

1 [San Francisco Unified School District General Obligation Bonds.]

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3 **Resolution authorizing the San Francisco Unified School District to issue and sell on**
4 **its own behalf its general obligation bonds approved by the voters at the November**
5 **7, 2006 election without further action by this Board of Supervisors or any other officer**
6 **of the City and County of San Francisco; ratifying certain actions previously taken; and**
7 **granting general authority to City and County of San Francisco officials to take**
8 **necessary actions in connection with the issuance of the general obligation bonds by**
9 **the San Francisco Unified School District; and providing prior notice to the City and**
10 **County of San Francisco for the anticipated sale and issuance of any future series of**
11 **bonds.**

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13 WHEREAS, Section 1(b)(3) of Article XIII A of the Constitution of the State of California
14 (the "State") and Chapter 1.5, Part 10, Division 1, Title 1 of the State Education Code
15 (collectively, the "Act") authorize the issuance of general obligation bonds by a school district
16 with the approval of at least 55% of the voter of the school district voting on the proposition
17 provided such proposition approved by the voters includes certain accountability measures
18 set forth in the Act; and,

19 WHEREAS, On November 7, 2006 the qualified electors of the San Francisco Unified
20 School District (the "District") approved Proposition A ("Proposition A") by more than the
21 requisite 55% vote, authorizing the issuance of general obligation bonds of the District in an
22 aggregate principal amount not to exceed \$450,000,000 (the "Bonds") to modernize and
23 repair up to 64 additional school facilities to health, safety, instructional and accessibility
24 standards, and where applicable, replace portable trailers with permanent classrooms,
25 upgrade bathrooms, science labs, plumbing, electrical and other building systems, replace

1 heating and ventilation systems, and renovate classrooms and to pay all necessary legal,
2 financial, engineering and contingent costs in connection therewith; and,

3 WHEREAS, Based upon the canvass certificates of the Registrar of Voters of the City
4 and County of San Francisco (the "City"), at least 55% of the votes cast on Proposition A were
5 in favor of Proposition A; and,

6 WHEREAS, In accordance with the Act and the policies of the District, an independent
7 citizens' oversight committee has been formed by the District in connection with the issuance
8 of the District's Proposition A, Election of 2003 general obligation bonds previously authorized
9 under the Act to, among other duties specified in the Act, (i) ensure that the revenues of such
10 bonds are expended only for purposes authorized by the Act, (ii) ensure that no funds are
11 used for any teacher salaries or administrative salaries or other District operating expenses
12 and (iii) review the annual independent financial audit and the annual independent
13 performance audit required by the Act and to inform the public concerning the expenditure of
14 bond revenues; and,

15 WHEREAS, The District anticipates that it will expand the charge of the previously
16 formed independent citizens oversight committee to provide oversight for the Bonds as
17 described above and as otherwise required by the Act; and,

18 WHEREAS, Pursuant to Section 15140(b) of the Education Code of the State of
19 California (the "Education Code"), a board of supervisors of any county may provide by
20 resolution that the governing board of any school district over which the county superintendent
21 of schools has jurisdiction, and which has not received a qualified or negative certification in
22 its most recent interim report, may issue and sell bonds on its own behalf without further
23 action of such board of supervisors or any of its officers; now therefore, be it

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1 RESOLVED, BY THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF
2 SAN FRANCISCO AS FOLLOWS:

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

4 Section 2. Authorization of District to Sell and Issue Bonds on its Own Behalf.

5 Pursuant to Section 15140(b) of the Education Code, this Board of Supervisors (the "Board")
6 authorizes the District to issue and sell bonds, to be known as the "San Francisco Unified
7 School District (City and County of San Francisco, California), (Proposition A, Election of
8 2006), General Obligation Bonds," and herein, the "Bonds," in one or more series, on its own
9 behalf without further action by this Board or any officer of the City, provided, however, that
10 the District shall not have received a qualified or negative certification in its most recent
11 interim report prior to the issuance and sale of any series of Bonds.

12 Section 3. Levy and Collection of Tax: Payment of Bonds. For the purpose of paying
13 principal of and interest on the Bonds, this Board at the time of fixing the general tax levy for
14 the City shall fix, and in the manner provided for in the general tax levy, levy and collect
15 annually until the Bonds are paid, a tax sufficient to provide funds for the payment of the
16 interest on the Bonds as it becomes due and also any part of the principal and interest that is
17 to become due before the proceeds of a tax levied at the time for making the next general tax
18 levy may be made available for the payment of principal and interest. All taxes levied, when
19 collected shall be paid to the credit of the interest and sinking fund of the District held by the
20 paying agent and bond registrar for the Bonds, initially the Treasurer/Tax Collector of the City,
21 and shall be used for the payment of the principal and interest on the Bonds and for no other
22 purpose.

23 Section 4. Additional Duty to Levy Tax. Pursuant to Section 15252 of the Education
24 Code, this Board shall annually, at the time of fixing the general tax levy for the City, estimate
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1 the amount of money required to meet the payment of principal of and interest on Bonds of
2 the District authorized by the electors of the District and not sold, and which the Board of
3 Education of the District informs this Board and the City Controller in their belief will be sold
4 before the next tax levy, and this Board shall levy a tax sufficient to pay the principal and
5 interest so estimated.

6 Section 5. Form and Execution of Bonds. The Bonds shall be in such form and shall
7 be executed in such manner as prescribed in a resolution of the District.

8 Section 6. Other Actions. City officers, officials and staff are hereby authorized and
9 directed, jointly and severally, to do any and all things and to execute and deliver any and all
10 documents that they may deem necessary or advisable in order to enable the District to
11 proceed with the issuance of the Bonds, and otherwise carry out, give effect to and comply
12 with the terms and intent of this Resolution. Such actions heretofore taken by such officers,
13 officials and staff are hereby ratified, confirmed and approved.

14 Section 7. Resolution to District. The Clerk of this Board is hereby directed to provide
15 a certified copy of this Resolution to the District upon adoption.

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1 Section 8. Notices to City. The District shall provide notice to the City, through its
2 Office of Public Finance, of its intent to sell or issue any future series of Bonds no less than
3 forty-five (45) days prior to the anticipated sale or issuance of any such Bonds which notice
4 shall be acknowledged in writing by the Mayor's Office of Public Finance within fifteen (15)
5 days of receipt of such notice. Furthermore, the City, through its Office of Public Finance,
6 shall receive a copy of the certified resolution of the District Board of Education approving the
7 issuance of any future series of the Bonds, a copy of the debt service schedule and all
8 minutes approved by the independent citizens' oversight committee formed pursuant to the
9 Act. Failure to provide any such notice, acknowledgement, resolution, debt service schedule
10 or minutes shall not affect the validity of any Bonds sold or issued by the District.

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12 APPROVED AS TO FORM:

13 DENNIS J. HERRERA
14 City Attorney

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16 By: _____
17 Michael J. Martin
18 Deputy City Attorney

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