

LEGISLATIVE DIGEST

[San Francisco Finance Corporation - Refunding Lease Revenue Bonds - Open Space Fund - Not to Exceed \$41,320,000]

Ordinance approving the issuance and sale of refunding lease revenue bonds by the City and County of San Francisco Finance Corporation (the “Corporation”), in an amount not to exceed \$41,320,000, payable from the Park, Recreation and Open Space Fund to refinance lease revenue bonds previously issued to finance various park projects, as defined herein; approving the form of a Second Amendment to Site Lease by and between the Corporation and the City and County of San Francisco (the “City”) relating to certain real property described herein; approving the form of a Second Amendment to Master Lease by and between the Corporation and the City; approving the form of a Second Supplemental Trust Agreement by and between the Corporation and a trustee (including certain indemnities contained therein); approving the form of an Assignment Agreement by and between the Corporation and a trustee; authorizing the sale of the refunding lease revenue bonds by competitive or negotiated sale; approving the form of an Official Notice of Sale and a Notice of Intention to Sell the refunding lease revenue bonds; directing the publication of the Notice of Intention to Sell the refunding lease revenue bonds; approving the form of a Purchase Contract and authorizing the appointment of one or more underwriters for the refunding lease revenue bonds; approving the form of an Official Statement in preliminary and final form; approving the form of a Continuing Disclosure Certificate; authorizing the payment of costs of issuance; granting general authority to City officials to take certain actions in connection with the refunding lease revenue bonds, as defined herein; approving modifications to documents; and ratifying previous actions taken in connection therewith, as defined herein.

Existing Law

This is new legislation.

Amendments to Current Law

Not applicable.

Background Information

Ordinance approving the issuance and sale of refunding lease revenue bonds by the City and County of San Francisco Finance Corporation (the “Corporation”) to refinance lease revenue bonds previously issued to finance various projects under Section 16.107 of the Charter. On March 7, 2000, the voters of the City approved Proposition C, which extended the Park, Recreation and Open Space Fund (the “Fund”), as codified in Section 16.107, and authorized the Board to issue revenue bonds or other evidences of indebtedness, or to incur lease

financing or other obligations, payable from any available funds pledged or appropriated by the Board for such purpose, the proceeds of which are to be used for the purposes set forth in Section 16.107(e). The Recreation and Parks Department (the "Parks Department") previously requested that the City, acting through the Corporation, issue two series of lease revenue bonds and, with the approval of this Board and the Mayor of the City in each case, the Corporation has previously issued, in each case in accordance with Charter Section 16.107(e), its \$27,005,000 principal amount of Lease Revenue Bonds, Series 2006 (Open Space Fund – Various Park Projects) (the "Series 2006 Bonds") to finance the construction, reconstruction, rehabilitation and/or improvement of certain various park, recreation and open space improvements (the "2006 Project"), and its \$42,435,000 principal amount of Lease Revenue Bonds, Series 2007 (Open Space Fund – Various Park Projects) (the "Series 2007 Bonds") to finance the construction, reconstruction, rehabilitation and/or improvement of certain other various park, recreation and open space improvements (the "2007 Project" and, together with the 2006 Project, the "Prior Projects"). At the present time, \$15,805,000 principal amount of the Series 2006 Bonds remain outstanding, and \$28,135,000 principal amount of the Series 2007 Bonds remain outstanding and are subject to optional redemption in whole or in part on any date. In order to refinance the costs of the Prior Projects the Ordinance authorizes the issuance and sale of refunding lease revenue bonds (the "Bonds") by the Corporation pursuant to Section 16.107 of the Charter and in accordance with Section 9.108(2) of the Charter. The Ordinance also describes certain City-owned property(ies) under the jurisdiction of the Parks Department for purposes of leasing in connection with the issuance and sale of the Bonds.

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