

1 [Authorizing Refunding Certificates of Participation, Series 2019-R1 - Multiple Capital
2 Improvement Projects - Not to Exceed \$160,000,000]

3 **Ordinance authorizing the execution and delivery of Certificates of Participation, in one**
4 **or more series from time to time, on a tax-exempt or taxable basis, evidencing and**
5 **representing an aggregate principal amount of not to exceed \$160,000,000 to refinance**
6 **certain certificates of participation that financed various capital improvement projects**
7 **and finance certain additional capital improvements; approving the form of a Third**
8 **Supplement to Trust Agreement between the City and County of San Francisco and**
9 **U.S. Bank National Association, as trustee (“Trustee”) (including certain indemnities**
10 **contained therein); approving respective forms of a Third Supplement to Property**
11 **Lease and a Third Supplement to Project Lease, each between the City and the Trustee**
12 **for the lease and lease back of all or a portion of certain real property and**
13 **improvements located at 375 Laguna Honda Boulevard or other property as determined**
14 **by the Director of Public Finance; approving the form of two separate Escrow**
15 **Agreements (including certain indemnities contained therein), between the City and**
16 **U.S. Bank National Association, as escrow agent (“Escrow Agent”); approving the form**
17 **of an Official Notice of Sale and a Notice of Intention to Sell the Certificates of**
18 **Participation; approving the form of an official statement in preliminary and final form;**
19 **approving the form of a Continuing Disclosure Certificate; granting general authority to**
20 **City officials to take necessary actions in connection with the authorization, sale,**
21 **execution and delivery of the Certificates of Participation; approving modifications to**
22 **documents; and ratifying previous actions taken in connection therewith, as defined**
23 **herein.**

24
25 **NOTE: Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in *strikethrough italics Times New Roman font*.

Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

1
2
3 Be it ordained by the People of the City and County of San Francisco:

4 WHEREAS, The City and the Trustee have previously entered into a Property Lease,
5 dated as of May 1, 2009 (“Original Property Lease”), pursuant to which the City has leased
6 certain real property and all improvements thereon (collectively, the “Prior Leased Property”)
7 to the Trustee; and

8 WHEREAS, The Trustee and the City have previously entered into a Project Lease,
9 dated as of May 1, 2009 (“Original Project Lease”), pursuant to which the Trustee has leased
10 the Prior Leased Property back to the City; and

11 WHEREAS, The City previously caused the execution and delivery of the City and
12 County of San Francisco Certificates of Participation, Series 2009A (Multiple Capital
13 Improvement Projects) (“2009A Certificates”) pursuant to a Trust Agreement, dated as of May
14 1, 2009, by and between the City and the Trustee (“Original Trust Agreement”); and

15 WHEREAS, The 2009A Certificates evidence direct undivided interests in the lease
16 payments made by the City under the Original Project Lease; and

17 WHEREAS, The Original Trust Agreement provides for the issuance of additional
18 certificates of participation by the execution and delivery of a supplement to the Original Trust
19 Agreement, and authorizes the principal and interest with respect to said certificates of
20 participation to be secured by a supplement to the Original Property Lease and to be paid
21 from amounts paid by the City under a supplement to the Original Project Lease;

22 WHEREAS, The City subsequently caused the execution and delivery of the City and
23 County of San Francisco Certificates of Participation, Series 2009B (Multiple Capital
24 Improvement Projects) (the “2009B Certificates” and, together with the 2009A Certificates, the
25

1 “Refunded Certificates”) pursuant to a First Supplement to Trust Agreement, dated as of
2 September 1, 2009 (“First Supplement to Trust Agreement”), supplementing the Original Trust
3 Agreement; and

4 WHEREAS, In connection therewith, the City and the Trustee have previously entered
5 into a First Supplement to Property Lease, dated as of September 1, 2009 (“First Supplement
6 to Property Lease”), supplementing the Original Property Lease; and

7 WHEREAS, In connection therewith, the City and the Trustee have previously entered
8 into a First Supplement to Project Lease, dated as of September 1, 2009 (“First Supplement
9 to Project Lease”), supplementing the Original Project Lease; and

10 WHEREAS, The 2009B Certificates evidence direct undivided interests in the lease
11 payments made by the City under the Original Project Lease, as supplemented by the First
12 Supplement to Project Lease, on a parity basis with the 2009A Certificates; and

13 WHEREAS, The City subsequently caused the execution and delivery of the City and
14 County of San Francisco Certificates of Participation, Series 2012A (Multiple Capital
15 Improvement Projects) (“2012A Certificates”) pursuant to a Second Supplement to Trust
16 Agreement, dated as of June 1, 2012 (“Second Supplement to Trust Agreement”),
17 supplementing the Original Trust Agreement; and

18 WHEREAS, In connection therewith, the City and the Trustee have previously entered
19 into a Second Supplement to Property Lease, dated as of June 1, 2012 (“Second Supplement
20 to Property Lease”), supplementing the Original Property Lease; and

21 WHEREAS, In connection therewith, the City and the Trustee have previously entered
22 into a Second Supplement to Project Lease, dated as of June 1, 2012 (“Second Supplement
23 to Project Lease”), supplementing the Original Project Lease; and

24 WHEREAS, The 2012A Certificates evidence direct undivided interests in the lease
25 payments made by the City under the Original Project Lease, as supplemented by the First

1 Supplement to Project Lease and Second Supplement to Project Lease, on a parity basis with
2 the 2009A Certificates and 2009B Certificates; and

3 WHEREAS, The Board of Supervisors (“Board of Supervisors” or “Board”) of the City
4 and County of San Francisco (“City”) desires to provide for the (i) refinancing, in whole or in
5 part, of the Refunded Certificates, the proceeds of which financed various capital
6 improvement projects of the City (collectively, the “2009 Project”), and (ii) financing of the
7 acquisition of capital equipment, including street sweepers, and other capital expenditures
8 (the “Series R1 Project” and, together with the 2009 Project, the “Project”), through the
9 execution and delivery of one or more series of certificates of participation (“Certificates”); and

10 WHEREAS, A default judgment was entered on January 15, 2009, in the action entitled
11 *City and County of San Francisco v. All Persons Interested in the Matter*, CGC 08-479823,
12 filed September 15, 2008, and relating to the validity of the Refunded Certificates, which
13 judgment determined that the 2009 Project and Refunded Certificates were valid; and

14 WHEREAS, Chapter 43, Article VIII, Section 43.8.1 of the San Francisco Administrative
15 Code (“Administrative Code”) provides that the policy of the City is to permit the refunding of
16 outstanding lease obligations of the City whenever such refunding shall result in net debt
17 service savings to the City pursuant to the procedure set forth in such Article as well as by any
18 other method permitted by law or other ordinance of the Board; and

19 WHEREAS, The Certificates will be executed and delivered in one or more series, from
20 time to time, on a tax-exempt and/or taxable basis pursuant to a Third Supplement to Trust
21 Agreement (“Third Supplement to Trust Agreement”), by and between the City and the
22 Trustee, supplementing the Original Trust Agreement; and

23 WHEREAS, In connection with the execution and delivery of the Certificates, the Board
24 desires to cause the execution of a Third Supplement to Property Lease (“Third Supplement
25 to Property Lease”), supplementing the Original Property Lease to provide for additional rental

1 to be paid by the Trustee in connection with the financing of the Project and certain related
2 matters and pursuant to which the City intends to lease to the Trustee the Prior Leased
3 Property and/or such other property designated by the City’s Director of Public Finance
4 (collectively, the “Leased Property”), a Third Supplement to Project Lease (“Third Supplement
5 to Project Lease”), supplementing the Original Project Lease to provide for the leasing of the
6 Leased Property back to the City as well as additional Base Rental to be paid by the City in
7 connection with the financing of the Project and certain related matters, two separate escrow
8 agreements (each, an “Escrow Agreement,” and together, the “Escrow Agreements”), a
9 Continuing Disclosure Certificate and certain other related documents; and

10 WHEREAS, The Certificates will evidence direct undivided interests in the lease
11 payments made by the City under the Original Project Lease, as supplemented by the First
12 Supplement to Project Lease, the Second Supplement to Project Lease and the Third
13 Supplement to Project Lease, on a parity basis with the 2012A Certificates; and

14 WHEREAS, The Board has been presented with the form of certain documents and
15 agreements referred to herein relating to the Certificates, and the Board has examined and is
16 approving each such document and agreement and desires to authorize the execution of such
17 documents and agreements and the consummation of such financing; and

18 WHEREAS, Upon the effectiveness of this Ordinance, all conditions, things and acts
19 required by law to exist, to happen and to be performed precedent to and as a condition of the
20 execution and delivery of the Third Supplement to Property Lease, the Third Supplement to
21 Project Lease, the Third Supplement to Trust Agreement, the Escrow Agreements, the
22 Continuing Disclosure Certificate, the Official Statement (as defined herein) and the
23 Certificates will exist, have happened and have been performed in due time, form and manner
24 in accordance with applicable law, and the City shall be authorized pursuant to its Charter and
25 other applicable law to execute and deliver the Third Supplement to Property Lease, the Third

1 Supplement to Project Lease, the Continuing Disclosure Certificate, the Third Supplement to
2 Trust Agreement, the Escrow Agreements and the Official Statement and to cause the
3 execution and delivery of the Certificates in the manner and form provided in this Ordinance;
4 and

5 WHEREAS, The City has paid and expects to pay certain expenditures in connection
6 with the Series R1 Project to be financed by the Certificates prior to the execution and delivery
7 of the Certificates, and the City intends to reimburse itself and to pay third parties for such
8 prior expenditures from the proceeds of the Certificates; and

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

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

19 WHEREAS, The adoption of this Ordinance constitutes authorization of the
20 Certificates within the meaning of Section 864 of the California Code of Civil Procedure and
21 any Validation Act that is effective after this Ordinance takes effect; and

22 NOW THEREFORE,

23 Be it ordained by the People of the City and County of San Francisco, as follows:

24 Section 1. Findings. The Board hereby finds and determines that the recitals set
25 forth above are true and correct.

1 Section 2. Conditions Precedent. All conditions, things and acts required by law to
2 exist, to happen and to be performed precedent to the execution and delivery of the
3 Certificates exist, have happened and have been performed in due time, form and manner in
4 accordance with applicable law, and the City is now authorized pursuant to its Charter and
5 applicable law to incur indebtedness in the manner and form provided in this Ordinance.

6 Section 3. File Documents. The documents presented to the Board and on file with
7 the Clerk of the Board or her designee (collectively, the “Clerk”) are contained in File No.
8 190624.

9 Section 4. Authorization of the Certificates. The Board hereby authorizes and
10 approves the execution and delivery of the Certificates in accordance with the Third
11 Supplement to Trust Agreement. The proceeds of the Certificates will be used to (i) finance
12 and/or refinance the Project; (ii) fund a debt service or other similar reserve, as appropriate;
13 and (iii) pay costs of issuance of the Certificates. The Certificates shall be designated as “City
14 and County of San Francisco Refunding Certificates of Participation, Series 2019-R1 (Multiple
15 Capital Improvement Projects)” with such other or additional designation, including the year of
16 execution and delivery, as determined by the Controller’s Director of Public Finance or her
17 designee (“Director of Public Finance”).

18 The Certificates shall evidence an aggregate principal amount of not to exceed One
19 Hundred Sixty Million Dollars (\$160,000,000), and shall evidence interest at a true interest
20 cost up to but not to exceed twelve percent (12%) per annum. The Certificates shall be
21 subject to prepayment as set forth in the Third Supplement to Project Lease and Third
22 Supplement to Trust Agreement. The Director of Public Finance is hereby authorized, to the
23 extent such officer deems it necessary or advisable and financially advantageous to the City,
24 to procure credit enhancement for the Certificates, including but not limited to municipal bond
25 insurance or a debt service reserve fund surety policy.

1 The Director of Public Finance is hereby authorized, to the extent such officer deems it
2 necessary or advisable and in the interests of the City, to cause the execution and delivery of
3 the Certificates (i) with interest with respect thereto exempt or not exempt from federal income
4 tax, and (ii) under any federal tax law provisions which provide for federal grants or credits to
5 the City or to investors in lieu of the exemption of interest from federal income tax.

6 Section 5. Approval of the Third Supplement to Trust Agreement. The form of the
7 Third Supplement to Trust Agreement between the City and the Trustee, as presented to the
8 Board, a copy of which is on file with the Clerk, is hereby approved. The Mayor of the City
9 (“Mayor”) or the Controller (“Controller”) or designees thereof are hereby authorized to
10 execute and deliver the Third Supplement to Trust Agreement, and the Clerk is hereby
11 authorized to attest to and affix the seal of the City on the Third Supplement to Trust
12 Agreement, with such changes, additions and modifications as the Mayor or the Controller
13 may make or approve in accordance with Section 18 hereof.

14 Section 6. Approval of the Third Supplement to Property Lease. The form of the
15 Third Supplement to Property Lease between the City and the Trustee, as presented to the
16 Board, a copy of which is on file with the Clerk, is hereby approved. The Mayor or the
17 Controller is hereby authorized to execute and deliver the Third Supplement to Property
18 Lease, and the Clerk is hereby authorized to attest to and affix the seal of the City on the
19 Third Supplement to Property Lease, with such changes, additions and modifications as the
20 Mayor or the Controller may make or approve in accordance with Section 18 hereof.

21 Section 7. Approval of the Third Supplement to Project Lease. The form of the Third
22 Supplement to Project Lease between the City and the Trustee, as presented to the Board, a
23 copy of which is on file with the Clerk, is hereby approved. The Mayor or the Controller is
24 hereby authorized to execute and deliver the Third Supplement to Project Lease, and the
25 Clerk is hereby authorized to attest and to affix the seal of the City on the Third Supplement to

1 Project Lease with such changes, additions and modifications as the Mayor or Controller may
2 make or approve in accordance with Section 18 hereof; provided, however, that the maximum
3 Base Rental (as defined in the Third Supplement to Project Lease) to be paid under the Third
4 Supplement to Project Lease in any fiscal year shall not exceed Fifteen Million Three Hundred
5 Eighty-One Thousand Seven Hundred Five Dollars (\$15,381,705) and the initial stated term of
6 the Third Supplement to Project Lease shall not extend beyond the 20th year following its
7 date of execution, as such initial term may be extended in accordance with the Third
8 Supplement to Project Lease.

9 Section 8. Approval of the Leased Property and the Base Rental Payments. The
10 Board hereby approves the leasing, pursuant to the terms of the Third Supplement to Property
11 Lease and the Third Supplement to Project Lease, of all or a portion of the Leased Property.
12 The Board also hereby approves the payment by the City of the Base Rental with respect
13 thereto.

14 Section 9. Approval of the Escrow Agreements. The forms of the Escrow Agreements
15 between the City and the Escrow Agent, as presented to this Board, copies of which are on
16 file with the Clerk of the Board, are hereby approved. The Mayor, the Controller or the Director
17 of Public Finance is hereby authorized to execute the Escrow Agreements, with such
18 changes, additions and modifications as the Mayor, the Controller or the Director of Public
19 Finance may make or approve in accordance with Section 18.

20 Section 10. Sale and Award of Certificates by Competitive Sale. In the event the
21 Director of Public Finance determines to sell the Certificates by competitive sale, the Director
22 of Public Finance, on behalf of the Controller, is hereby authorized and directed to receive
23 bids for the purchase of the Certificates, and the Controller is hereby authorized and directed
24 to award the Certificates to the bidder whose bid represents the lowest true interest cost to the
25 City, all in accordance with the procedures described in the Official Notice of Sale (as defined

1 herein).

2 Section 11. Approval of Form of Official Notice of Sale. The form of an official notice
3 of sale relating to the Certificates ("Official Notice of Sale"), as presented to this Board, a copy
4 of which is on file with the Clerk of the Board, is hereby approved. The Controller or the
5 Director of Public Finance is authorized to approve the distribution of an Official Notice of
6 Sale for the Certificates, with such changes, additions and modifications as such official may
7 make or approve in accordance with Section 18.

8 Section 12. Approval of Notice of Intention to Sell Relating to the Certificates. The
9 form of a notice of intention to sell relating to the Certificates ("Notice of Intention to Sell"), as
10 presented to this Board, a copy of which is on file with the Clerk of the Board, is hereby
11 approved. The Controller or the Director of Public Finance is hereby authorized to approve the
12 publication of the Notice of Intention to Sell relating to the Certificates, with such changes,
13 additions and modifications as such official may make or approve in accordance with Section
14 18.

15 Section 13. Sale of Certificates by Negotiated Sale. If the Controller or the Director of
16 Public Finance determines to sell the Certificates by negotiated sale, the Controller or the
17 Director of Public Finance is hereby authorized to sell the Certificates by negotiated sale
18 pursuant to one or more purchase contracts (each, a "Purchase Contract") by and between
19 the City and the underwriters named therein; provided, however, that the underwriters'
20 discount under any such Purchase Contract shall not exceed one-half of one percent (0.5%)
21 of the principal amount of the Certificates. The form of Purchase Contract, as presented to
22 the Board, a copy of which is on file with the Clerk, is hereby approved.

23 To accomplish the sale of the Certificates by negotiated sale, if applicable, the
24 Controller or the Director of Public Finance is hereby authorized to appoint one or more
25 financial institutions to act as underwriter for the Certificates in accordance with City policies

1 and procedures, including but not limited to the City’s policy to provide locally disadvantaged
2 business enterprises an equal opportunity to participate in the performance of all City
3 contracts.

4 Section 14. Approval of the Official Statement in Preliminary and Final Form. The
5 form of an official statement relating to the Certificates (“Official Statement”), as presented to
6 this Board, a copy of which is on file in preliminary form with the Clerk, is hereby approved.
7 The Controller is hereby authorized to approve the preliminary Official Statement in
8 substantially said form, with such changes, additions, modifications (including but not limited
9 to the inclusion of the most current City financial information) or deletions as such official may
10 make or approve in accordance with Section 18, and to deem the preliminary Official
11 Statement final for purposes of the Rule 15c2-12 of the Securities and Exchange Act of 1934,
12 as amended, to execute a certificate to that effect, and to cause the preliminary Official
13 Statement to be delivered, in printed or electronic form, to potential purchasers of the
14 Certificates, such approval to be conclusively evidenced by the delivery of said deemed-final
15 certificate. The Controller is hereby further authorized and directed to sign and deliver the
16 Official Statement in final form to purchasers of the Certificates.

17 Section 15. Approval of the Continuing Disclosure Certificate. The form of a
18 Continuing Disclosure Certificate of the City relating to the Certificates, as presented to the
19 Board, a copy of which is on file with the Clerk, is hereby approved. The Controller or the
20 Director of Public Finance is hereby authorized to execute the Continuing Disclosure
21 Certificate, with such changes, additions, modifications or deletions as the Controller or the
22 Director of Public Finance may approve upon consultation with the City Attorney; such
23 approval to be conclusively evidenced by the execution and delivery of the Continuing
24 Disclosure Certificate.

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1 Section 16. Reimbursement. The City declares its official intent to reimburse prior
2 expenditures of the City incurred prior to the execution and delivery of the Certificates in
3 connection with the Series R1 Project or portions thereof with the proceeds of the Certificates.
4 The Board of Supervisors declares the City’s intent to reimburse the City with the proceeds of
5 the Certificates for the expenditures with respect to the Series R1 Project (the “Expenditures”
6 and each an “Expenditure”) made on and after that date that is no more than 60 days prior to
7 adoption of this Ordinance. The City reasonably expects on the date of adoption of this
8 Ordinance that it will reimburse the Expenditures with the proceeds of the Certificates.

9 Each Expenditure was and will be either (a) of a type properly chargeable to a capital
10 account under general federal income tax principles (determined in each case as of the date
11 of the Expenditure), (b) a cost of issuance with respect to the Certificates, (c) a nonrecurring
12 item that is not customarily payable from current revenues, or (d) a grant to a party that is not
13 related to or an agent of the City so long as such grant does not impose any obligation or
14 condition (directly or indirectly) to repay any amount to or for the benefit of the City. The
15 maximum aggregate principal amount of the Certificates expected to be executed and
16 delivered for the Series R1 Project is \$160,000,000. The City shall make a reimbursement
17 allocation, which is a written allocation by the City that evidences the City’s use of proceeds of
18 the Certificates to reimburse an Expenditure, no later than 18 months after the later of the
19 date on which the Expenditure is paid or the Series R1 Project is placed in service or
20 abandoned, but in no event more than three years after the date on which the Expenditure is
21 paid. The City recognizes that exceptions are available for certain “preliminary expenditures,”
22 costs of issuance, certain *de minimis* amounts, expenditures by “small issuers” (based on the
23 year of issuance and not the year of expenditure) and expenditures for construction projects
24 of at least 5 years.

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1 Section 17. General Authority. The Mayor, the Treasurer, the City Attorney, the
2 Controller, the City Administrator, the Director of Public Finance, the Clerk and other officers
3 of the City and their duly authorized deputies, designees and agents are hereby authorized
4 and directed, jointly and severally, to take such actions and to execute and deliver such
5 certificates, agreements, requests or other documents as they may deem necessary or
6 desirable to accomplish the purposes of this Ordinance, including but not limited to the
7 execution and delivery of the Third Supplement to Property Lease, the Third Supplement to
8 Project Lease, the Third Supplement to Trust Agreement, the Official Statement, the
9 Continuing Disclosure Certificate and the Certificates, to obtain bond insurance or other credit
10 enhancements or a surety policy with respect to the Certificates, to obtain title insurance, to
11 clear any encumbrances to title and to carry out other title work. Any such actions are solely
12 intended to further the purposes of this Ordinance, and are subject in all respects to the terms
13 of this Ordinance. No such actions shall increase the risk to the City or require the City to
14 spend any resources not otherwise granted herein. Final versions of any such documents
15 shall be provided to the Clerk of the Board of Supervisors for inclusion in the official file within
16 30 days of execution (or as soon thereafter as final documents are available) by all parties.

17 Section 18. Modifications, Changes and Additions. The Mayor, the Treasurer, the
18 Controller and the Director of Public Finance each are hereby authorized to make such
19 modifications, changes and additions to the documents and agreements approved hereby,
20 upon consultation with the City Attorney, as may be necessary or desirable and in the
21 interests of the City, and which changes do not materially increase the City's obligations or
22 reduce its rights thereunder or hereunder. The respective official's approval of such
23 modifications, changes and additions shall be conclusively evidenced by the execution and
24 delivery by such official and the Clerk of the Board of the Third Supplement to Property Lease,
25 Third Supplement to Project Lease, Third Supplement to Trust Agreement or any of the

1 documents approved herein. Any such actions are solely intended to further the purposes of
2 this Ordinance and are subject in all respects to the terms of this Ordinance. No such actions
3 shall increase the risk to the City or require the City to spend any resources not otherwise
4 granted herein. Final versions of any such documents shall be provided to the Clerk of the
5 Board for inclusion in the official file within 30 days (or as soon thereafter as final documents
6 are available) of execution by all parties.

7 Section 19. Partial Invalidity. Any provision of this Ordinance found to be prohibited
8 by law shall be ineffective only to the extent of such prohibition, and shall not invalidate the
9 remainder of this Ordinance.

10 Section 20. Effective Date. This Ordinance shall take effect immediately.

11 Section 21. Ratification of Prior Actions. All actions authorized consistent with any
12 documents presented herein and approved by this Ordinance but heretofore taken are hereby
13 ratified, approved and confirmed by the Board.

14

15 APPROVED AS TO FORM:
16 DENNIS J. HERRERA, City Attorney

17

18 By: _____
19 Mark D. Blake
20 Deputy City Attorney
21 n:\financlas2019\1300182\01364668.docx

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1 Exhibit A

2 For purposes of compliance with Section 5852.1 of the California Government Code,
3 the following information has been provided by the City's Municipal Advisors, PFM Financial
4 Advisors LLC and NHA Advisors, LLC:

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6 1. True interest cost of the Certificates: 2.83437%

7
8 2. Finance charge for the Certificates, including all fees and charges for third parties
9 (including underwriter's compensation, financial advisory fees, bond counsel fees, disclosure
10 counsel fees, trustee fees and other payments to third parties): \$2,280,784.50.

11
12 3. Amount of Certificate proceeds expected to be received by the City, net of
13 payments identified in 2 above and any reserve fund or capitalized interest funded with
14 proceeds of the Certificates: \$129,690,963.90.

15
16 4. Total payment amount for the Certificates, being the sum of (a) debt service on the
17 Certificates to final maturity, and (b) any financing costs not paid from proceeds of the
18 Certificates: \$172,363,790.97.

19
20
21 The information set forth above is based up estimates of prevailing market conditions, and the
22 ability to finance the entirety of the project on a tax exempt basis. Actual results may differ if
23 assumed market conditions change.