

## LEGISLATIVE DIGEST

[Taxable Certificates of Participation (HOPE SF) - Amending Ordinance No. 266-10 - Not to Exceed \$38,000,000]

**Ordinance amending Ordinance No. 266-10, authorizing the execution and delivery of Taxable Certificates of Participation (HOPE SF) in an aggregate principal amount not to exceed \$38,000,000; approving the use and occupancy of certain leased property; approving the form of and authorizing the distribution of a revised preliminary official statement relating to the execution and delivery of Taxable Certificates of Participation (HOPE SF) and authorizing the preparation, execution and delivery of a final official statement; ratifying the approvals and terms and conditions of Ordinance No. 266-10 and related matters, as defined herein.**

### Existing Law

The Board of Supervisors, in order to finance a portion of the HOPE SF program (the "Project"), has previously authorized by Ordinance No. 266-10, passed by the Board on October 26, 2010 and approved by the Mayor on November 5, 2010 (the 2010 Ordinance), the execution and delivery of not to exceed \$38,000,000 Certificates of Participation (the "Certificates of Participation" or the "Certificates") issued pursuant to a Trust Agreement (the "Trust Agreement"), between the City and and a trustee to be named therein (the "Trustee"), which Certificates of Participation are to be secured by a Property Lease (the "Property Lease"), pursuant to which the City leases certain property to the Trustee, and a Project Lease (the "Project Lease"), pursuant to which the Trustee leases said property (the "Leased Property") back to the City.

### Amendments to Current Law

This Ordinance authorizes the Certificates to be executed and delivered by June 30, 2018, approves the use and occupancy of certain additional leased property, approves the form and authorizes the distribution of an updated preliminary official statement and authorizes the preparation, execution and delivery of a final official statement, and ratifies the approvals and terms and conditions of the 2010 Ordinance.

### Background Information

The 2010 Ordinance approved the form and authorized the execution and delivery of the Certificates on or by June 30, 2013 to finance certain capital improvement projects. In connection with the execution and delivery of these Certificates, the 2010 Ordinance provided for the approval of the following agreements and documents: a form of Trust Agreement, a form of Property Lease, a form of Project Lease, a form of an Official Notice of Sale and Notice of Intention to Sell, a form of Bond Purchase Contract, a form of preliminary Official Statement, and other documents necessary for the execution and delivery and sale of the

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certificates of participation. The 2010 Ordinance also delegated to the Director of Finance the authority to sell the certificates of participation by either a competitive or negotiated sale and to select a trustee.

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