

1 [Bond Sale of Branch Library General Obligation Bonds.]

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3 **Resolution Authorizing and Directing the Sale of Not to Exceed \$31,065,000 City and**
4 **County of San Francisco General Obligation Bonds (Branch Library Facilities**
5 **Improvement Bonds, 2000) Series 2008A; Prescribing the Form and Terms of Said**
6 **Bonds; Authorizing the Execution, Authentication and Registration of Said Bonds;**
7 **Providing for the Appointment of Depositories and Other Agents for Said Bonds;**
8 **Providing For the Establishment of Accounts Related Thereto; Approving the Forms of**
9 **Official Notice of Sale and Notice of Intention to Sell Bonds; Directing the Publication**
10 **of the Notice of Intention to Sell Bonds; Approving the Form and Execution of the**
11 **Official Statement Relating Thereto; Approving the Form of the Continuing Disclosure**
12 **Certificate; Approving Modifications to Documents; Ratifying Certain Actions**
13 **Previously Taken; and Granting General Authority to City Officials to Take Necessary**
14 **Actions in Connection with the Authorization, Issuance, Sale and Delivery of Said**
15 **Bonds.**

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17 WHEREAS, By Resolution No. 389-01 (the "Authorizing Resolution"), adopted by the
18 Board of Supervisors (the "Board") of the City and County of San Francisco (the "City") on
19 May 14, 2001, and signed by the Mayor of the City (the "Mayor") on May 25, 2001, the City
20 authorized the issuance of its Branch Library Facilities Improvement Bonds, 2000; and,

21 WHEREAS, By Resolution No. 390-01 adopted by the Board on May 14, 2001 and
22 signed by the Mayor on May 25, 2001, the City authorized the first series of not to exceed
23 \$17,665,000 aggregate principal amount of said Branch Library Facilities Improvement Bonds;
24 and,

1 WHEREAS, By Resolution No. 589-02 adopted by the Board on August 26, 2002, and
2 signed by the Mayor on August 29, 2002, the City authorized the sale of the second series of
3 not to exceed \$23,135,000 aggregate principal amount of said Branch Library Facilities
4 Improvement Bonds; and,

5 WHEREAS, By Resolution No. 357-05 adopted by the Board on May 17, 2005, and
6 signed by the Mayor on May 20, 2005, the City authorized the sale of the third series of not to
7 exceed \$34,000,000 aggregate principal amount of said Branch Library Facilities
8 Improvement Bonds; and,

9 WHEREAS, The City has issued and sold, to date, a total of \$74,800,000 Branch
10 Library Facilities Improvement Bonds; and there remains \$31,065,000 of authorized and
11 unissued Branch Library Facilities Improvement Bonds; and,

12 WHEREAS, It is necessary and desirable to issue an amount not to exceed of
13 \$31,065,000 City and County of San Francisco General Obligation Bonds (Branch Library
14 Facilities Improvement Bonds, 2000) Series 2008A (the "Series 2008A Bonds"); and,

15 WHEREAS, The Series 2008A Bonds are being issued pursuant to the Authorizing
16 Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the California Government
17 Code, the Charter of the City and a duly held election; and,

18 WHEREAS, The City expects to pay certain expenditures in connection with the
19 projects to be financed by the Series 2008A Bonds prior to the issuance and sale of the
20 Series 2008A Bonds, and the City intends to reimburse itself and to pay third parties for such
21 prior expenditures from the proceeds of the Series 2008A Bonds; and,

22 WHEREAS, Section 1.150-2 of the Treasury Regulations promulgated under the
23 Internal Revenue Code of 1986 (the "Treasury Regulations") requires the City to declare its
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1 reasonable official intent to reimburse prior expenditures with the proceeds of a subsequent
2 borrowing; and,

3 WHEREAS, The Treasury Regulations require that any reimbursement allocation of
4 proceeds of the Series 2008A Bonds to be made with respect to expenditures incurred prior to
5 the issuance of the Series 2008A Bonds will occur not later than eighteen (18) months after
6 the later of (i) the date on which the expenditure is paid or (ii) the date on which the facilities
7 are placed in service, but in no event later than three (3) years after the expenditure is paid;
8 and,

9 WHEREAS, The adoption of this Resolution shall constitute authorization of the Series
10 2008A Bonds within the meaning of Section 864 of the California Code of Civil Procedure;
11 now, therefore, be it

12 RESOLVED by the Board of Supervisors of the City and County of San Francisco, as
13 follows:

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

15 Section 2. Conditions Precedent. All conditions, things and acts required by law to
16 exist, to happen and to be performed precedent to and in the issuance of the Series 2008A
17 Bonds exist, have happened and have been performed in due time, form and manner in
18 accordance with applicable law, and the City is now authorized pursuant to the Charter of the
19 City and applicable law to incur indebtedness in the manner and form provided in this
20 Resolution.

21 Section 3. Documents. The documents presented to the Board and on file with the
22 Clerk of the Board of Supervisors or his or her designee (the "Clerk of the Board of
23 Supervisors") are contained in File No. _____.

24 Section 4. Issuance And Sale Of Series 2008A Bonds. The Board hereby
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1 authorizes the issuance and sale of not to exceed \$31,065,000 principal amount of bonds to
2 be designated as "City and County of San Francisco General Obligation Bonds (Branch
3 Library Facilities Improvement Bonds, 2000) Series 2008A" for the purposes set forth in
4 Proposition A approved by the voters on November 7, 2000. The Director of Public Finance
5 of the City or his or her designee (the "Director of Public Finance") is hereby authorized to
6 determine the sale date, the maturity dates and the redemption dates of the Series 2008A
7 Bonds, subject to the following terms and conditions: (i) the Series 2008A Bonds shall not
8 have a true interest cost in excess of 12% (as such term is defined in the Official Notice of
9 Sale (as defined in Section 13 hereof)); and (ii) the Series 2008A Bonds shall not have a final
10 maturity date after 2028. The Director of Public Finance is further authorized to give the
11 Series 2008A Bonds such additional or other series designation as may be necessary or
12 appropriate to distinguish such series from every other series and from other bonds issued by
13 the City.

14 Section 5. Execution Authentication and Registration of the Series 2008A Bonds. The
15 Series 2008A Bonds shall be in fully registered form without coupons in denominations of
16 \$5,000 or any integral multiple thereof. The officers of the City are hereby directed to cause
17 the Series 2008A Bonds to be prepared in sufficient quantity for delivery to or for the account
18 of the purchaser thereof and the Clerk of the Board of Supervisors is hereby directed to cause
19 the blanks therein to be completed in accordance with the Authorizing Resolution, to cause
20 the seal of the City to be reproduced or impressed thereon, to procure their execution by the
21 proper officers of the City (including by facsimile signature if necessary or convenient), and to
22 deliver the Series 2008A Bonds when so executed to said purchaser in exchange for the
23 purchase price thereof, all in accordance with the Authorizing Resolution.

1 The Series 2008A Bonds and the certificate of authentication and registration, manually
2 executed by the Treasurer of the City or his or her designee (the "City Treasurer") and the
3 form of assignment to appear thereon shall be substantially in the form attached hereto as
4 Exhibit A (a copy of which is on file with the Clerk of the Board of Supervisors and which is
5 hereby declared to be a part of this Resolution as if fully set forth herein) with necessary or
6 appropriate variations, omissions and insertions as permitted or required by this Resolution.

7 Only such of the Series 2008A Bonds as shall bear thereon a certificate of
8 authentication and registration in the form herein recited, executed by the City Treasurer, shall
9 be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such
10 certificate of the City Treasurer, executed as herein provided, shall be conclusive evidence
11 that the Series 2008A Bonds so authenticated have been duly authenticated and delivered
12 hereunder and are entitled to the benefits of this Resolution.

13 The City Treasurer shall assign a distinctive letter, or number, or letter and number to
14 each Series 2008A Bond authenticated and registered by him or her and shall maintain a
15 record thereof which shall be available for inspection.

16 Section 6. Registration Books. The City Treasurer shall keep or cause to be kept, at
17 the office of the City Treasurer, or at the designated office of any registrar appointed by the
18 City Treasurer, sufficient books for the registration and transfer of the Series 2008A Bonds,
19 which shall at all times be open to inspection, and upon presentation for such purpose, the
20 City Treasurer shall, under such reasonable regulations as he or she may prescribe, register
21 or transfer or cause to be registered or transferred, on said books, Series 2008A Bonds as
22 herein provided. The City and the City Treasurer may treat the registered owners of the Series
23 2008A Bonds as the absolute owners thereof for all purposes, and the City and the City
24 Treasurer shall not be affected by any notice to the contrary.

1 Section 7. Transfer or Exchange of Bonds. Any Series 2008A Bond may, in
2 accordance with its terms, be transferred upon the books required to be kept pursuant to the
3 provisions of Section 6 hereof, by the person in whose name it is registered, in person or by
4 the duly authorized attorney of such person in writing, upon surrender of such Series 2008A
5 Bond for cancellation, accompanied by delivery of a duly executed written instrument of
6 transfer in a form approved by the City Treasurer.

7 Any Series 2008A Bonds may be exchanged at the office of the City Treasurer for a
8 like aggregate principal amount of other authorized denominations of the same interest rate
9 and maturity.

10 Whenever any Series 2008A Bond shall be surrendered for transfer or exchange, the
11 designated City officials shall execute (as provided in Section 5 hereof) and the City Treasurer
12 shall authenticate and deliver a new Series 2008A Bond or Series 2008A Bonds of the same
13 interest rate and maturity in a like aggregate principal amount. The City Treasurer shall
14 require the payment by any bond owner requesting any such transfer of any tax or other
15 governmental charge required to be paid with respect to such transfer or exchange.

16 No transfer or exchange of Series 2008A Bonds shall be required to be made by the
17 City Treasurer during the period from the Record Date (as defined herein) next preceding
18 each interest payment date to such interest payment date or after a notice of redemption shall
19 have been mailed with respect to such Series 2008A Bond.

20 Section 8. Terms of the Series 2008A Bonds: General Redemption Provisions. The
21 Series 2008A Bonds shall each be dated the first day of the month in which the Series 2008A
22 Bonds are sold or such other date (the "Dated Date") as specified in the award to be made
23 pursuant to Section 13 hereof (the "Bond Award"). The Series 2008A Bonds shall bear
24 interest from the Dated Date until the principal is paid in full at rates to be determined upon
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1 the sale of the Series 2008A Bonds, calculated on the basis of a 360-day year comprised of
2 twelve 30-day months, payable on December 15, 2008, and semiannually thereafter on June
3 15 and December 15 of each year (or such other dates as may be designated in the Bond
4 Award).

5 The principal of the Series 2008A Bonds shall be payable in lawful money of the United
6 States of America to the owner thereof, upon the surrender thereof at maturity or earlier
7 redemption at the office of the City Treasurer. The interest on the Series 2008A Bonds shall
8 be payable in like lawful money to the person whose name appears on the bond registration
9 books of the City Treasurer as the owner thereof as of the close of business on the last day of
10 the month immediately preceding an interest payment date (the "Record Date"), whether or
11 not such day is a Business Day (as herein defined).

12 Each Series 2008A Bond shall bear interest from the interest payment date next
13 preceding the date of authentication thereof unless it is authenticated as of a day during the
14 period from the Record Date next preceding any interest payment date to the interest
15 payment date, inclusive, in which event it shall bear interest from such interest payment date,
16 or unless it is authenticated on or before November 30, 2008 (or such other date as may be
17 designated in the Bond Award), in which event it shall bear interest from the Dated Date;
18 provided, however, that if, at the time of authentication of any Series 2008A Bond, interest is
19 in default on the Series 2008A Bonds, such Series 2008A Bond shall bear interest from the
20 interest payment date to which interest has previously been paid or made available for
21 payment on the Series 2008A Bonds or from the Dated Date if the first interest payment is not
22 made. Except as may be otherwise provided in connection with any book-entry only system
23 applicable to the Series 2008A Bonds, payment of the interest on any Series 2008A Bond
24 shall be made by check mailed on the interest payment date to such owner at such owner's
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1 address as it appears on the registration books as of the Record Date; provided, however, if
2 any interest payment date occurs on a day that banks in California or New York are closed for
3 business or the New York Stock Exchange is closed for business, then such payment shall be
4 made on the next succeeding day that banks in both California and New York are open for
5 business and the New York Stock Exchange is open for business (a "Business Day"); and
6 provided, further, that the registered owner of an aggregate principal amount of at least
7 \$1,000,000 of the Series 2008A Bonds may submit a written request to the City Treasurer on
8 or before a Record Date preceding an interest payment date for payment of interest by wire
9 transfer to a commercial bank located within the United States of America. For so long as the
10 Series 2008A Bonds are held in book-entry form by a securities depository selected by the
11 City pursuant to Section 11 hereof, payment may be made to the registered owner of the
12 Series 2008A Bonds designated by such securities depository by wire transfer of immediately
13 available funds.

14 The Series 2008A Bonds maturing on or before June 15, 2015 (or such other date as
15 may be designated in the final Official Notice of Sale or the Bond Award) shall not be subject
16 to optional redemption prior to maturity. The Series 2008A Bonds maturing on or after June
17 15, 2016 (or such other date as may be designated in the final Official Notice of Sale or the
18 Bond Award) are subject to optional redemption prior to their respective stated maturities, at
19 the option of the City, from any source of available funds, as a whole or in part on any date
20 (with the maturities to be redeemed to be determined by the City and by lot within a
21 maturity) on or after June 15, 2015 (or such other date as may be designated in the final
22 Official Notice of Sale or the Bond Award), at redemption prices equal to 100% of the principal
23 amount redeemed, together with accrued interest to the date of redemption, or such other
24 redemption prices as may be designated in the final Official Notice of Sale or the Bond Award.
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1 The Series 2008A Bonds shall be subject to mandatory redemption at par, by lot, in
2 any year for which the purchaser thereof has designated that the principal amount payable
3 with respect to that year shall constitute a mandatory sinking fund payment as permitted by
4 the Official Notice of Sale (as more fully described in Section 13 hereof). Any Series 2008A
5 Bonds subject to mandatory redemption shall be designated as such in the the final Official
6 Notice of Sale or the Bond Award. The principal and interest on the Series 2008A Bonds
7 subject to mandatory redemption shall be paid from the Series 2008A Bond Account, pursuant
8 to Section 9 hereof. In lieu of any such mandatory redemption for the Series 2008A Bonds, at
9 any time prior to the selection of the Series 2008A Bonds for mandatory redemption, the City
10 may apply such amounts on deposit in the Series 2008A Bond Account (as defined in Section
11 9 hereof) to make such payment to the purchase of Series 2008A Bonds subject to such
12 redemption at public or private sale, as and when and at such prices not in excess of the
13 principal amount thereof (including sales commission and other charges but excluding
14 accrued interest), as the City may determine.

15 Whenever less than all the outstanding Series 2008A Bonds maturing on any one date
16 are called for redemption on any one date, the City Treasurer will select the Series 2008A
17 Bonds or portions thereof, in denominations of \$5,000 or any integral multiple thereof, to be
18 redeemed from the outstanding Series 2008A Bonds maturing on such date not previously
19 selected for redemption, by lot, in any manner which the City Treasurer deems fair. The date
20 on which the Series 2008A Bonds which are called for redemption are to be presented for
21 redemption is herein called the "Redemption Date." The City Treasurer shall mail, or cause to
22 be mailed, notice of any redemption of Series 2008A Bonds, postage prepaid, to the
23 respective registered owners thereof at the addresses appearing on the bond registration
24 books not less than thirty (30) nor more than sixty (60) days prior to the Redemption Date.
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1 The notice of redemption shall (a) state the Redemption Date; (b) state the redemption price;
2 (c) state the maturity dates of the Series 2008A Bonds and, if less than all of any such
3 maturity is called for redemption, the distinctive numbers of the Series 2008A Bonds of such
4 maturity to be redeemed, and in the case of Series 2008A Bonds redeemed in part only, the
5 respective portions of the principal amount thereof to be redeemed; (d) state the CUSIP
6 number, if any, of each Series 2008A Bond to be redeemed; (e) require that such Series
7 2008A Bonds be surrendered by the owners at the office of the City Treasurer or his or her
8 agent; and (f) give notice that interest on such Series 2008A Bonds will cease to accrue after
9 the designated Redemption Date. Such notice of redemption may be conditional upon receipt
10 of funds or other event specified in the notice of redemption.

11 The actual receipt by the owner of any Series 2008A Bond of notice of such
12 redemption shall not be a condition precedent to redemption, and failure to receive such
13 notice, or any defect in such notice so mailed, shall not affect the validity of the proceedings
14 for the redemption of such Series 2008A Bonds or the cessation of accrual of interest on such
15 Series 2008A Bonds on the Redemption Date.

16 Notice of such redemption also shall be given, or caused to be given, by the City
17 Treasurer, by (i) registered or certified mail, postage prepaid, (ii) confirmed facsimile
18 transmission or (iii) overnight delivery service, to (a) all organizations registered with the
19 Securities and Exchange Commission as securities depositories and (b) such other services
20 or organizations as may be required in accordance with the Continuing Disclosure Certificate
21 described in Section 18 hereof.

22 The notice or notices required for redemption shall be given by the City Treasurer, or
23 any agent appointed by the City. A certificate of the City Treasurer or such other appointed
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1 agent of the City that notice of redemption has been given to the owner of any Series 2008A
2 Bond in accordance with this Resolution shall be conclusive against all parties.

3 At the time the City Treasurer or the Controller of the City or his or her designee (the
4 "Controller") determines to optionally call and redeem any of the Series 2008A Bonds, the City
5 Treasurer or his or her agent shall establish a redemption account to be described or known
6 as the "General Obligation Bonds (Branch Library Facilities Improvement Bonds, 2000) Series
7 2008A Redemption Account" (the "Series 2008A Redemption Account") and prior to or on the
8 Redemption Date there must be set aside in said Series 2008A Redemption Account moneys
9 available for the purpose and sufficient to redeem as provided in this Resolution, the Series
10 2008A Bonds designated in said notice of redemption, subject to rescission as hereinafter
11 provided. Said moneys must be set aside in the Series 2008A Redemption Account solely for
12 the purpose of, and shall be applied on or after the Redemption Date to, payment of the
13 redemption price of the Series 2008A Bonds to be redeemed upon presentation and
14 surrender of such Series 2008A Bonds. Any interest due on or prior to the Redemption Date
15 may be paid from the Series 2008A Bond Account as provided in Section 9 hereof or from the
16 Series 2008A Redemption Account. Moneys held from time to time in the Series 2008A
17 Redemption Account shall be invested by the City Treasurer pursuant to the City's policies
18 and guidelines for investment of moneys in the General Fund of the City. If, after all of the
19 Series 2008A Bonds have been redeemed and canceled or paid and canceled, there are
20 moneys remaining in said Series 2008A Redemption Account, said moneys shall be
21 transferred to the General Fund of the City or to such other fund or account as required by
22 applicable law; provided, however, that if said moneys are part of the proceeds of refunding
23 bonds, said moneys shall be transferred pursuant to the resolution authorizing such refunding
24 bonds.

1 When notice of optional redemption has been given, substantially as provided herein,
2 and when the amount necessary for the redemption of the Series 2008A Bonds called for
3 redemption (principal, premium, if any, and accrued interest to such Redemption Date) is set
4 aside for that purpose in said Series 2008A Redemption Account, as provided herein, the
5 Series 2008A Bonds designated for redemption shall become due and payable on the
6 Redemption Date therefor, and upon presentation and surrender of said Series 2008A Bonds
7 at the place specified in the notice of redemption, such Series 2008A Bonds shall be
8 redeemed and paid at said redemption price out of said Series 2008A Redemption Account.
9 No interest will accrue on such Series 2008A Bonds called for redemption after the
10 Redemption Date and the registered owners of such Series 2008A Bonds shall look for
11 payment of such Series 2008A Bonds only to said Series 2008A Redemption Account. All
12 Series 2008A Bonds redeemed shall be canceled forthwith by the City Treasurer and shall not
13 be reissued.

14 The City may rescind any optional redemption and notice thereof for any reason on any
15 date prior to the Redemption Date by causing written notice of the rescission to be given to
16 the owners of all Series 2008A Bonds so called for redemption. Any optional redemption and
17 notice thereof shall be rescinded if for any reason on the Redemption Date funds are not or
18 will not be available in the Series 2008A Redemption Account in an amount sufficient to pay in
19 full on said date the principal of, interest, and premium, if any, due on the Series 2008A Bonds
20 called for redemption. Notice of rescission of redemption shall be given in the same manner
21 notice of redemption was originally given. The actual receipt by the owner of any Series
22 2008A Bond of notice of such rescission shall not be a condition precedent to rescission, and
23 failure to receive such notice or any defect in such notice so mailed shall not affect the validity
24 of the rescission.

1 Section 9. Series 2008A Bond Account. There is hereby established with the City
2 Treasurer a special subaccount in the General Obligation Bonds (Branch Library Facilities
3 Improvement Bonds, 2000) Bond Account (the "Bond Account") created pursuant to the
4 Authorizing Resolution, to be designated the "General Obligation Bonds (Branch Library
5 Facilities Improvement Bonds, 2000) Series 2008A Bond Account" (the "Series 2008A Bond
6 Account"), to be held separate and apart from all other accounts of the City. All interest
7 earned on amounts on deposit in the Series 2008A Bond Account shall be retained in the
8 Series 2008A Bond Account.

9 On or prior to the date on which any payment of principal or interest on the Series
10 2008A Bonds is due, including any Series 2008A Bonds subject to mandatory redemption on
11 said date, the City Treasurer shall allocate to and deposit in the Series 2008A Bond Account,
12 from amounts held in the Bond Account, an amount which, when added to any available
13 moneys contained in the Series 2008A Bond Account, is sufficient to pay principal and interest
14 on the Series 2008A Bonds on such date.

15 On or prior to the date on which any Series 2008A Bonds are to be redeemed at the
16 option of the City pursuant to this Resolution, the City Treasurer may allocate to and deposit
17 in the Series 2008A Redemption Account, from amounts held in the Bond Account pursuant to
18 Section 8 of the Authorizing Resolution, an amount which, when added to any available
19 moneys contained in the Series 2008A Redemption Account, is sufficient to pay principal,
20 interest and premium, if any, on such Series 2008A Bonds on such date. The City Treasurer
21 may make such other provision for the payment of principal and interest and any redemption
22 premium on the Series 2008A Bonds as is necessary or convenient to permit the optional
23 redemption of the Series 2008A Bonds.

1 Amounts in the Series 2008A Bond Account may be invested in any investment of the
2 City in which moneys in the General Fund of the City are invested. The City Treasurer may
3 commingle any of the moneys held in the Series 2008A Bond Account with other City moneys
4 or deposit amounts credited to the Series 2008A Bond Account into a separate fund or funds
5 for investment purposes only; provided, however, that all of the moneys held in the Series
6 2008A Bond Account hereunder shall be accounted for separately notwithstanding any such
7 commingling or separate deposit by the City Treasurer. Any bid premium or accrued interest
8 received upon the delivery of the Series 2008A Bonds shall be deposited into the Series
9 2008A Bond Account.

10 Section 10. Series 2008A Project Account. There is hereby established with the City
11 Treasurer a special subaccount in the General Obligation Bonds (Branch Library Facilities
12 Improvement Bonds, 2000) Project Account (the "Project Account") created pursuant to the
13 Authorizing Resolution, to be designated the "General Obligation Bonds (Branch Library
14 Facilities Improvement Bonds, 2000) Series 2008A Project Account" (the "Series 2008A
15 Project Account"), to be held separate and apart from all other accounts of the City. All
16 interest earned on amounts on deposit in the Series 2008A Project Account shall be retained
17 in the Series 2008A Project Account. Amounts in the Series 2008A Project Account shall be
18 expended in accordance with the provisions of the Authorizing Resolution for the acquisition,
19 renovation and construction of the Project (as defined in the Authorizing Resolution) or
20 portions thereof.

21 Amounts in the Series 2008A Project Account may be invested in any investment of the
22 City in which moneys in the General Fund of the City are invested. The City Treasurer may
23 commingle any of the moneys held in the Series 2008A Project Account with other City
24 moneys or deposit amounts credited to the Series 2008A Project Account into a separate fund
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1 or funds for investment purposes only; provided, however, that all of the moneys held in the
2 Series 2008A Project Account (including interest earnings) hereunder shall be accounted for
3 separately notwithstanding any such commingling or separate deposit by the City Treasurer.

4 The City Treasurer is hereby authorized to pay or cause to be paid from the proceeds
5 of the Series 2008A Bonds, on behalf of the City, the costs of issuance associated with the
6 Series 2008A Bonds. Costs of issuance of the Series 2008A Bonds shall include, without
7 limitation, bond and financial printing expenses, mailing and publication expenses, rating
8 agency fees, the fees and expenses of paying agents, registrars, financial consultants,
9 disclosure counsel and co-bond counsel and the reimbursement of departmental expenses in
10 connection with the issuance of the Series 2008A Bonds.

11 Section 11. Appointment Of Depositories And Other Agents. The City Treasurer is
12 hereby authorized and directed to appoint one or more depositories as he or she may deem
13 desirable and the procedures set forth in Section 8 hereof relating to registration of ownership
14 of the Series 2008A Bonds, and payments and redemption notices to owners of the Series
15 2008A Bonds may be modified to comply with the policies and procedures of such depository.
16 The City will not have any responsibility or obligation to any purchaser of a beneficial
17 ownership interest in any Series 2008A Bonds or to any participants in such a depository with
18 respect to (i) the accuracy of any records maintained by such securities depository or any
19 participant therein; (ii) any notice that is permitted or required to be given to the owners of the
20 Series 2008A Bonds under this Resolution; (iii) the selection by such securities depository or
21 any participant therein of any person to receive payment in the event of a partial redemption
22 of the Series 2008A Bonds; (iv) the payment by such securities depository or any participant
23 therein of any amount with respect to the principal or redemption premium, if any, or interest
24 due with respect to the Series 2008A Bonds; (v) any consent given or other action taken by
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1 such securities depository as the owner of the Series 2008A Bonds; or (vi) any other matter.

2 The City Treasurer is hereby also authorized and directed to appoint one or more
3 agents as he or she may deem necessary or desirable. To the extent permitted by applicable
4 law and under the supervision of the City Treasurer, such agents may serve as paying agent,
5 fiscal agent, rebate calculation agent or escrow agent or registrar for the Series 2008A Bonds
6 or may assist the City Treasurer in performing any or all of such functions and such other
7 duties as the City Treasurer shall determine. Such agents shall serve under such terms and
8 conditions as the City Treasurer shall determine. The City Treasurer may remove or replace
9 agents appointed pursuant to this paragraph at any time.

10 Section 12. Defeasance Provisions. Payment of all or any portion of the Series 2008A
11 Bonds may be provided for prior to such Series 2008A Bonds' respective stated maturities by
12 irrevocably depositing with the City Treasurer (or any commercial bank or trust company
13 designated by the City Treasurer to act as escrow agent with respect thereto):

14 (a) An amount of cash equal to the principal amount of all of such Series 2008A
15 Bonds or a portion thereof, and all unpaid interest thereon to maturity, except that in the case
16 of Series 2008A Bonds which are to be redeemed prior to such Series 2008A Bonds'
17 respective stated maturities and in respect of which notice of such redemption shall have
18 been given as provided in Section 8 hereof or an irrevocable election to give such notice shall
19 have been made by the City, the amount to be deposited shall be the principal amount
20 thereof, all unpaid interest thereon to the Redemption Date, and premium, if any, due on such
21 Redemption Date; or

22 (b) Defeasance Securities (as herein defined) not subject to call, except as provided
23 below in the definition thereof, maturing and paying interest at such times and in such
24 amounts, together with interest earnings and cash, if required, as will, without reinvestment,
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1 as certified by an independent certified public accountant, be fully sufficient to pay the
2 principal and all unpaid interest to maturity, or to the Redemption Date, as the case may be,
3 and premium, if any, due on the Series 2008A Bonds to be paid or redeemed, as such
4 principal and interest come due; provided, that, in the case of the Series 2008A Bonds which
5 are to be redeemed prior to maturity, notice of such redemption shall be given as provided in
6 Section 8 hereof or an irrevocable election to give such notice shall have been made by the
7 City; then, all obligations of the City with respect to said outstanding Series 2008A Bonds shall
8 cease and terminate, except only the obligation of the City to pay or cause to be paid from the
9 funds deposited pursuant to paragraphs (a) or (b) of this Section 12, to the owners of said
10 Series 2008A Bonds all sums due with respect thereto and the obligations of the City pursuant
11 to Section 17 hereof; provided, that the City shall have received an opinion of nationally
12 recognized bond counsel, that provision for the payment of said Series 2008A Bonds has
13 been made in accordance with this Section 12.

14 For purposes of this Section 12, "Defeasance Securities" shall mean any of the
15 following which at the time are legal investments under the laws of the State of California for
16 the moneys proposed to be invested therein:

- 17 (1) United States Obligations (as herein defined); and
18 (2) Pre-refunded fixed interest rate municipal obligations meeting the
19 following conditions: (a) the municipal obligations are not subject to redemption prior to
20 maturity, or the trustee has been given irrevocable instructions concerning their calling and
21 redemption and the issuer has covenanted not to redeem such obligations other than as set
22 forth in such instructions; (b) the municipal obligations are secured by cash and/or United
23 States Obligations; (c) the principal of and interest on the United States Obligations (plus any
24 cash in the escrow fund or the Series 2008A Redemption Account) are sufficient to meet the
25

1 liabilities of the municipal obligations; (d) the United States Obligations serving as security for
2 the municipal obligations are held by the City Treasurer or, if appointed by the City Treasurer
3 pursuant to Section 11 hereof, an escrow agent or trustee; (e) the United States Obligations
4 are not available to satisfy any other claims, including those against the trustee or escrow
5 agent; and (f) the municipal obligations are rated, at the time of original deposit to the escrow
6 fund, the highest ratings category by any two Rating Agencies (as defined herein).

7 For purposes of this Section 12, "United States Obligations" shall mean (i) direct and
8 general obligations of the United States of America, or obligations that are unconditionally
9 guaranteed as to principal and interest by the United States of America, including without
10 limitation, the interest component of Resolution Funding Corporation (REFCORP) bonds
11 which have been stripped by request to the Federal Reserve Bank of New York in book-entry
12 form or (ii) any security issued by an agency or instrumentality of the United States of America
13 which is selected by the Director of Public Finance that results in the escrow fund being rated
14 the highest ratings category by any two Rating Agencies at the time of the initial deposit to the
15 escrow fund and upon any substitution or subsequent deposit to the escrow fund.

16 For purposes of this Section 12, "Rating Agencies" shall mean Moody's Investors
17 Service, Inc., Fitch Ratings, and Standard and Poor's Rating Services, a division of The
18 McGraw-Hill Companies, Inc., or any other nationally-recognized bond rating agency which is
19 the successor to any of the foregoing rating agencies or which is otherwise established after
20 the date hereof.

21 Section 13. Official Notice of Sale. The form of proposed Official Notice of Sale
22 Inviting Bids for the Series 2008A Bonds (the "Official Notice of Sale") submitted to the Board
23 is hereby approved and adopted as the Official Notice of Sale Inviting Bids for the Series
24 2008A Bonds with such changes, additions and modifications as may be made in accordance
25

1 with Section 19 hereof.

2 Bids shall be received on the date designated by the Director of Public Finance
3 pursuant to Section 4 hereof. The Director of Public Finance is hereby authorized and directed
4 to cause to be mailed or otherwise circulated to prospective bidders for the Series 2008A
5 Bonds copies of the Official Notice of Sale, subject to such corrections, revisions or additions
6 as may be acceptable to the Director of Public Finance.

7 The Controller is hereby authorized to award the Series 2008A Bonds to the bidder
8 whose bid represents the lowest true interest cost to the City, all in accordance with the
9 procedures described in the Official Notice of Sale. The Controller shall provide a copy of the
10 Bond Award as soon as practicable to the Clerk of the Board of Supervisors and the Director
11 of Public Finance; provided, however, that failure to provide such copies shall not affect the
12 validity of the Bond Award.

13 Section 14. Publication Of Notice Of Intention To Sell Bonds. The form of proposed
14 Notice of Intention to Sell Bonds for the Series 2008A Bonds (the "Notice of Intention to Sell
15 Bonds") submitted to the Board is hereby approved and adopted as the Notice of Intention to
16 Sell Bonds for the Series 2008A Bonds, and the Director of Public Finance is hereby
17 authorized and directed to cause the Notice of Intention to Sell Bonds, subject to such
18 corrections, revisions or additions as may be made in accordance with Section 19 hereof, to
19 be published once in The Bond Buyer or another financial publication generally circulated
20 throughout the State of California.

21 Section 15. Solicitation Of Competitive Bids. The Board hereby authorizes the
22 solicitation of competitive bids for the purchase of the Series 2008A Bonds on the date and at
23 the place determined in accordance with the Official Notice of Sale herein referenced.

24 Section 16. Official Statement. The form of proposed Preliminary Official Statement
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1 describing the Series 2008A Bonds (the "Preliminary Official Statement") submitted to the
2 Board is hereby approved and adopted as the Preliminary Official Statement describing the
3 Series 2008A Bonds, with such additions, corrections and revisions as may be determined to
4 be necessary or desirable made in accordance with Section 19 hereof. The Controller is
5 hereby authorized to cause the distribution of a Preliminary Official Statement deemed final
6 for purposes of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, and to
7 sign a certificate to that effect. The Director of Public Finance is hereby authorized and
8 directed to cause to be printed and mailed or electronically distributed to prospective bidders
9 for the Series 2008A Bonds copies of the Preliminary Official Statement in substantially the
10 form of the Preliminary Official Statement approved and adopted hereby, as completed,
11 supplemented, corrected or revised. The Controller is authorized and directed to approve,
12 execute, and deliver the final Official Statement with respect to the Series 2008A Bonds,
13 which final Official Statement shall be in the form of the Preliminary Official Statement, with
14 such additions, corrections and revisions as may be determined to be necessary or desirable
15 made in accordance with Section 19 hereof. The Director of Public Finance is hereby
16 authorized and directed to cause to be printed and mailed or electronically distributed copies
17 of the final Official Statement to all actual initial purchasers of the Series 2008A Bonds.

18 Section 17. Tax Covenants. (a) General. The City hereby covenants with the holders
19 of the Series 2008A Bonds that, notwithstanding any other provisions of this Resolution, it
20 shall not take any action, or fail to take any action, if any such action or failure to take action
21 would adversely affect the exclusion from gross income of interest on the Series 2008A Bonds
22 under Section 103 of the Internal Revenue Code of 1986 (the "Code"), and the regulations
23 issued thereunder, as the same may be amended from time to time, and any successor
24 provisions of law. Reference to a particular section of the Code shall be deemed to be a
25

1 reference to any successor to any such section. The City shall not, directly or indirectly, use or
2 permit the use of proceeds of the Series 2008A Bonds or any of the property financed or
3 refinanced with proceeds of the Series 2008A Bonds, or any portion thereof, by any person
4 other than a governmental unit (as such term is used in Section 141 of the Code), in such
5 manner or to such extent as would result in the loss of exclusion of interest on the Series
6 2008A Bonds from gross income for federal income tax purposes.

7 (b) Use of Proceeds. The City shall not take any action, or fail to take any action, if
8 any such action or failure to take action would cause the Series 2008A Bonds to be “private
9 activity bonds” within the meaning of Section 141 of the Code, and in furtherance thereof,
10 shall not make any use of the proceeds of the Series 2008A Bonds or any of the property
11 financed or refinanced with proceeds of the Series 2008A Bonds, or any portion thereof, or
12 any other funds of the City, that would cause the Series 2008A Bonds to be “private activity
13 bonds” within the meaning of Section 141 of the Code. To that end, so long as any Series
14 2008A Bonds are outstanding, the City, with respect to such proceeds and property and such
15 other funds, will comply with applicable requirements of the Code and all regulations of the
16 United States Department of the Treasury issued thereunder. The City shall establish
17 reasonable procedures necessary to ensure continued compliance with Section 141 of the
18 Code and the continued qualification of the Series 2008A Bonds as “governmental bonds.”

19 (c) Arbitrage. The City shall not, directly or indirectly, use or permit the use of any
20 proceeds of any Series 2008A Bonds, or of any property financed or refinanced thereby, or
21 other funds of the City, or take or omit to take any action, that would cause the Series 2008A
22 Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code. To that end,
23 the City shall comply with all requirements of Section 148 of the Code and all regulations of
24 the United States Department of the Treasury issued thereunder to the extent such
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1 requirements are, at the time, in effect and applicable to the Series 2008A Bonds.

2 (d) Federal Guarantee. The City shall not make any use of the proceeds of the
3 Series 2008A Bonds or any other funds of the City, or take or omit to take any other action,
4 that would cause the Series 2008A Bonds to be “federally guaranteed” within the meaning of
5 Section 149(b) of the Code.

6 (e) Compliance with Tax Certificate. In furtherance of the foregoing tax covenants
7 of this Section 17, the City covenants that it will comply with the provisions of the Tax
8 Certificate to be executed by the City, dated the date of issuance of the Series 2008A Bonds,
9 as it may be amended from time to time (herein called the “Tax Certificate”). This covenant
10 shall survive payment in full or defeasance of the Series 2008A Bonds.

11 Section 18. Continuing Disclosure Certificate. The form of Continuing Disclosure
12 Certificate issued by the City to permit the original purchaser of the Series 2008A Bonds to
13 comply with Securities and Exchange Commission Rule 15c2-12 promulgated under the
14 Securities Exchange Act of 1934, as amended, submitted to the Board is hereby approved
15 and adopted as the Continuing Disclosure Certificate, with such additions, corrections and
16 revisions as may be determined to be necessary or desirable made in accordance with
17 Section 19 hereof. The Controller is hereby authorized and directed to execute the Continuing
18 Disclosure Certificate on behalf of the City and deliver the Continuing Disclosure Certificate to
19 the original purchaser of the Series 2008A Bonds.

20 Section 19. Modification to Documents. Any City official authorized by this Resolution
21 to execute any document is hereby further authorized, in consultation with the City Attorney of
22 the City (the “City Attorney”), to approve and make such changes, additions, amendments or
23 modifications to the document or documents such official is authorized to execute as may be
24 necessary or advisable (provided that such changes, additions, amendments or modifications
25

1 shall not authorize an aggregate principal amount of Series 2008A Bonds in excess of
2 \$31,065,000 or conflict with the provisions of Section 4 hereof). The approval of any change,
3 addition, amendment or modification to any of the aforementioned documents shall be
4 evidenced conclusively by the execution and delivery of the document in question.

5 Section 20. Ratification. All actions heretofore taken by officials, employees and
6 agents of the City with respect to the sale and issuance of the Series 2008A Bonds are
7 hereby approved, confirmed and ratified.

8 Section 21. Relationship To Authorizing Resolution. In the event of any conflict
9 between this Resolution and the Authorizing Resolution, the terms of this Resolution shall
10 control. Without limiting the foregoing and notwithstanding the provisions of the Authorizing
11 Resolution, the City is not obligated to transfer money from the General Fund of the City to the
12 Bond Account to pay for principal and/or interest on the Series 2008A Bonds.

13 Section 22. Reimbursement. The City hereby declares its official intent to reimburse
14 prior expenditures of the City incurred prior to the issuance and sale of the Series 2008A
15 Bonds in connection with the Project or portions thereof to be financed by the Series 2008A
16 Bonds.

17 Section 23. Accountability Reports. The Series 2008A Bonds are subject to Article V
18 of Chapter 5 of the City's Administrative Code. Accountability report(s) with respect to the
19 Series 2008A Bonds shall be submitted at the time(s) and in the manner required by said
20 Article V.

21 Section 24. General Authority. The Clerk of the Board of Supervisors, the Mayor, the
22 City Treasurer, the Director of Public Finance, the City Attorney and the Controller are each
23 hereby authorized and directed in the name and on behalf of the City to take any and all steps
24 and to issue, deliver or enter into any and all certificates, requisitions, agreements, notices,
25

1 consents, and other documents as may be necessary to give effect to the provisions of this

2 ///

3 ///

4 ///

1 Resolution, including but not limited to letters of representations to any depository or
2 depositories which they or any of them might deem necessary or appropriate in order to
3 consummate the lawful issuance, sale and delivery of the Series 2008A Bonds.

4
5 APPROVED AS TO FORM:

6 DENNIS J. HERRERA
7 City Attorney

8
9 By: _____
10 KENNETH DAVID ROUX
11 Deputy City Attorney

1 EXHIBIT A

2 [FORM OF SERIES 2008A BOND]

3 Number UNITED STATES OF AMERICA Amount

4 _____ STATE OF CALIFORNIA \$_____

5 CITY AND COUNTY OF SAN FRANCISCO

6 GENERAL OBLIGATION BONDS

7 (BRANCH LIBRARY FACILITIES IMPROVEMENT BONDS, 2000)

8 SERIES 2008A

9 _____

10 Interest Rate Maturity Dated CUSIP

11 Date Number

12 _____% June 15, _____

13 20__

14 REGISTERED OWNER: CEDE & CO.

15 PRINCIPAL AMOUNT: _____ DOLLARS

16
17 THE CITY AND COUNTY OF SAN FRANCISCO, State of California (herein
18 called the "City"), acknowledges itself indebted to and promises to pay to CEDE & Co.
19 or registered assigns, on the maturity date set forth above the principal sum of
20 _____ Dollars (\$_____) in lawful money of
21 the United States of America, and to pay interest thereon in like lawful money from the
22 interest payment date next preceding the date of authentication of this Series 2008A
23 Bond (unless this Series 2008A Bond is authenticated as of the day during the period
24 from the last day of the month next preceding any interest payment date (the "Record
25 Date") to such interest payment date, inclusive, in which event it shall bear interest from
such interest payment date, or unless this Series 2008A Bond is authenticated on or
before November 30, 2008, in which event it shall bear interest from its dated date until
payment of such principal sum, at the interest rate per annum stated herein above
calculated on the basis of a 360-day year comprised of twelve 30-day months, payable
on December 15, 2008, and semiannually thereafter on June 15 and December 15 in
each year, provided, however, if any interest payment date occurs on a day that banks

1 in California or New York are closed for business or the New York Stock Exchange is
2 open for business (a "Business Day"). The principal hereof is payable to the registered
3 owner hereof upon the surrender hereof at the office of the Treasurer of the City in San
4 Francisco, California (the "City Treasurer"). The interest hereon is payable to the
5 person whose name appears on the bond registration books of the City Treasurer as
6 the registered owner hereof as of the close of business on the Record Date immediately
7 preceding an interest payment date, whether or not such day is a Business Day, such
8 interest to be paid by check mailed on the interest payment date to such registered
9 owner at the owner's address as it appears on such registration books; provided,
10 however, that the registered owner of Series 2008A Bonds in an aggregate principal
11 amount of at least \$1,000,000 may submit a written request to the City Treasurer on or
12 before the Record Date preceding any interest payment date for payment of interest
13 hereon by wire transfer to a commercial bank located in the United States of America.

14 This Series 2008A Bond is one of a duly authorized issue of Series 2008A Bonds
15 of like tenor (except for such variations, if any, as may be required to designate varying
16 numbers, denominations, interest rates and maturities), in the original aggregate
17 principal amount of \$31,065,000 and is one of a duly authorized series of said issue
18 which series is part of a bond authorization in the aggregate principal amount of
19 \$105,865,000 and is authorized by votes of more than two-thirds of the voters voting at
20 an election duly and legally called, held and conducted, in said City on November 7,
21 2000 and is issued and sold by the City pursuant to and in strict conformity with the
22 provisions of the Constitution and laws of the State of California, and Charter of the City
23 and of resolutions adopted by the Board of Supervisors of the City (the "Board of
24 Supervisors") on May 14, 2001, and [March 18, 2008] (collectively, the "Resolutions").

25 The Series 2008A Bonds are issuable as fully registered bonds without coupons
in the denominations of \$5,000 or any integral multiple thereof, provided that no bond
shall have principal maturing on more than one principal maturity date. Subject to the
limitations and conditions and upon payment of the charges, if any, as provided in the
Resolutions, the Series 2008A Bonds may be exchanged for a like aggregate principal
amount of bonds or other authorized denominations of the same series, interest rate
and maturity.

This Series 2008A Bond is transferable by the registered owner hereof, in person
or by attorney duly authorized in writing, at said office of the City Treasurer, but only in
the manner, subject to the limitations and upon payment of the charges provided in the
Resolutions, and upon surrender and cancellation of this Series 2008A Bond. Upon
such transfer, a new bond or bonds of authorized denomination or denominations for
the same interest rate and same aggregate principal amount will be issued to the
transferee in exchange herefor.

The Series 2008A Bonds maturing on or before June 15, 20____ are not subject
to redemption prior to maturity. The Series 2008A Bonds maturing on or after June 15,

1 20____ are subject to optional redemption prior to their respective maturities, at the
2 option of the City, from any source of available funds, as a whole or in part on any date
3 (with the maturities to be redeemed to be determined by the City and by lot within a
maturity), on and after June 15, 20____, at redemption prices equal to 100% of the
principal amount redeemed), together with accrued interest to the date of redemption.

4 Notice of redemption shall be given by mail not less than thirty (30) nor more
5 than sixty (60) days prior to the date fixed for redemption to the registered owner
6 thereof, but neither failure to receive any such notice or any defect in the notice so
mailed shall affect the sufficiency of the proceedings for redemption. Such notice may
be conditional.

7 The City may rescind any optional redemption by written notice to the owner of
8 any Series 2008A Bond previously called for redemption prior to the date fixed for
redemption. Any notice of optional redemption shall be rescinded if for any reason
9 funds are not or will not be, available on the date fixed for redemption or the payment in
10 full of the Series 2008A Bonds then called for redemption. Notice of rescission of
redemption shall be given in the same manner notice of redemption was originally
11 provided. The actual receipt by the owner of any Series 2008A Bond of notice of such
rescission shall not be a condition precedent to rescission, and failure to receive such
12 notice or any defect in such notice so mailed shall not affect the validity of the
rescission.

13 If this Series 2008A Bond is called for redemption and payment is duly provided
14 therefore, interest shall cease to accrue hereon from and after the date fixed for
15 redemption.

16 The City and the City Treasurer may treat the registered owner of the Series
2008A Bonds as the absolute owner thereof for all purposes, and the City and the City
17 Treasurer shall not be affected by any notice to the contrary.

18 The City Treasurer may appoint agents to serve as bond registrar or paying
19 agent, as provided in the Resolutions.

20 The Board of Supervisors hereby certifies and declares that the total amount of
indebtedness of said City, including the amount of this Series 2008A Bond, is within the
21 limit provided by law, that all acts, conditions and things required by the law to be done
or performed precedent to and in the issuance of this Series 2008A Bond have been
22 done and performed in strict conformity with the laws authorizing the issuance of this
Series 2008A Bond, that this Series 2008A Bond is in the form prescribed by order of
23 the Board of Supervisors duly, made and entered on its minutes, and the money for the
payment of principal of this Series 2008A Bond, and the payment of interest thereon,
24 shall be raised by taxation upon the taxable property of said City as provided in the
Resolutions.

1 This Series 2008A Bond shall not be entitled to any benefit under the
2 Resolutions, or become valid or obligatory for any purpose, until the certificate of
3 authentication and registration hereon endorsed shall have been signed by the City
4 Treasurer.
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1 IN WITNESS WHEREOF the Board of Supervisors (the "Board") of the City and
2 County of San Francisco (the "City") has caused this Series 2008A Bond to be executed
3 under the official seal of the City or a facsimile thereof by the Mayor of the City and the
Treasurer of the City, and to be countersigned by the Clerk of said Board, all as of
_____, 2008.

4 [Seal]

5 _____
6 Mayor of the City and
County of San Francisco

7
8 Countersigned:

9 _____
10 Clerk of the Board
of Supervisors

11
12 CERTIFICATE OF AUTHENTICATION AND REGISTRATION

13 This is one of the Series 2008A Bonds described in the within-mentioned
14 Resolutions, which has been authenticated on the date set forth below.

15 Date of Authentication: _____, 2008

16
17
18 _____
19 Treasurer of the City and
County of San Francisco

1 ASSIGNMENT

2 For value received the undersigned do(es) hereby sell, assign and transfer unto

3
4 _____
5 (Name, Address, and Tax Identification or Social Security Number of Assignee)

6
7 the within-mentioned registered Series 2008A Bond and hereby irrevocably constitute(s)
8 and appoint(s),

9
10 _____
11 attorney, to transfer the same on the books of the paying agent with full power of
12 substitution in the premises.

13
14 Dated: _____

15
16 NOTE: The signature to this assignment
17 must correspond with the name as written
18 on the face of the within Series 2008A
Bond in every particular, without
enlargement or any change whatsoever.

19 _____
20
21
22 Signature Guaranty: _____

23 NOTE: Signature must be approved by a qualified guarantor.