authentication and registration  
2           executed by the City Treasurer shall be valid or obligatory for any purpose or entitled to the  
3           benefits of the Authorizing Resolution and this Resolution, and such certificate of the City  
4           Treasurer, executed as provided in this Resolution, shall be conclusive evidence that the  
5           Series 2013C Bonds so authenticated have been duly authenticated and delivered under, and  
6           are entitled to the benefits of, the Authorizing Resolution and this Resolution.

7           The Controller shall assign a distinctive letter, or number, or letter and number to each  
8           Series 2013C Bond authenticated and registered by the City Treasurer and shall maintain a  
9           record thereof which shall be available for inspection.

10          Section 6. Registration Books. The City Treasurer shall keep or cause to be kept, at  
11          the office of the City Treasurer or at the designated office of any registrar appointed by the  
12          City Treasurer, separate and sufficient books for the registration and transfer of Series 2013C  
13          Bonds, which books shall at all times be open to inspection, and upon presentation for such  
14          purpose, the City Treasurer shall, under such reasonable regulations as he or she may  
15          prescribe, register or transfer or cause to be registered or transferred, on said books, Series  
16          2013C Bonds as provided in this Resolution. The City and the City Treasurer may treat the  
17          registered owner of each Series 2013C Bond as its absolute owner for all purposes, and the  
18          City and the City Treasurer shall not be affected by any notice to the contrary.

19          Section 7. Transfer or Exchange of Series 2013C Bonds. Any Series 2013C Bond  
20          may, in accordance with its terms, be transferred upon the books required to be kept pursuant  
21          to the provisions of Section 6, by the person in whose name it is registered, in person or by  
22          the duly authorized attorney of such person in writing, upon surrender of such Series 2013C  
23          Bond for cancellation, accompanied by delivery of a duly executed written instrument of  
24          transfer in a form approved by the City Treasurer.

1 Any Series 2013C Bond may be exchanged at the office of the City Treasurer for a like  
2 aggregate principal amount of other authorized denominations of the same interest rate and  
3 maturity.

4 Whenever any Series 2013C Bond shall be surrendered for transfer or exchange, the  
5 designated City officials shall execute (as provided in Section 5) and the City Treasurer shall  
6 authenticate and deliver a new Series 2013C Bond of the same interest rate and maturity in a  
7 like aggregate principal amount. The City Treasurer shall require the payment by any bond  
8 owner requesting any such transfer of any tax or other governmental charge required to be  
9 paid with respect to such transfer or exchange.

10 No transfer or exchange of Series of 2013A Bonds shall be required to be made by the  
11 City Treasurer during the period from the Record Date (as defined in Section 8(b)) next  
12 preceding each interest payment date to such interest payment date or after a notice of  
13 redemption shall have been mailed with respect to such Series 2013C Bonds.

14 Section 8. Terms of the Series 2013C Bonds; General Redemption Provisions.

15 (a) Date of the Series 2013C Bonds. The Series 2013C Bonds shall be dated the  
16 date of their delivery or such other date (the "Dated Date") as is specified in the Bond Award.

17 (b) Payment of the Series 2013C Bonds. The principal of the Series 2013C Bonds  
18 shall be payable in lawful money of the United States of America to their owners, upon  
19 surrender at maturity or earlier redemption at the office of the City Treasurer. The interest on  
20 the Series 2013C Bonds shall be payable in like lawful money to the person whose name  
21 appears on the bond registration books of the City Treasurer as the owner as of the close of  
22 business on the last day of the month immediately preceding an interest payment date (the  
23 "Record Date"), whether or not such day is a Business Day (as defined below).

24 Except as may be otherwise provided in connection with any book-entry only system  
25 applicable to the Series 2013C Bonds, payment of the interest on any Series 2013C Bond

1 shall be made by check mailed on the interest payment date to such owner at such owner's  
2 address as it appears on the registration books as of the Record Date; provided, that if any  
3 interest payment date occurs on a day that banks in California or New York are closed for  
4 business or the New York Stock Exchange is closed for business, then such payment shall be  
5 made on the next succeeding day that banks in both California and New York are open for  
6 business and the New York Stock Exchange is open for business (each, a "Business Day");  
7 and provided, further, that the registered owner of an aggregate principal amount of at least  
8 \$1,000,000 of Series 2013C Bonds may submit a written request to the City Treasurer on or  
9 before a Record Date preceding an interest payment date for payment of interest on the next  
10 succeeding interest payment date and thereafter by wire transfer to a commercial bank  
11 located within the United States of America.

12 For so long as any Series 2013C Bonds are held in book-entry form by a securities  
13 depository selected by the City pursuant to Section 11, payment shall be made to the  
14 registered owner of the Series 2013C Bonds designated by such securities depository by wire  
15 transfer of immediately available funds.

16 (c) Interest on the Series 2013C Bonds. The Series 2013C Bonds shall bear  
17 interest at rates to be determined upon the sale of the Series 2013C Bonds, calculated on the  
18 basis of a 360-day year comprised of twelve 30-day months, payable on December 15, 2013  
19 (or such other date as may be designated in the Bond Award), and semiannually thereafter on  
20 June 15 and December 15 of each year. Each Series 2013C Bond shall bear interest from the  
21 interest payment date next preceding the date of its authentication unless it is authenticated  
22 as of a day during the period from the Record Date next preceding any interest payment date  
23 to the interest payment date, inclusive, in which event it shall bear interest from such interest  
24 payment date, or unless it is authenticated on or before the first Record Date, in which event it  
25 shall bear interest from the Dated Date; provided, that if, at the time of authentication of any



1 Series 2013C Bond, interest is in default on the Series 2013C Bonds, such Series 2013C  
2 Bond shall bear interest from the interest payment date to which interest has previously been  
3 paid or made available for payment on the Series 2013C Bonds or from the Dated Date if the  
4 first interest payment is not made.

5 (d) Optional Redemption. The Series 2013C Bonds shall be subject to optional  
6 redemption prior to maturity as provided in the Official Notice of Sale or the Bond Award.

7 (e) Mandatory Redemption. The Series 2013C Bonds shall be subject to  
8 mandatory redemption at par, by lot, in any year in which the purchaser has designated that  
9 the principal amount payable with respect to that year shall constitute a mandatory sinking  
10 fund payment as permitted by the Official Notice of Sale. Any Series 2013C Bonds subject to  
11 mandatory redemption shall be designated as such in the Official Notice of Sale or the Bond  
12 Award.

13 The principal of and interest on the Series 2013C Bonds subject to mandatory  
14 redemption shall be paid from the Series 2013C Bond Account (as defined in Section 9),  
15 pursuant to Section 9. In lieu of any such mandatory redemption for Series 2013C Bonds, at  
16 any time prior to the selection of Series 2013C Bonds for mandatory redemption, the City may  
17 apply amounts on deposit in the Series 2013C Bond Account to make such payment to the  
18 purchase, at public or private sale, of Series 2013C Bonds subject to such mandatory  
19 redemption, and when and at such prices not in excess of the principal amount thereof  
20 (including sales commission and other charges but excluding accrued interest), as the City  
21 may determine.

22 (f) Selection of Series 2013C Bonds for Redemption. Whenever less than all of the  
23 outstanding Series 2013C Bonds are called for redemption on any date, the City Treasurer  
24 will select the maturities of the Series 2013C Bonds to be redeemed in the sole discretion of  
25 the City Treasurer. Whenever less than all of the outstanding Series 2013C Bonds maturing

1 on any one date are called for redemption on any one date, the City Treasurer will select the  
2 Series 2013C Bonds or portions thereof, in denominations of \$5,000 or any integral multiple  
3 thereof, to be redeemed from the outstanding Series 2013C Bonds maturing on such date not  
4 previously selected for redemption, by lot, in any manner which the City Treasurer deems fair.

5 (g) Notice of Redemption. The date on which Series 2013C Bonds that are called  
6 for redemption are to be presented for redemption is called the "Redemption Date." The City  
7 Treasurer shall mail, or cause to be mailed, notice of any redemption of Series 2013C Bonds,  
8 postage prepaid, to the respective registered owners at the addresses appearing on the bond  
9 registration books not less than twenty (20) nor more than sixty (60) days prior to the  
10 Redemption Date. The notice of redemption shall (a) state the Redemption Date; (b) state the  
11 redemption price; (c) state the maturity dates of the Series 2013C Bonds to be redeemed and,  
12 if less than all of any such maturity is called for redemption, the distinctive numbers of the  
13 Series 2013C Bonds of such maturity to be redeemed, and in the case of any Series 2013C  
14 Bonds to be redeemed in part only, the respective portions of the principal amount to be  
15 redeemed; (d) state the CUSIP number, if any, of each Series 2013C Bond to be redeemed;  
16 (e) require that such Series 2013C Bonds be surrendered by the owners at the office of the  
17 City Treasurer or his or her agent; and (f) give notice that interest on such Series 2013C  
18 Bonds or portions of Series 2013C Bonds to be redeemed will cease to accrue after the  
19 Redemption Date. Notice of optional redemption may be conditional upon receipt of funds or  
20 other event specified in the notice of redemption as provided in subsection (j) of this  
21 Section 8.

22 The actual receipt by the owner of any Series 2013C Bond of notice of such  
23 redemption shall not be a condition precedent to redemption, and failure to receive such  
24 notice, or any defect in such notice so mailed, shall not affect the validity of the proceedings  
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1 for the redemption of such Series 2013C Bonds or the cessation of accrual of interest on such  
2 Series 2013C Bonds on the Redemption Date.

3 Notice of redemption also shall be given, or caused to be given by the City Treasurer,  
4 by (i) registered or certified mail, postage prepaid, (ii) confirmed facsimile transmission, (iii)  
5 overnight delivery service, or (iv) to the extent acceptable to the intended recipient, email or  
6 similar electronic means, to (a) all organizations registered with the Securities and Exchange  
7 Commission as securities depositories and (b) such other services or organizations as may be  
8 required in accordance with the Continuing Disclosure Certificate described in Section 19.

9 The notice or notices required for redemption shall be given by the City Treasurer or  
10 any agent appointed by the City. A certificate of the City Treasurer or such other appointed  
11 agent of the City that notice of redemption has been given to the owner of any Series 2013C  
12 Bond to be redeemed in accordance with this Resolution shall be conclusive against all  
13 parties.

14 (h) Series 2013C Redemption Account. At the time the City Treasurer or the  
15 Controller of the City or his or her designee (the "Controller") determines to optionally call and  
16 redeem any of the Series 2013C Bonds, the City Treasurer or his or her agent shall establish  
17 a redemption account to be described or known as the "General Obligation Bonds, Series  
18 2013C Redemption Account" (the "Series 2013C Redemption Account"), and prior to or on the  
19 Redemption Date there must be set aside in the Series 2013C Redemption Account moneys  
20 available for the purpose and sufficient to redeem, as provided in this Resolution, the Series  
21 2013C Bonds designated in said notice of redemption, subject to the provisions of subsection  
22 (j) of this Section. Said moneys must be set aside in the Series 2013C Redemption Account  
23 solely for the purpose of, and shall be applied on or after the Redemption Date to, payment of  
24 the redemption price of the Series 2013C Bonds to be redeemed upon presentation and  
25 surrender of such Series 2013C Bonds. Any interest due on or prior to the Redemption Date

1 may be paid from the Series 2013C Bond Account as provided in Section 9 or from the Series  
2 2013C Redemption Account. Moneys held from time to time in the Series 2013C Redemption  
3 Account shall be invested by the City Treasurer pursuant to the City's policies and guidelines  
4 for investment of moneys in the General Fund of the City. If, after all of the Series 2013C  
5 Bonds have been redeemed and canceled or paid and canceled, there are moneys remaining  
6 in the Series 2013C Redemption Account, said moneys shall be transferred to the General  
7 Fund of the City or to such other fund or account as required by applicable law; provided, that  
8 if said moneys are part of the proceeds of refunding bonds, said moneys shall be transferred  
9 pursuant to the resolution authorizing such refunding bonds.

10 (i) Effect of Redemption. When notice of optional redemption has been given  
11 substantially as provided in this Resolution, and when the amount necessary for the  
12 redemption of the Series 2013C Bonds called for redemption (principal, premium, if any, and  
13 accrued interest to such Redemption Date) is set aside for that purpose in the Series 2013C  
14 Redemption Account, the Series 2013C Bonds designated for redemption shall become due  
15 and payable on the Redemption Date, and upon presentation and surrender of said Series  
16 2013C Bonds at the place specified in the notice of redemption, such Series 2013C Bonds  
17 shall be redeemed and paid at said redemption price out of said Series 2013C Redemption  
18 Account. No interest will accrue on such Series 2013C Bonds called for redemption after the  
19 Redemption Date and the registered owners of such Series 2013C Bonds shall look for  
20 payment of such Series 2013C Bonds only to the Series 2013C Redemption Account. All  
21 Series 2013C Bonds redeemed shall be canceled immediately by the City Treasurer and shall  
22 not be reissued.

23 (j) Conditional Notice of Redemption; Rescission of Redemption. Any notice of  
24 optional redemption given as provided in Section 8(g) may provide that such redemption is  
25 conditioned upon: (i) deposit in the Series 2013C Redemption Account of sufficient moneys to

1 redeem the Series 2013C Bonds called for optional redemption on the anticipated  
2 Redemption Date, or (ii) the occurrence of any other event specified in the notice of  
3 redemption. If conditional notice of redemption has been given substantially as provided in  
4 this subsection (j), and on the scheduled Redemption Date (i) sufficient moneys to redeem the  
5 Series 2013C Bonds called for optional redemption on the Redemption Date have not been  
6 deposited in the Series 2013C Redemption Account, or (ii) any other event specified in the  
7 notice of redemption as a condition to the redemption has not occurred, then (y) the Series  
8 2013C Bonds for which conditional notice of redemption was given shall not be redeemed on  
9 the anticipated Redemption Date and shall remain Outstanding for all purposes of this  
10 Resolution, and (z) the redemption not occurring shall not constitute a default under this  
11 Resolution or the Authorizing Resolution.

12 The City may rescind any optional redemption and notice of it for any reason on any  
13 date prior to any Redemption Date by causing written notice of the rescission to be given to  
14 the owners of all Series 2013C Bonds so called for redemption. Notice of any such rescission  
15 of redemption shall be given in the same manner notice of redemption was originally given.  
16 The actual receipt by the owner of any Series 2013C Bond of notice of such rescission shall  
17 not be a condition precedent to rescission, and failure to receive such notice or any defect in  
18 such notice so mailed shall not affect the validity of the rescission.

19 Section 9. Series 2013C Bond Account. There is established with the City Treasurer a  
20 special subaccount in the General Obligation Bonds (Road Repaving and Street Safety  
21 Bonds, 2011) Bond Account (the "Bond Account") created pursuant to the Authorizing  
22 Resolution to be designated the "General Obligation Bonds, Series 2013C Bond Subaccount"  
23 (the "Series 2013C Bond Account"), to be held separate and apart from all other accounts of  
24 the City. All interest earned on amounts on deposit in the Series 2013C Bond Account shall  
25 be retained in the Series 2013C Bond Account.

1 On or prior to the date on which any payment of principal of or interest on the Series  
2 2013C Bonds is due, including any Series 2013C Bonds subject to mandatory redemption on  
3 said date, the City Treasurer shall allocate to and deposit in the Series 2013C Bond Account,  
4 from amounts held in the Bond Account, an amount which, when added to any available  
5 moneys contained in the Series 2013C Bond Account, is sufficient to pay principal of and  
6 interest on the Series 2013C Bonds on such date

7 On or prior to the date on which any Series 2013C Bonds are to be redeemed at the  
8 option of the City pursuant to this Resolution, the City Treasurer may allocate to and deposit  
9 in the Series 2013C Redemption Account, from amounts held in the Bond Account pursuant  
10 to Section 8 of the Authorizing Resolution, an amount which, when added to any available  
11 moneys contained in the Series 2013C Redemption Account, is sufficient to pay principal,  
12 interest and premium, if any, with respect to such Series 2013C Bonds on such date. The  
13 City Treasurer may make such other provision for the payment of principal of and interest and  
14 any redemption premium on the Series 2013C Bonds as is necessary or convenient to permit  
15 the optional redemption of the Series 2013C Bonds.

16 Amounts in the Series 2013C Bond Account may be invested in any investment of the  
17 City in which moneys in the General Fund of the City are invested. The City Treasurer may (i)  
18 commingle any of the moneys held in the Series 2013C Bond Account with other City moneys  
19 or (ii) deposit amounts credited to the Series 2013C Bond Account into a separate fund or  
20 funds for investment purposes only; provided, that all of the moneys held in the Series 2013C  
21 Bond Account shall be accounted for separately notwithstanding any such commingling or  
22 separate deposit by the City Treasurer.

23 Section 10. Series 2013C Project Account. There is established with the City  
24 Treasurer a special subaccount in the General Obligation Bonds (Road Repaving and Street  
25 Safety Bonds, 2011) Project Account (the "Project Account") created pursuant to the

1 Authorizing Resolution to be designated the “General Obligation Bonds, Series 2013C Project  
2 Subaccount” (the “Series 2013C Project Account”), to be held separate and apart from all  
3 other accounts of the City. All interest earned on amounts on deposit in the Series 2013C  
4 Project Account shall be retained in the Series 2013C Project Account. Amounts in the Series  
5 2013C Project Account shall be expended in accordance with the provisions of the  
6 Authorizing Resolution for the acquisition, construction or reconstruction of the Project (as  
7 defined in the Authorizing Resolution).

8 Amounts in the Series 2013C Project Account may be invested in any investment of  
9 the City in which moneys in the General Fund of the City are invested. The City Treasurer  
10 may (i) commingle any of the moneys held in the Series 2013C Project Account with other  
11 City moneys or (ii) deposit amounts credited to the Series 2013C Project Account into a  
12 separate fund or funds for investment purposes only; provided, that all of the moneys held in  
13 the Series 2013C Project Account (including interest earnings) shall be accounted for  
14 separately notwithstanding any such comingling or separate deposit by the City Treasurer.

15 The City Treasurer is authorized to pay or cause to be paid from the proceeds of the  
16 Series 2013C Bonds, on behalf of the City, the costs of issuance associated with the Series  
17 2013C Bonds. Costs of issuance of the Series 2013C Bonds shall include, without limitation,  
18 bond and financial printing expenses, mailing and publication expenses, rating agency fees,  
19 the fees and expenses of paying agents, registrars, financial consultants, disclosure counsel  
20 and co-bond counsel, and the reimbursement of departmental expenses in connection with  
21 the issuance of the Series 2013C Bonds.

22 Section 11. Appointment of Depositories and Other Agents. The City Treasurer is  
23 authorized and directed to appoint one or more depositories as he or she may deem desirable  
24 and the procedures set forth in Section 6, Section 7 and Section 8 relating to registration of  
25 ownership of the Series 2013C Bonds and payments and redemption notices to owners of the

1 Series 2013C Bonds may be modified to comply with the policies and procedures of such  
2 depository. The City will not have any responsibility or obligation to any purchaser of a  
3 beneficial ownership interest in any Series 2013C Bonds or to any participants in such a  
4 depository with respect to (i) the accuracy of any records maintained by such securities  
5 depository or any participant therein; (ii) any notice that is permitted or required to be given to  
6 the owners of Series 2013C Bonds under this Resolution; (iii) the selection by such securities  
7 depository or any participant therein of any person to receive payment in the event of a partial  
8 redemption of Series 2013C Bonds; (iv) the payment by such securities depository or any  
9 participant therein of any amount with respect to the principal or redemption premium, if any,  
10 or interest due with respect to Series 2013C Bonds; (v) any consent given or other action  
11 taken by such securities depository as the owner of Series 2013C Bonds; or (vi) any other  
12 matter.

13 The Depository Trust Company (“DTC”) is appointed as depository for the Series  
14 2013C Bonds. The Series 2013C Bonds shall be initially issued in book-entry form. Upon  
15 initial issuance, the ownership of each Series 2013C Bond shall be registered in the bond  
16 register in the name of Cede & Co., as nominee of DTC. So long as each Series 2013C Bond  
17 is registered in book-entry form, each Series 2013C Bond shall be registered in the name of  
18 Cede & Co. or in the name of such successor nominee as may be designated from time to  
19 time by DTC or any successor as depository.

20 The City Treasurer is also authorized and directed to appoint one or more agents as he  
21 or she may deem necessary or desirable. To the extent permitted by applicable law and  
22 under the supervision of the City Treasurer, such agents may serve as paying agent, fiscal  
23 agent, rebate calculation agent, escrow agent or registrar for the Series 2013C Bonds or may  
24 assist the City Treasurer in performing any or all of such functions and such other duties as  
25 the City Treasurer shall determine. Such agents shall serve under such terms and conditions



1 as the City Treasurer shall determine. The City Treasurer may remove or replace agents  
2 appointed pursuant to this paragraph at any time.

3 Section 12. Defeasance Provisions. Payment of all or any portion of the Series 2013C  
4 Bonds may be provided for prior to such Series 2013C Bonds' respective stated maturities by  
5 irrevocably depositing with the City Treasurer (or any commercial bank or trust company  
6 designated by the City Treasurer to act as escrow agent):

7 (a) An amount of cash equal to the principal amount of all of the Series 2013C  
8 Bonds or portion thereof to be defeased, and all unpaid interest thereon to maturity, except  
9 that in the case of any portion of the Series 2013C Bonds that is to be redeemed prior to such  
10 Series 2013C Bonds' respective stated maturities and in respect of which notice of such  
11 redemption shall have been given as provided in Section 8 or an irrevocable election to give  
12 such notice shall have been made by the City, the amount to be deposited shall be the  
13 principal amount thereof, all unpaid interest thereon to the Redemption Date, and premium, if  
14 any, due on such Redemption Date; or

15 (b) Defeasance Securities (as defined below) not subject to call, except as provided  
16 below in the definition of that term, maturing and paying interest at such times and in such  
17 amounts, together with interest earnings and cash, if required, as will, without reinvestment,  
18 as certified by an independent certified public accountant, be fully sufficient to pay the  
19 principal and all unpaid interest to maturity, or to the Redemption Date, as the case may be,  
20 and premium, if any, due on the portion of the Series 2013C Bonds to be redeemed, as such  
21 principal and interest come due; provided, that, in the case of Series 2013C Bonds that are to  
22 be redeemed prior to maturity, notice of such redemption shall be given as provided in Section  
23 8 or an irrevocable election to give such notice shall have been made by the City; then, all  
24 obligations of the City with respect to said outstanding Series 2013C Bonds shall cease and  
25 terminate, except only the obligation of the City to pay or cause to be paid from the funds

1 deposited pursuant to paragraphs (a) or (b) of this Section 12 to the owners of such Series  
2 2013C Bonds all sums due with respect thereto and the obligations of the City pursuant to  
3 Section 18; and provided further, that the City shall have received an opinion of nationally  
4 recognized bond counsel that provision for the payment of such Series 2013C Bonds has  
5 been made in accordance with this Section 12.

6 For purposes of this Section 12, "Defeasance Securities" shall mean any of the  
7 following that at the time are legal investments under the laws of the State of California for the  
8 moneys proposed to be invested:

9 (1) United States Obligations (as defined below); and

10 (2) Pre-refunded fixed interest rate municipal obligations meeting the following  
11 conditions: (a) the municipal obligations are not subject to redemption prior to maturity, or the  
12 trustee or paying agent has been given irrevocable instructions concerning their calling and  
13 redemption and the issuer has covenanted not to redeem such obligations other than as set  
14 forth in such instructions; (b) the municipal obligations are secured by cash or United States  
15 Obligations; (c) the principal of and interest on the United States Obligations (plus any cash in  
16 the escrow fund or the Series 2013C Redemption Account) are sufficient to meet the liabilities  
17 of the municipal obligations; (d) the United States Obligations serving as security for the  
18 municipal obligations are held by an escrow agent or trustee; (e) the United States Obligations  
19 are not available to satisfy any other claims, including those against the trustee or escrow  
20 agent; and (f) the municipal obligations are rated, without regard to any numerical modifier,  
21 plus or minus sign or other modifier, at the time of original deposit to the escrow fund, by any  
22 two Rating Agencies (as defined below) not lower than the rating then maintained by such  
23 Rating Agencies on such United States Obligations.

24 For purposes of this Section 12, "United States Obligations" means (i) direct and  
25 general obligations of the United States of America, or obligations that are unconditionally

1 guaranteed as to principal and interest by the United States of America, including without  
2 limitation, the interest component of Resolution Funding Corporation (REFCORP) bonds that  
3 have been stripped by request to the Federal Reserve Bank of New York in book-entry form  
4 or (ii) any security issued by an agency or instrumentality of the United States of America that  
5 is selected by the Director of Public Finance that results in the escrow fund being rated by any  
6 two Rating Agencies at the time of the initial deposit to the escrow fund and upon any  
7 substitution or subsequent deposit to the escrow fund, not lower than the rating then  
8 maintained by such Rating Agencies on United States Obligations described in clause (i)  
9 above.

10 For purposes of this Section 12, "Rating Agencies" means Moody's Investors Service,  
11 Inc., Fitch Ratings, and Standard and Poor's Rating Services, a division of The McGraw-Hill  
12 Companies, Inc., or any other nationally recognized bond rating agency that is the successor  
13 to any of the foregoing rating agencies or that is otherwise established after the date hereof.

14 Section 13. Official Notice of Sale; Receipt of Bids; Bond Award.

15 (a) Official Notice of Sale. The form of proposed Official Notice of Sale inviting bids  
16 for the Series 2013C Bonds (the "Official Notice of Sale") submitted to the Board is approved  
17 and adopted as the Official Notice of Sale inviting bids for the Series 2013C Bonds, with such  
18 changes, additions and modifications as may be made in accordance with Section 20. The  
19 Director of Public Finance is authorized and directed to cause to be mailed or otherwise  
20 circulated to prospective bidders for the Series 2013C Bonds copies of the Official Notice of  
21 Sale, subject to such corrections, revisions or additions as may be acceptable to the Director  
22 of Public Finance.

23 (b) Receipt of Bids. Bids shall be received on the date designated by the Director of  
24 Public Finance pursuant to Section 4.

1 (c) Bond Award. As provided in the Official Notice of Sale, the City may reject any  
2 and all bids received for any reason. The Controller is authorized to award the Series 2013C  
3 Bonds to the responsible bidder whose bid (a) is timely received and conforms to the Official  
4 Notice of Sale, except to the extent informalities and irregularities are waived by the City as  
5 permitted by the Official Notice of Sale, and (b) represents the lowest true interest cost to the  
6 City in accordance with the procedures described in the Official Notice of Sale. The award, if  
7 made, shall be set forth in a certificate signed by the Controller setting forth the terms of the  
8 Series 2013C Bonds and the original purchasers (the "Bond Award"). The Controller shall  
9 provide a copy of the Bond Award as soon as practicable to the Clerk of the Board of  
10 Supervisors and the Director of Public Finance; provided, that failure to provide such copy  
11 shall not affect the validity of the Bond Award.

12 Section 14. Publication of Notice of Intention to Sell Bonds. The form of proposed  
13 Notice of Intention to Sell the Series 2013C Bonds (the "Notice of Intention to Sell Bonds")  
14 submitted to the Board is approved and adopted as the Notice of Intention to Sell the Series  
15 2013C Bonds, and the Director of Public Finance is authorized and directed to cause the  
16 Notice of Intention to Sell Bonds, subject to such corrections, revisions or additions as may be  
17 made in accordance with Section 20, to be published once in The Bond Buyer or another  
18 financial publication generally circulated throughout the State of California.

19 Section 15. Sale of Series 2013C Bonds; Solicitation of Competitive Bids. The Board  
20 authorizes the sale of the Series 2013C Bonds by solicitation of competitive bids for the  
21 purchase of the Series 2013C Bonds on the date and at the place determined in accordance  
22 with the Official Notice of Sale and Section 4.

23 Section 16. Disposition of Proceeds of Sale. The proceeds of sale of the Series  
24 2013C Bonds shall be applied by the City Treasurer as follows: (a) accrued interest, if any,  
25 shall be deposited into the Series 2013C Bond Account; (b) premium, if any, shall be

1 deposited into the Series 2013C Bond Account; and (iii) remaining proceeds of sale shall be  
2 deposited into the Series 2013C Project Account.

3           Section 17. Official Statement. The form of proposed Preliminary Official Statement  
4 describing the Series 2013C Bonds (the “Preliminary Official Statement”) submitted to the  
5 Board is approved and adopted as the Preliminary Official Statement describing the Series  
6 2013C Bonds, with such additions, corrections and revisions as may be determined to be  
7 necessary or desirable made in accordance with Section 20. The Controller is authorized to  
8 cause the distribution of a Preliminary Official Statement deemed final for purposes of  
9 Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities  
10 Exchange Act of 1934, as amended (the “Rule”), and to sign a certificate to that effect. The  
11 Director of Public Finance is authorized and directed to cause to be printed and mailed or  
12 electronically distributed to prospective bidders for the Series 2013C Bonds the Preliminary  
13 Official Statement in substantially the form of the Preliminary Official Statement approved and  
14 adopted by this Resolution, as completed, supplemented, corrected or revised. The  
15 Controller is authorized and directed to approve, execute, and deliver the final Official  
16 Statement with respect to the Series 2013C Bonds, which final Official Statement shall be in  
17 the form of the Preliminary Official Statement, with such additions, corrections and revisions  
18 as may be determined to be necessary or desirable made in accordance with Section 20 and  
19 as are permitted under the Rule. The Director of Public Finance is authorized and directed to  
20 cause to be printed and mailed or electronically distributed the final Official Statement to all  
21 actual initial purchasers of the Series 2013C Bonds.

22           Section 18. Tax Covenants.

23           (a) General. The City covenants with the holders of the Series 2013C Bonds that,  
24 notwithstanding any other provisions of this Resolution, it shall not take any action, or fail to  
25 take any action, if any such action or failure to take action would adversely affect the

1 exclusion from gross income of interest on the Series 2013C Bonds under Section 103 of the  
2 Code, and the regulations issued thereunder, as the same may be amended from time to  
3 time, and any successor provisions of law. Reference to a particular section of the Code shall  
4 be deemed to be a reference to any successor to any such section. The City shall not,  
5 directly or indirectly, use or permit the use of proceeds of the Series 2013C Bonds or any of  
6 the property financed or refinanced with proceeds of the Series 2013C Bonds, or any portion  
7 thereof, by any person other than a governmental unit (as such term is used in Section 141 of  
8 the Code), in such manner or to such extent as would result in the loss of exclusion of interest  
9 on the Series 2013C Bonds from gross income for federal income tax purposes.

10 (b) Use of Proceeds. The City shall not take any action, or fail to take any action, if  
11 any such action or failure to take action would cause the Series 2013C Bonds to be “private  
12 activity bonds” within the meaning of Section 141 of the Code, and in furtherance thereof,  
13 shall not make any use of the proceeds of the Series 2013C Bonds or any of the property  
14 financed or refinanced with proceeds of the Series 2013C Bonds, or any portion thereof, or  
15 any other funds of the City, that would cause the Series 2013C Bonds to be “private activity  
16 bonds” within the meaning of Section 141 of the Code. To that end, so long as any Series  
17 2013C Bonds are outstanding, the City, with respect to such proceeds and property and such  
18 other funds, will comply with applicable requirements of the Code and all regulations of the  
19 United States Department of the Treasury issued thereunder, to the extent such requirements  
20 are, at the time, applicable and in effect. The City shall establish reasonable procedures  
21 necessary to ensure continued compliance with Section 141 of the Code and the continued  
22 qualification of the Series 2013C Bonds as “governmental bonds.”

23 (c) Arbitrage. The City shall not, directly or indirectly, use or permit the use of any  
24 proceeds of the Series 2013C Bonds, or of any property financed or refinanced by the Series  
25 2013C Bonds, or other funds of the City, or take or omit to take any action, that would cause

1 the Series 2013C Bonds to be “arbitrage bonds” within the meaning of Section 148 of the  
2 Code. To that end, the City shall comply with all requirements of Section 148 of the Code and  
3 all regulations of the United States Department of the Treasury issued thereunder to the  
4 extent such requirements are, at the time, in effect and applicable to the Series 2013C Bonds.

5 (d) Federal Guarantee. The City shall not make any use of the proceeds of the  
6 Series 2013C Bonds or any other funds of the City, or take or omit to take any other action,  
7 that would cause the Series 2013C Bonds to be “federally guaranteed” within the meaning of  
8 Section 149(b) of the Code.

9 (e) Information Reporting. The City shall take or cause to be taken all necessary  
10 action to comply with the information reporting requirement of Section 149(e) of the Code with  
11 respect to the Series 2013C Bonds.

12 (f) Hedge Bonds. The City shall not make any use of the proceeds of the Series  
13 2013C Bonds or any other amounts or property, regardless of the source, or take any action  
14 or refrain from taking any action that would cause the Series 2013C Bonds to be considered  
15 “hedge bonds” within the meaning of Section 149(g) of the Code unless the City takes all  
16 necessary action to assure compliance with the requirements of Section 149(g) of the Code.

17 (g) Compliance with Tax Certificate. In furtherance of the foregoing tax covenants  
18 of this Section 18, the City covenants that it will comply with the provisions of the Tax  
19 Certificate to be executed by the City with respect to the Series 2013C Bonds, dated the date  
20 of issuance of the Series 2013C Bonds, as such Tax Certificate may be amended from time to  
21 time. This covenant shall survive payment in full or defeasance of the Series 2013C Bonds.

22 Section 19. Continuing Disclosure Certificate. The form of Continuing Disclosure  
23 Certificate (the “Continuing Disclosure Certificate”), to be signed by the City to permit the  
24 original purchasers of the Series 2013C Bonds to comply with the Rule, submitted to the  
25 Board is approved and adopted as the Continuing Disclosure Certificate, with such additions,

1 corrections and revisions as may be determined to be necessary or desirable made in  
2 accordance with Section 20. The Controller is authorized and directed to execute the  
3 Continuing Disclosure Certificate on behalf of the City and deliver the Continuing Disclosure  
4 Certificate to the original purchasers of the Series 2013C Bonds.

5 Section 20. Modification to Documents. Any City official authorized by this Resolution  
6 to execute any document is further authorized, in consultation with the City Attorney and co-  
7 bond counsel, to approve and make such changes, additions, amendments or modifications to  
8 the document or documents such official is authorized to execute as may be necessary or  
9 advisable (provided, that such changes, additions, amendments or modifications shall not  
10 authorize an aggregate principal amount of Series 2013C Bonds in excess of \$133,275,000 or  
11 conflict with the provisions of Section 4). The approval of any change, addition, amendment  
12 or modification to any of the aforementioned documents shall be evidenced conclusively by  
13 the execution and delivery of the document in question.

14 Section 21. Ratification. All actions previously taken by officials, employees and  
15 agents of the City with respect to the sale and issuance of the Series 2013C Bonds are  
16 approved, confirmed and ratified.

17 Section 22. Relationship to Authorizing Resolution. In the event of any conflict  
18 between this Resolution and the Authorizing Resolution, the terms of this Resolution shall  
19 control. Without limiting the foregoing and notwithstanding the provisions of the Authorizing  
20 Resolution, the City is not obligated to transfer money from the General Fund of the City to the  
21 Bond Account to pay the principal of or interest on the Series 2013C Bonds.

22 Section 23. Reimbursement. The City declares its official intent to reimburse prior  
23 expenditures of the City incurred prior to the issuance and sale of the Series 2013C Bonds in  
24 connection with the Project or portions thereof to be financed by the Series 2013C Bonds.  
25 The Board declares the City's intent to reimburse the City with the proceeds of the Series



1 2013C Bonds for the expenditures with respect to the Project (the “Expenditures” and each,  
2 an “Expenditure”) made on and after that date that is no more than 60 days prior to adoption  
3 of this Resolution. The City reasonably expects on the date of adoption of this Resolution that  
4 it will reimburse the Expenditures with the proceeds of the Series 2013C Bonds.

5 Each Expenditure was and will be either (a) of a type properly chargeable to a capital  
6 account under general federal income tax principles (determined in each case as of the date  
7 of the Expenditure), (b) a cost of issuance with respect to the Series 2013C Bonds, (c) a  
8 nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a  
9 party that is not related to or an agent of the City so long as such grant does not impose any  
10 obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the  
11 City. The maximum aggregate principal amount of the Series 2013C Bonds expected to be  
12 issued for the Project is \$133,275,000. The City shall make a reimbursement allocation,  
13 which is a written allocation by the City that evidences the City’s use of proceeds of the Series  
14 2013C Bonds to reimburse an Expenditure, no later than 18 months after the later of the date  
15 on which the Expenditure is paid or the Project is placed in service or abandoned, but in no  
16 event more than three years after the date on which the Expenditure is paid. The City  
17 recognizes that exceptions are available for certain “preliminary expenditures,” costs of  
18 issuance, certain *de minimis* amounts, expenditures by “small issuers” (based on the year of  
19 issuance and not the year of expenditure) and expenditures for construction projects of at  
20 least 5 years.

21 Section 24. Accountability Reports. The accountability requirements under the City’s  
22 Administrative Code and the Bond Election Ordinance for the Series 2013C Bonds are hereby  
23 waived. Accountability report(s) with respect to the Series 2013C Bonds shall be submitted  
24 within 60 days (or as soon thereafter as possible) of any supplemental budgetary  
25 appropriation approval.

1           Section 25. Citizens' Oversight Committee. The Series 2013C Bonds are subject to,  
2 and incorporate by reference, the applicable provisions of the San Francisco Administrative  
3 Code Sections 5.30-5.36 (the "Citizens' General Obligation Bond Oversight Committee"), and,  
4 to the extent permitted by law, one tenth of one percent (0.1%) of the gross proceeds of the  
5 Series 2013C Bonds shall be deposited into a fund established by the Controller's Office and  
6 appropriated by the Board at the direction of the Citizens' General Obligation Bond Oversight  
7 Committee to cover the costs of such committee.

8           Section 26. CEQA Determination. The Board hereby reaffirms and incorporates by  
9 reference the CEQA findings and determinations set forth in Ordinance 148-11 as if set forth  
10 in full herein. The use of bond proceeds to finance any identified project or portion of any  
11 identified project will be subject, as necessary, to approval of the Board upon completion of  
12 planning and any further required environmental review under CEQA for the individual  
13 facilities and projects.

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1           Section 27. General Authority. The Clerk of the Board of Supervisors, the Mayor, the  
2 City Treasurer, the Director of Public Finance, the City Attorney and the Controller are each  
3 authorized and directed in the name and on behalf of the City to take any and all steps and to  
4 issue, deliver or enter into any and all certificates, requisitions, agreements, notices, consents,  
5 and other documents as may be necessary to give effect to the provisions of this Resolution,  
6 including but not limited to letters of representations to any depository or depositories, which  
7 they or any of them might deem necessary or appropriate in order to consummate the lawful  
8 issuance, sale and delivery of the Series 2013C Bonds.

9  
10 APPROVED AS TO FORM:  
11 DENNIS J. HERRERA, City Attorney

12 By: \_\_\_\_\_  
13       Mark D. Blake  
14       Deputy City Attorney

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**Exhibit A**

Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to City or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE OF THIS BOND FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Number R-\_\_ UNITED STATES OF AMERICA Amount

STATE OF CALIFORNIA

CITY AND COUNTY OF SAN FRANCISCO

GENERAL OBLIGATION BONDS (ROAD REPAVING AND STREET SAFETY BONDS, 2011),

SERIES 2013C

| <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Dated</u> | <u>CUSIP Number</u> |
|----------------------|----------------------|--------------|---------------------|
| ____%                | June 15, 20__        | _____, 2013  | _____               |

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: \_\_\_\_\_ Dollars

1           The City and County of San Francisco, State of California (the “**City**”), acknowledges  
2 itself indebted to and promises to pay to the Registered Owner specified above or registered  
3 assigns, on the Maturity Date specified above, the Principal Amount of this bond specified  
4 above in lawful money of the United States of America, and to pay interest on the Principal  
5 Amount in like lawful money from the interest payment date next preceding the date of  
6 authentication of this bond (unless this bond is authenticated as of the day during the period  
7 from the last day of the month next preceding any interest payment date (the “**Record Date**”)  
8 to such interest payment date, inclusive, in which event it shall bear from such interest  
9 payment date, or unless this bond is authenticated on or before November 30, 2013, in which  
10 event it shall bear interest from its dated date) until payment of such Principal Amount, at the  
11 Interest Rate per year specified above calculated on the basis of a 360-day year comprised of  
12 twelve 30-day months, payable on December 15, 2013 and semiannually thereafter on June  
13 15 and December 15 in each year; *provided*, that if any interest payment date occurs on a day  
14 that banks in California or New York are closed for business or the New York Stock Exchange  
15 is closed for business, then such payment shall be made on the next succeeding day that  
16 banks in both California and New York are open for business and the New York Stock  
17 Exchange is open for business (a “**Business Day**”). The principal of this bond is payable to  
18 the Registered Owner of this bond upon the surrender of this bond at the office of the  
19 Treasurer of the City (the “**City Treasurer**”). The interest on this bond is payable to the person  
20 whose name appears on the bond registration books of the City Treasurer as the Registered  
21 Owner of this bond as of the close of business on the Record Date immediately preceding an  
22 interest payment date, whether or not such day is a Business Day, such interest to be paid by  
23 check mailed on the interest payment date to such Registered Owner at the owner’s address  
24 as it appears on such registration books; *provided*, that the Registered Owner of bonds in an  
25 aggregate principal amount of at least \$1,000,000 may submit a written request to the City

1 Treasurer on or before the Record Date preceding any interest payment date for payment of  
2 interest by wire transfer to a commercial bank located in the United States of America.

3 This bond is one of a duly authorized issue of bonds (the “**Bonds**”) of like tenor (except  
4 for such variations, if any, as may be required to designate varying numbers, denominations,  
5 interest rates and maturities), in the aggregate principal amount of \$133,275,000, which is  
6 part of a bond authorization in the aggregate original principal amount of \$248,000,000  
7 authorized by the affirmative votes of more than two-thirds of the voters voting at a special  
8 election duly and legally called, held and conducted in the City on November 8, 2011 and is  
9 issued and sold by the City pursuant to and in strict conformity with the provisions of the  
10 Constitution and laws of the State of California, the Charter of the City and resolutions  
11 adopted by the Board of Supervisors of the City (the “**Board of Supervisors**”) on January 24,  
12 2012 and \_\_\_\_\_, 2013 (collectively, together with the related Certificate of Award, the  
13 “**Resolutions**”).

14 The Bonds are issuable as fully registered bonds without coupons in the denominations  
15 of \$5,000 or any integral multiple of such amount, *provided* that no bond shall have principal  
16 maturing on more than one principal maturity date. Subject to the limitations and conditions  
17 and upon payment of the charges, if any, provided in the Resolutions, the Bonds may be  
18 exchanged for a like aggregate principal amount of Bonds of other authorized denominations  
19 of the same interest rate and maturity.

20 This bond is transferable by its registered owner, in person or by its attorney duly  
21 authorized in writing, at the office of the City Treasurer, but only in the manner, subject to the  
22 limitations and upon payment of the charges provided in the Resolutions, and upon surrender  
23 and cancellation of this bond. Upon such transfer, a new bond or bonds of authorized  
24 denomination or denominations for the same interest rate and same aggregate principal  
25 amount will be issued to the transferee in exchange for this bond.

1 The City Treasurer will not be required to exchange or register the transfer of this bond  
2 during the period (a) from the Record Date for an interest payment date to the opening of  
3 business on such interest payment date or (b) after notice of redemption of this bond or any  
4 portion of this bond has been mailed.

5 Bonds maturing on and before June 15, 20\_\_, are not redeemable prior to their  
6 maturity.

7 Bonds maturing on and after June 15, 20\_\_, are subject to optional redemption from  
8 any available funds, in whole or in part, on any date on or after June 15, 20\_\_, at a price equal  
9 to their principal amount plus in each case accrued interest to the date of redemption, without  
10 redemption premium. If less than all of the outstanding Bonds are to be redeemed, they may  
11 be redeemed in any order of maturity as determined by the City. If less than all of the  
12 outstanding Bonds of a maturity are to be redeemed, the Bonds or portions of Bonds of such  
13 maturity to be redeemed shall be selected by the City Treasurer, in authorized denominations  
14 of \$5,000 or integral multiples of that amount, from among Bonds of that maturity not  
15 previously called for redemption, by lot, in any manner which the City Treasurer deems fair.

16 Bonds maturing on June 15, 20\_\_, are subject to mandatory sinking fund redemption  
17 on June 15 of each of the years 20\_\_ through 20\_\_, inclusive, and at maturity in the  
18 respective amounts provided in the Resolutions.

19 Bonds maturing on June 15, 20\_\_, are subject to mandatory sinking fund redemption  
20 on June 15 of each of the years 20\_\_ through 20\_\_, inclusive, and at maturity in the  
21 respective amounts provided in the Resolutions.

22 Notice of the redemption of Bonds which by their terms shall have become subject to  
23 redemption shall be given or caused to be given to the registered owner of each bond or  
24 portion of a bond called for redemption not less than 20 or more than 60 days before any date  
25 established for redemption of Bonds, by the City Treasurer on behalf of the City, first class

1 mail, postage prepaid, sent to the registered owner's last address, if any, appearing on the  
2 registration books kept by the City Treasurer. Official notices of redemption will contain the  
3 information specified in the Resolutions.

4 On or prior to any redemption date, the City is required to deposit an amount of money  
5 sufficient to pay the redemption price of all of the Bonds or portions of Bonds which are to be  
6 redeemed on that date or, in the case of optional redemptions only, the optional redemption  
7 and notice of it will be rescinded and the City's failure to deposit such amount will not be a  
8 default. In addition, the City may at its option rescind any optional redemption and notice of it  
9 for any reason on any date prior to the applicable redemption date. Notice of rescission of an  
10 optional redemption shall be given in the same manner as notice of redemption was originally  
11 given,

12 Official notice of redemption having been given as aforesaid, the Bonds or portions of  
13 Bonds so to be redeemed shall, on the redemption date, become due and payable at the  
14 redemption price therein specified, and from and after such date (unless such redemption and  
15 notice of it shall have been rescinded or unless the City shall default in the payment of the  
16 redemption price), such Bonds or portions of Bonds shall cease to bear interest. Neither the  
17 failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular  
18 registered owner, shall affect the sufficiency of such notice with respect to other Bonds.

19 Notice of redemption, or notice of rescission of an optional redemption, having been  
20 properly given, failure of a registered owner to receive such notice shall not be deemed to  
21 invalidate, limit or delay the effect of the notice or redemption action described in the notice.

22 The City and the City Treasurer may treat the registered owner of this bond as the  
23 absolute owner of this bond for all purposes, and the City and the City Treasurer shall not be  
24 affected by any notice to the contrary.

25 The City Treasurer may appoint agents to serve as bond registrar or paying agent, as



1 provided in the Resolutions.

2 The Board of Supervisors certifies, recites and declares that the total amount of  
3 indebtedness of the City, including the amount of this bond, is within the limit provided by law,  
4 that all acts, conditions and things required by law to be done or performed precedent to and  
5 in the issuance of this bond have been done and performed in strict conformity with the laws  
6 authorizing the issuance of this bond, that this bond is in the form prescribed by order of the  
7 Board of Supervisors duly made and entered on its minutes, and the money for the payment  
8 of principal of this bond, and the payment of interest thereon, shall be raised by taxation upon  
9 the taxable property of the City as provided in the Resolutions.

10 This bond shall not be entitled to any benefit under the Resolutions, or become valid or  
11 obligatory for any purpose, until the certificate of authentication and registration on this bond  
12 shall have been signed by the City Treasurer.

13 IN WITNESS WHEREOF the Board of Supervisors has caused this bond to be  
14 executed by the Mayor of the City and to be countersigned by the Clerk of the Board of  
15 Supervisors, all as of \_\_\_\_\_, 2013.

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

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20 Countersigned:

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

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1 CERTIFICATE OF REGISTRATION AND AUTHENTICATION

2 This is one of the bonds described in the within-mentioned Resolutions, which has been  
3 authenticated on the date set forth below.

4 Date of Authentication: \_\_\_\_\_  
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7 \_\_\_\_\_  
8 Treasurer of the City and  
9 County of San Francisco  
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1     **Notice:**     The signature(s) should be guaranteed by an eligible guarantor institution  
2                   (banks, stockbrokers, savings and loan associations and credit unions with  
3                   membership in approved Signature Guarantee Medallion Program).  
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