

1 [Sale of General Obligation Bonds - (Embarcadero Seawall Earthquake Safety, 2018), Series  
2 2019B - Not to Exceed \$50,000,000]

3 **Resolution authorizing the issuance and sale of not to exceed \$50,000,000 aggregate**  
4 **principal amount of City and County of San Francisco General Obligation Bonds**  
5 **(Embarcadero Seawall Earthquake Safety, 2018) Series 2019B; prescribing the form**  
6 **and terms of such bonds; providing for the appointment of depositories and other**  
7 **agents for such bonds; providing for the establishment of accounts and/or**  
8 **subaccounts related to such bonds; authorizing the sale of such bonds by competitive**  
9 **or negotiated sale; approving the forms of the Official Notice of Sale and Notice of**  
10 **Intention to Sell Bonds and directing the publication of the Notice of Intention to Sell**  
11 **Bonds; approving the form of the Purchase Contract; approving the form of the**  
12 **Preliminary Official Statement and the execution of the Official Statement relating to**  
13 **the sale of such bonds; approving the form of the Continuing Disclosure Certificate;**  
14 **authorizing and approving modifications to such documents; ratifying certain actions**  
15 **previously taken, as defined herein; and granting general authority to City Officials**  
16 **officials to take necessary actions in connection with the authorization, issuance, sale,**  
17 **and delivery of such bonds, as defined herein.**

18  
19 WHEREAS, By Resolution No. 183-18, adopted by the Board of Supervisors (the  
20 "Board of Supervisors") of the City and County of San Francisco (the "City") on June 12, 2018,  
21 and signed by the Mayor (the "Mayor") on June 20, 2018, it was determined and declared that  
22 public interest and necessity demand the construction, reconstruction, acquisition,  
23 improvement, demolition, seismic strengthening and repair of the Embarcadero Seawall and  
24 other critical infrastructure, as further therein described (the "Project"); and  
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1 WHEREAS, By Ordinance No. 146-18 passed by the Board of Supervisors on June 26,  
2 2018, and signed by the Mayor on June 28, 2018, and Ordinance No. 178-18 passed by the  
3 Board of Supervisors on July 24, 2018, and signed by the Mayor on July 26, 2018 (together,  
4 the "Bond Ordinances"), the Board of Supervisors duly called a special election to be held on  
5 November 6, 2018 (the "Bond Election"), for the purpose of submitting to the qualified voters  
6 of the City such proposition ("Proposition A") to incur bonded indebtedness of the City in the  
7 amount of \$425,000,000 to finance the Project, and such Proposition A was approved by two-  
8 thirds of the qualified voters of the City voting on such proposition, and declaration of such  
9 Bond Election results was made by the Board of Supervisors pursuant to Resolution No.  
10 420-18 on December 4, 2018, and approved by the Mayor on December 12, 2018; and

11 WHEREAS, By Resolution No. 323-19, adopted by the Board of Supervisors on July  
12 16, 2019, and approved by the Mayor on July 26, 2019 (the "Authorizing Resolution"), the City  
13 was authorized to issue its General Obligation Bonds (Embarcadero Seawall Earthquake  
14 Safety, 2018) (the "Bonds") in the not-to-exceed amount of \$425,000,000; and

15 WHEREAS, It is necessary and desirable to issue the first series of the Bonds, in an  
16 aggregate principal amount not to exceed \$50,000,000 (the "Series 2019B Bonds"), to finance  
17 a portion of the costs of the Project; and

18 WHEREAS, The Series 2019B Bonds are being issued pursuant to the Authorizing  
19 Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the California Government  
20 Code (the "Government Code"), the Charter of the City (the "Charter"), the Bond Ordinances  
21 and the Bond Election; and

22 WHEREAS, Pursuant to the applicable provisions of the San Francisco Administrative  
23 Code (the "Administrative Code") Sections 5.30-5.36, the Citizens' General Obligation Bond  
24 Oversight Committee shall conduct an annual review of bond spending and shall provide an  
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1 annual report on the management of the program to the Mayor and the Board of Supervisors,  
2 and, to the extent permitted by law, one tenth of one percent (0.1%) of the gross proceeds of  
3 the Series 2019B Bonds shall be deposited in a fund established by the Office of the City  
4 Controller (the "Controller") and appropriated by the Board of Supervisors at the direction of  
5 the Citizens' General Obligation Bond Oversight Committee to cover the costs of such  
6 committee and its review process; now, therefore, be it

7 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as  
8 follows:

9 Section 1. Recitals. All of the recitals in this Resolution are true and correct.

10 Section 2. Conditions Precedent. All conditions, things and acts required by law to  
11 exist, to happen and to be performed precedent to and in connection with the issuance of the  
12 Series 2019B Bonds exist, have happened and have been performed in due time, form and  
13 manner in accordance with applicable law, and the City is now authorized pursuant to the  
14 Bond Election, the Authorizing Resolution, the Charter and applicable law to incur  
15 indebtedness in the manner and form provided in this Resolution.

16 Section 3. Documents. The documents presented to the Board of Supervisors and on  
17 file with the Clerk of the Board of Supervisors or designee thereof (the "Clerk of the Board of  
18 Supervisors") are contained in File No. 190358.

19 Section 4. Issuance and Sale of Series 2019B Bonds; Determination of Certain Terms;  
20 Designation. The Board of Supervisors authorizes the issuance and sale of not to exceed  
21 \$50,000,000 in aggregate principal amount of Bonds to be designated as "City and County of  
22 San Francisco General Obligation Bonds (Embarcadero Seawall Earthquake Safety, 2018)  
23 Series 2019B," for the purposes set forth in the Bond Ordinances and Proposition A approved  
24 by the voters at the Bond Election.  
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1           The Director of Public Finance of the City or a designee thereof (the "Director of Public  
2 Finance") is authorized to determine, for the Series 2019B Bonds, the sale date, the interest  
3 rates, the definitive principal amount, the maturity dates and the redemption dates, if any, and  
4 the terms of any optional or mandatory redemption, subject to the other specific provisions of  
5 this Resolution, including the following terms and conditions: (a) the Series 2019B Bonds shall  
6 not have a true interest cost (as such term is defined in the Official Notice of Sale (as defined  
7 in Section 13) for the Series 2019B Bonds) in excess of 12%; and (b) the Series 2019B Bonds  
8 shall not have a final maturity date more than 30 years from their date of issuance. The  
9 Director of Public Finance is further authorized to give the Series 2019B Bonds such  
10 additional or other series designation, or to modify such series designation, as may be  
11 necessary or appropriate to distinguish the Series 2019B Bonds from every other series of  
12 Bonds and from other Bonds issued by the City.

13           Section 5. Authentication and Registration of the Series 2019B Bonds. Each of the  
14 Series 2019B Bonds shall be in fully registered form without coupons in denominations of  
15 \$5,000 or any integral multiple of that amount. The officers of the City are directed to cause  
16 the Series 2019B Bonds to be prepared in sufficient quantity for delivery to or for the account  
17 of their purchaser and the Director, Controller's Office of Public Finance is directed to cause  
18 the blanks in the Series 2019B Bonds to be completed in accordance with the Authorizing  
19 Resolution, this Resolution, and the Bond Award or Purchase Contract (as defined below), to  
20 procure their execution by the proper officers of the City (including by facsimile signature if  
21 necessary or convenient, except that any signature for the Clerk of the Board of Supervisors  
22 shall be required to be by manual signature) and authentication as provided in this Section,  
23 and to deliver the Series 2019B Bonds when so executed and authenticated to the purchaser  
24 in exchange for the purchase price, all in accordance with the Authorizing Resolution.

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1       The Series 2019B Bonds and the certificate of authentication and registration, to be  
2 manually executed by the Treasurer of the City or designee thereof (the "City Treasurer"), and  
3 the form of assignment to appear on the Series 2019B Bonds shall be substantially in the form  
4 attached as Exhibit A (a copy of which is on file with the Clerk of the Board of Supervisors and  
5 which is declared to be a part of this Resolution as if fully set forth in this Resolution), with  
6 necessary or appropriate variations, omissions and insertions as permitted or required by this  
7 Resolution.

8       Only Series 2019B Bonds bearing a certificate of authentication and registration  
9 executed by the City Treasurer shall be valid or obligatory for any purpose or entitled to the  
10 benefits of the Authorizing Resolution and this Resolution, and such certificate of the City  
11 Treasurer, executed as provided in this Resolution, shall be conclusive evidence that the  
12 Series 2019B Bonds so authenticated have been duly authenticated and delivered under, and  
13 are entitled to the benefits of, the Authorizing Resolution and this Resolution.

14       The Controller shall assign a distinctive letter, or number, or letter and number to each  
15 Series 2019B Bond authenticated and registered by the City Treasurer and shall maintain a  
16 record thereof which shall be available for inspection.

17       Section 6. Registration Books. The City Treasurer shall keep or cause to be kept, at  
18 the office of the City Treasurer or at the designated office of any registrar appointed by the  
19 City Treasurer, separate and sufficient books for the registration and transfer of Series 2019B  
20 Bonds, which books shall at all times be open to inspection, and upon presentation for such  
21 purpose, the City Treasurer shall, under such reasonable regulations as he or she may  
22 prescribe, register or transfer or cause to be registered or transferred, on such books, Series  
23 2019B Bonds as provided in this Resolution. The City and the City Treasurer may treat the  
24 registered owner of each Series 2019B Bond as its absolute owner for all purposes, and the  
25 City and the City Treasurer shall not be affected by any notice to the contrary.

1           Section 7. Transfer or Exchange of Series 2019B Bonds. Any Series 2019B Bond  
2 may, in accordance with its terms, be transferred upon the books required to be kept pursuant  
3 to the provisions of Section 6, 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 2019B  
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 2019B Bond may be exchanged at the office of the City Treasurer for a like  
8 aggregate principal amount of other authorized denominations of the same interest rate and  
9 maturity.

10           Whenever any Series 2019B Bond shall be surrendered for transfer or exchange, the  
11 designated City officials shall execute (as provided in Section 5) and the City Treasurer shall  
12 authenticate and deliver a new Series 2019B Bond of the same interest rate and maturity in a  
13 like aggregate principal amount. The City Treasurer shall require the payment by any bond  
14 owner requesting any such transfer of any tax or other governmental charge required to be  
15 paid with respect to such transfer or exchange.

16           No transfer or exchange of Series 2019B Bonds shall be required to be made by the  
17 City Treasurer during the period from the Record Date (as defined in Section 8(b)) next  
18 preceding each interest payment date to such interest payment date or after a notice of  
19 redemption shall have been mailed with respect to such Series 2019B Bonds.

20           Section 8. Terms of the Series 2019B Bonds; General Redemption Provisions.

21           (a)   Date of the Series 2019B Bonds. The Series 2019B Bonds shall be dated the  
22 date of their delivery or such other date (the "Dated Date") as is specified in the Bond Award  
23 or the Purchase Contract.

24           (b)   Payment of the Series 2019B Bonds. The principal of the Series 2019B Bonds  
25 shall be payable in lawful money of the United States of America to their owners, upon

1 surrender at maturity or earlier redemption at the office of the City Treasurer. The interest on  
2 the Series 2019B Bonds shall be payable in like lawful money to the person whose name  
3 appears on the bond registration books of the City Treasurer as the owner as of the close of  
4 business on the last day of the month immediately preceding an interest payment date (the  
5 "Record Date"), whether or not such day is a Business Day (as defined below).

6 Except as may be otherwise provided in connection with any book-entry-only system  
7 applicable to the Series 2019B Bonds, payment of the interest on any Series 2019B Bond  
8 shall be made by check mailed on the interest payment date to such owner at such owner's  
9 address as it appears on the registration books as of the Record Date; provided, that if any  
10 interest payment date occurs on a day that banks in California or New York are closed for  
11 business or the New York Stock Exchange is closed for business, then such payment shall be  
12 made on the next succeeding day that banks in both California and New York are open for  
13 business and the New York Stock Exchange is open for business (each, a "Business Day");  
14 and provided, further, that the registered owner of an aggregate principal amount of at least  
15 \$1,000,000 of Series 2019B Bonds may submit a written request to the City Treasurer on or  
16 before a Record Date preceding an interest payment date for payment of interest on the next  
17 succeeding interest payment date and thereafter by wire transfer to a commercial bank  
18 located within the United States of America.

19 For so long as any Series 2019B Bonds are held in book-entry form by a securities  
20 depository selected by the City pursuant to Section 10, payment shall be made to the  
21 registered owner of the Series 2019B Bonds designated by such securities depository by wire  
22 transfer of immediately available funds.

23 (c) Interest on the Series 2019B Bonds. The Series 2019B Bonds shall bear  
24 interest at rates to be determined upon the sale of the Series 2019B Bonds, calculated on the  
25 basis of a 360-day year comprised of twelve 30-day months, payable on December 15, 2019

1 (or such other date as may be designated in the Bond Award or Purchase Contract), and  
2 semiannually thereafter on June 15 and December 15 of each year. Each Series 2019B Bond  
3 shall bear interest from the interest payment date next preceding the date of its authentication  
4 unless it is authenticated as of a day during the period from the Record Date next preceding  
5 any interest payment date to the interest payment date, inclusive, in which event it shall bear  
6 interest from such interest payment date, or unless it is authenticated on or before the first  
7 Record Date, in which event it shall bear interest from the Dated Date; provided, that if, at the  
8 time of authentication of any Series 2019B Bond, interest is in default on the Series 2019B  
9 Bonds, such Series 2019B Bond shall bear interest from the interest payment date to which  
10 interest has previously been paid or made available for payment on the Series 2019B Bonds  
11 or from the Dated Date if the first interest payment is not made.

12 (d) Optional Redemption. The Series 2019B Bonds shall be subject to optional  
13 redemption prior to maturity as shall be provided in the Official Notice of Sale or the Purchase  
14 Contract, as applicable.

15 (e) Mandatory Redemption. The Series 2019B Bonds shall be subject to mandatory  
16 redemption as shall be designated by the purchaser pursuant to the terms of the Official  
17 Notice of Sale or as designated in the Purchase Contract, as applicable.

18 The principal of and interest on the Series 2019B Bonds subject to mandatory  
19 redemption shall be paid from the Series 2019B Bond Subaccount established in Section 9,  
20 pursuant to Section 9. In lieu of any such mandatory redemption for Series 2019B Bonds, at  
21 any time prior to the selection of Series 2019B Bonds for mandatory redemption, the City may  
22 apply amounts on deposit in the Series 2019B Bond Subaccount to make such payment to  
23 the purchase, at public or private sale, of Series 2019B Bonds subject to such mandatory  
24 redemption, and when and at such prices not in excess of the principal amount thereof  
25 (including sales commission and other charges but excluding accrued interest), as the City



1 may determine.

2 (f) Selection of Series 2019B Bonds for Redemption. Whenever less than all of the  
3 outstanding Series 2019B Bonds are called for redemption on any date, the Director of Public  
4 Finance will select the maturities of the Series 2019B Bonds to be redeemed in the sole  
5 discretion of the Director of Public Finance. Whenever less than all of the outstanding Series  
6 2019B Bonds maturing on any one date are called for redemption, the manner of selection of  
7 the portion of such Series 2019B Bonds called for redemption shall be as specified in the  
8 Official Statement for the Series 2019B Bonds.

9 (g) Notice of Redemption. The date on which Series 2019B Bonds that are called  
10 for redemption are to be presented for redemption is called the "Redemption Date." The City  
11 Treasurer shall mail, or cause to be mailed, notice of any redemption of Series 2019B Bonds,  
12 postage prepaid, to the respective registered owners at the addresses appearing on the bond  
13 registration books not less than 20 nor more than 60 days prior to the Redemption Date. The  
14 notice of redemption shall: (i) state the Redemption Date; (ii) state the redemption price; (iii)  
15 state the maturity dates of the Series 2019B Bonds to be redeemed and, if less than all of any  
16 such maturity is called for redemption, the distinctive numbers of the Series 2019B Bonds of  
17 such maturity to be redeemed, and in the case of any Series 2019B Bonds to be redeemed in  
18 part only, the respective portions of the principal amount to be redeemed; (iv) state the CUSIP  
19 number, if any, of each Series 2019B Bond to be redeemed; (v) require that such Series  
20 2019B Bonds be surrendered by the owners at the office of the City Treasurer or his or her  
21 agent; and (vi) give notice that interest on such Series 2019B Bonds or portions of Series  
22 2019B Bonds to be redeemed will cease to accrue after the Redemption Date. Notice of  
23 optional redemption may be conditional upon receipt of funds or other event specified in the  
24 notice of redemption as provided in Section 8(j) below.

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1           The actual receipt by the owner of any Series 2019B Bond of notice of such  
2 redemption shall not be a condition precedent to redemption, and failure to receive such  
3 notice, or any defect in such notice so mailed, shall not affect the validity of the proceedings  
4 for the redemption of such Series 2019B Bonds or the cessation of accrual of interest on such  
5 Series 2019B Bonds on the Redemption Date. Notice of redemption also shall be given, or  
6 caused to be given by the City Treasurer, by: (i) registered or certified mail, postage prepaid;  
7 (ii) confirmed facsimile transmission; (iii) overnight delivery service; or (iv) to the extent  
8 acceptable to the intended recipient, email or similar electronic means, to (A) all organizations  
9 registered with the Securities and Exchange Commission as securities depositories, and (B)  
10 such other services or organizations as may be required in accordance with the Continuing  
11 Disclosure Certificate described in Section 18.

12           The notice or notices required for redemption shall be given by the City Treasurer or  
13 any agent appointed by the City. A certificate of the City Treasurer or such other appointed  
14 agent of the City that notice of redemption has been given to the owner of any Series 2019B  
15 Bond to be redeemed in accordance with this Resolution shall be conclusive against all  
16 parties.

17           (h)   Series 2019B Redemption Account. At the time the Director of Public Finance  
18 determines to optionally call and redeem any of the Series 2019B Bonds, the Controller or his  
19 or her agent shall establish a redemption account to be described or known as the "General  
20 Obligation Bonds, Series 2019B Redemption Account" (the "Series 2019B Redemption  
21 Account"), and prior to or on the Redemption Date there must be set aside in the Series  
22 2019B Redemption Account moneys available for the purpose and sufficient to redeem, as  
23 provided in this Resolution, the Series 2019B Bonds designated in such notice of redemption,  
24 subject to the provisions of Section 8(j) below. Such moneys must be set aside in the Series  
25 2019B Redemption Account solely for the purpose of, and shall be applied on or after the

1 Redemption Date to, payment of the redemption price of the Series 2019B Bonds to be  
2 redeemed upon presentation and surrender of such Series 2019B Bonds. Any interest due on  
3 or prior to the Redemption Date may be paid from the Series 2019B Bond Subaccount as  
4 provided in Section 9 or from the Series 2019B Redemption Account. Moneys held from time  
5 to time in the Series 2019B Redemption Account shall be invested by the City Treasurer  
6 pursuant to the City's policies and guidelines for investment of moneys in the general fund  
7 (the "General Fund") of the City. If, after all of the Series 2019B Bonds have been redeemed  
8 and canceled or paid and canceled, there are moneys remaining in the Series 2019B  
9 Redemption Account, such moneys shall be transferred to the General Fund of the City or to  
10 such other fund or account as required by applicable law; provided, that if such moneys are  
11 part of the proceeds of refunding Bonds, such moneys shall be transferred pursuant to the  
12 resolution authorizing such refunding Bonds.

13 (i) Effect of Redemption. When notice of optional redemption has been given  
14 substantially as provided in this Resolution, and when the amount necessary for the  
15 redemption of the Series 2019B Bonds called for redemption (principal, premium, if any, and  
16 accrued interest to such Redemption Date) is set aside for that purpose in the Series 2019B  
17 Redemption Account, the Series 2019B Bonds designated for redemption shall become due  
18 and payable on the Redemption Date, and upon presentation and surrender of such Series  
19 2019B Bonds at the place specified in the notice of redemption, such Series 2019B Bonds  
20 shall be redeemed and paid at the redemption price out of the Series 2019B Redemption  
21 Account. No interest will accrue on such Series 2019B Bonds called for redemption after the  
22 Redemption Date and the registered owners of such Series 2019B Bonds shall look for  
23 payment of such Series 2019B Bonds only to the Series 2019B Redemption Account. All  
24 Series 2019B Bonds redeemed shall be canceled immediately by the City Treasurer and shall  
25 not be reissued.

1 (j) Conditional Notice of Redemption; Rescission of Redemption. Any notice of  
2 optional redemption given as provided in Section 8(g) may provide that such redemption is  
3 conditioned upon: (i) deposit in the Series 2019B Redemption Account of sufficient moneys to  
4 redeem the Series 2019B Bonds called for optional redemption on the anticipated  
5 Redemption Date, or (ii) the occurrence of any other event specified in the notice of  
6 redemption. If conditional notice of redemption has been given substantially as provided in  
7 this clause, and on the scheduled Redemption Date (A) sufficient moneys to redeem the  
8 Series 2019B Bonds called for optional redemption on the Redemption Date have not been  
9 deposited in the Series 2019B Redemption Account, or (B) any other event specified in the  
10 notice of redemption as a condition to the redemption has not occurred, then (1) the Series  
11 2019B Bonds for which conditional notice of redemption was given shall not be redeemed on  
12 the anticipated Redemption Date and shall remain outstanding for all purposes of this  
13 Resolution, and (2) the redemption not occurring shall not constitute a default under this  
14 Resolution or the Authorizing Resolution.

15 The City may rescind any optional redemption and notice of it for any reason on any  
16 date prior to any Redemption Date by causing written notice of the rescission to be given to  
17 the owners of all Series 2019B Bonds so called for redemption. Notice of any such rescission  
18 of redemption shall be given in the same manner notice of redemption was originally given.

19 The actual receipt by the owner of any Series 2019B Bond of notice of such rescission  
20 shall not be a condition precedent to rescission, and failure to receive such notice or any  
21 defect in such notice so mailed shall not affect the validity of the rescission.

22 Section 9. Series 2019B Bond Subaccount. There is established with the City  
23 Treasurer a special subaccount in the General Obligation Bonds (Embarcadero Seawall  
24 Earthquake Safety, 2018) Series 2019B Bond Account (the "Bond Account") created pursuant  
25 to the Authorizing Resolution to be designated as the "General Obligation Bonds, Series

1 2019B Bond Subaccount" (the "Series 2019B Bond Subaccount"), to be held separate and  
2 apart from all other accounts of the City. All interest earned on amounts on deposit in the  
3 Series 2019B Bond Subaccount shall be retained in the Series 2019B Bond Subaccount.

4 On or prior to the date on which any payment of principal of or interest on the  
5 Series 2019B Bonds is due, including any Series 2019B Bonds subject to mandatory  
6 redemption on such date, the City Treasurer shall allocate to and deposit in the Series 2019B  
7 Bond Subaccount, from amounts held in the Bond Account, an amount which, when added to  
8 any available moneys contained in the Series 2019B Bond Subaccount, is sufficient to pay  
9 principal of and interest on the Series 2019B Bonds on such date.

10 On or prior to the date on which any Series 2019B Bonds are to be redeemed at the  
11 option of the City pursuant to this Resolution, the City Treasurer may allocate to and deposit  
12 in the Series 2019B Redemption Account, from amounts held in the Bond Account pursuant to  
13 Section 8 of the Authorizing Resolution, an amount which, when added to any available  
14 moneys contained in the Series 2019B Redemption Account, is sufficient to pay principal,  
15 interest and premium, if any, with respect to such Series 2019B Bonds on such date. The  
16 City Treasurer may make such other provision for the payment of principal of and interest and  
17 any redemption premium on the Series 2019B Bonds as is necessary or convenient to permit  
18 the optional redemption of the Series 2019B Bonds.

19 Amounts in the Series 2019B Bond Subaccount may be invested in any investment of  
20 the City in which moneys in the General Fund of the City are invested. The City Treasurer  
21 may (a) commingle any of the moneys held in the Series 2019B Bond Subaccount with other  
22 City moneys, or (b) deposit amounts credited to the Series 2019B Bond Subaccount into a  
23 separate fund or funds for investment purposes only; provided, that all of the moneys held in  
24 the Series 2019B Bond Subaccount shall be accounted for separately notwithstanding any  
25 such commingling or separate deposit by the City Treasurer.

1           Section 10. Appointment of Depositories and Other Agents. The City Treasurer is  
2 authorized and directed to appoint one or more depositories as he or she may deem desirable  
3 and the procedures set forth in Section 5, Section 6, Section 7 and Section 8 relating to  
4 registration of ownership of the Series 2019B Bonds and payments and redemption notices to  
5 owners of the Series 2019B Bonds may be modified to comply with the policies and  
6 procedures of such depository. The City will not have any responsibility or obligation to any  
7 purchaser of a beneficial ownership interest in any Series 2019B Bonds or to any participants  
8 in such a depository with respect to (a) the accuracy of any records maintained by such  
9 securities depository or any participant therein; (b) any notice that is permitted or required to  
10 be given to the owners of Series 2019B Bonds under this Resolution; (c) the selection by such  
11 securities depository or any participant therein of any person to receive payment in the event  
12 of a partial redemption of Series 2019B Bonds; (d) the payment by such securities depository  
13 or any participant therein of any amount with respect to the principal or redemption premium,  
14 if any, or interest due with respect to Series 2019B Bonds; (e) any consent given or other  
15 action taken by such securities depository as the owner of Series 2019B Bonds; or (f) any  
16 other matter.

17           The Depository Trust Company ("DTC") is appointed as depository for the Series  
18 2019B Bonds. The Series 2019B Bonds shall be initially issued in book-entry form. Upon  
19 initial issuance, the ownership of each Series 2019B Bond shall be registered in the bond  
20 register in the name of Cede & Co., as nominee of DTC. So long as each Series 2019B Bond  
21 is registered in book-entry form, each Series 2019B Bond shall be registered in the name of  
22 Cede & Co. or in the name of such successor nominee as may be designated from time to  
23 time by DTC or any successor as depository.

24           The City Treasurer is also authorized and directed to appoint one or more agents as he  
25 or she may deem necessary or desirable, to the extent permitted by applicable law and under

1 the supervision of the City Treasurer, such agents may serve as paying agent, fiscal agent,  
2 rebate calculation agent, escrow agent or registrar for the Series 2019B Bonds or may assist  
3 the City Treasurer in performing any or all of such functions and such other duties as the City  
4 Treasurer shall determine. Such agents shall serve under such terms and conditions as the  
5 City Treasurer shall determine. The City Treasurer may remove or replace agents appointed  
6 pursuant to this paragraph at any time.

7 Section 11. Defeasance Provisions. Payment of all or any portion of the Series 2019B  
8 Bonds may be provided for prior to such Series 2019B Bonds' respective stated maturities by  
9 irrevocably depositing with the City Treasurer (or any commercial bank or trust company  
10 designated by the City Treasurer to act as escrow agent with respect thereto):  
11 an amount of cash equal to the principal amount of all of such Series 2019B Bonds or a  
12 portion thereof, and all unpaid interest thereon to maturity, except that in the case of Series  
13 2019B Bonds which are to be redeemed prior to such Series 2019B Bonds' respective stated  
14 maturities and in respect of which notice of such redemption shall have been given as  
15 provided in Section 8 hereof or an irrevocable election to give such notice shall have been  
16 made by the City, the amount to be deposited shall be the principal amount thereof, all unpaid  
17 interest thereon to the Redemption Date, and any premium due on such Redemption Date; or  
18 Defeasance Securities (as herein defined) not subject to call, except as provided below in the  
19 definition thereof, maturing and paying interest at such times and in such amounts; together  
20 with interest earnings and cash, if required, as will, without reinvestment, as certified by an  
21 independent certified public accountant, be fully sufficient to pay the principal and all unpaid  
22 interest to maturity, or to the Redemption Date, as the case may be, and any premium due on  
23 the Series 2019B Bonds to be paid or redeemed, as such principal and interest come due;  
24 provided, that, in the case of the Series 2019B Bonds which are to be redeemed prior to  
25 maturity, notice of such redemption shall be given as provided in Section 8 hereof or an

1 irrevocable election to give such notice shall have been made by the City; then, all obligations  
2 of the City with respect to such outstanding Series 2019B Bonds shall cease and terminate,  
3 except only the tax covenants under Section 25 and the obligation of the City to pay or cause  
4 to be paid from the funds deposited pursuant to clause (a) or (b) of this Section 11, to the  
5 owners of such Series 2019B Bonds all sums due with respect thereto; and provided further,  
6 that the City shall have received an opinion of nationally recognized bond counsel, that  
7 provision for the payment of such Series 2019B Bonds has been made in accordance with  
8 this Section 11.

9 For purposes of this Section 11, "Defeasance Securities" shall mean any of the  
10 following that at the time are legal investments under the laws of the State of California for the  
11 moneys proposed to be invested therein:

12 United States Obligations (as defined below); and

13 Pre-refunded fixed interest rate municipal obligations meeting the following conditions:  
14 (A) the municipal obligations are not subject to redemption prior to maturity, or the trustee or  
15 paying agent has been given irrevocable instructions concerning their calling and redemption  
16 and the issuer has covenanted not to redeem such obligations other than as set forth in such  
17 instructions; (B) the municipal obligations are secured by cash and/or United States  
18 Obligations; (C) the principal of and interest on the United States Obligations (plus any cash in  
19 the escrow fund or the redemption account) are sufficient to meet the liabilities of the  
20 municipal obligations; (D) the United States Obligations serving as security for the municipal  
21 obligations are held by an escrow agent or trustee; (E) the United States Obligations are not  
22 available to satisfy any other claims, including those against the trustee or escrow agent; and  
23 (F) the municipal obligations are rated (without regard to any numerical modifier, plus or  
24 minus sign or other modifier), at the time of original deposit to the escrow fund, by any two  
25 Rating Agencies (as defined below) not lower than the rating then maintained by such Rating



1 Agencies on such United States Obligations.

2 For purposes of this Section 11, "United States Obligations" means (i) direct and  
3 general obligations of the United States of America, or obligations that are unconditionally  
4 guaranteed as to principal and interest by the United States of America, including, without  
5 limitation, the interest component of Resolution Funding Corporation ("REFCORP") bonds that  
6 have been stripped by request to the Federal Reserve Bank of New York in book-entry form  
7 or (ii) any security issued by an agency or instrumentality of the United States of America that  
8 is selected by the Director of Public Finance that results in the escrow fund being rated by any  
9 two Rating Agencies, at the time of the initial deposit to the escrow fund and upon any  
10 substitution or subsequent deposit to the escrow fund, not lower than the rating then  
11 maintained by the respective Rating Agency on United States Obligations described in clause  
12 (i) above.

13 For purposes of this Section 11, "Rating Agencies" shall mean Moody's Investors  
14 Service, Fitch Ratings, and S&P Global Ratings, or any other nationally-recognized bond  
15 rating agency that is the successor to any of the foregoing rating agencies or that is otherwise  
16 established after the date hereof.

17 Section 12. Sale of Series 2019B Bonds By Competitive or Negotiated Sale. The  
18 Board of Supervisors authorizes the sale of the Series 2019B Bonds by solicitation of  
19 competitive bids or by negotiated sale to one or more underwriters to be appointed in  
20 accordance with City policies, if so determined by the Director of Public Finance.

21 Section 13. Official Notice of Sale; Receipt of Bids; Bond Award.

22 (a) Official Notice of Sale. The form of proposed Official Notice of Sale inviting bids  
23 for the Series 2019B Bonds (the "Official Notice of Sale") submitted to the Board of  
24 Supervisors is approved and adopted as the Official Notice of Sale inviting bids for the Series  
25 2019B Bonds, with such changes, additions and modifications as may be made in accordance

1 with Section 19. The Director of Public Finance is authorized and directed to cause to be  
2 mailed or otherwise circulated to prospective bidders for the Series 2019B Bonds copies of  
3 the Official Notice of Sale, subject to such corrections, revisions or additions as may be  
4 acceptable to the Director of Public Finance.

5 (b) Receipt of Bids. Bids shall be received on the date designated by the Director of  
6 Public Finance pursuant to Section 4

7 (c) Bond Award. As provided in the Official Notice of Sale, the City may reject any  
8 and all bids received for any reason. The Controller is authorized to award the Series 2019B  
9 Bonds to the responsible bidder whose bid (i) is timely received and conforms to the Official  
10 Notice of Sale, except to the extent informalities and irregularities are waived by the City as  
11 permitted by the Official Notice of Sale; and (ii) represents the lowest true interest cost to the  
12 City in accordance with the procedures described in the Official Notice of Sale. The award, if  
13 made, shall be set forth in a certificate signed by the Controller setting forth the terms of the  
14 Series 2019B Bonds and the original purchasers (the "Bond Award"). The Controller shall  
15 provide a copy of the Bond Award as soon as practicable to the Director of Public Finance;  
16 provided, that failure to provide such copy shall not affect the validity of the Bond Award.

17 Section 14 Publication of Notice of Intention to Sell Bonds. The form of proposed  
18 Notice of Intention to Sell the Series 2019B Bonds (the "Notice of Intention to Sell Bonds")  
19 submitted to the Board of Supervisors is approved and adopted as the Notice of Intention to  
20 Sell the Series 2019B Bonds, and the Director of Public Finance is authorized and directed to  
21 cause the Notice of Intention to Sell Bonds, subject to such corrections, revisions or additions  
22 as may be made in accordance with Section 19, to be published once in *The Bond Buyer* or  
23 another financial publication generally circulated throughout the State of California meeting  
24 the requirements of Section 53692 of the Government Code at least five (5) days prior to the  
25 date fixed for receipt of sealed proposals for the Series 2019B Bonds, or as otherwise set

1     forth in Section 53692 of the Government Code.

2             Section 15. Authorization of Negotiated Sale; Authorization to Select Underwriters;  
3     Form of Purchase Contract Approval. The Controller, in consultation with the Director of  
4     Public Finance, is hereby authorized to conduct the sale of the Series 2019B Bonds by  
5     negotiated sale pursuant to one or more Purchase Contracts (each, a "Purchase Contract"),  
6     each by and between the City and the underwriter(s) named therein (the "Underwriters"), if the  
7     Controller determines that such manner of sale is in the best financial interest of the City, such  
8     determination to be conclusively evidenced by the execution and delivery of such Purchase  
9     Contract as hereinafter approved. The form of such Purchase Contract as presented to this  
10    Board of Supervisors, a copy of which is on file with the Clerk of the Board of Supervisors, is  
11    hereby approved. The Controller or the Director of Public Finance is hereby authorized to  
12    execute such Purchase Contract with such changes, additions and modifications as the  
13    Controller or the Director of Public Finance may make or approve in accordance with Section  
14    19 hereof; provided however, that the Underwriters' discount under any such Purchase  
15    Contract shall not exceed 2.0% of the principal amount of the Series 2019B Bonds. In order  
16    to facilitate the sale of the Series 2019B Bonds by negotiated sale, the Controller or the  
17    Director of Public Finance is hereby authorized and directed to appoint one or more financial  
18    institutions to act as underwriter for the Series 2019B Bonds.

19            Section 16. Disposition of Proceeds of Sale. The proceeds of sale of the Series  
20    2019B Bonds shall be applied by the City Treasurer as follows: (a) accrued interest, if any,  
21    shall be deposited into the Series 2019B Bond Subaccount; (b) premium, if any, shall be  
22    deposited into the Series 2019B Bond Subaccount in such amount not to exceed three years  
23    of interest on the Series 2019B Bonds; and (c) remaining proceeds of sale shall be deposited  
24    into the Project Account.

25    ///

1           Section 17. Preliminary Official Statement and Official Statement. The form of  
2 proposed Preliminary Official Statement describing the Series 2019B Bonds (the "Preliminary  
3 Official Statement") submitted to the Board of Supervisors is approved and adopted as the  
4 Preliminary Official Statement describing the Series 2019B Bonds, with such additions,  
5 corrections and revisions as may be determined to be necessary or desirable made in  
6 accordance with Section 19. The Controller is authorized to cause the distribution of a  
7 Preliminary Official Statement deemed final for purposes of Securities and Exchange  
8 Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as  
9 amended (the "Rule"), and to sign a certificate to that effect. The Director of Public Finance is  
10 authorized and directed to cause to be printed and mailed or electronically distributed to  
11 prospective bidders for the Series 2019B Bonds the Preliminary Official Statement in  
12 substantially the form of the Preliminary Official Statement approved and adopted by this  
13 Resolution, as completed, supplemented, corrected or revised. The Controller is authorized  
14 and directed to approve, execute, and deliver the final Official Statement with respect to the  
15 Series 2019B Bonds, which final Official Statement shall be in the form of the Preliminary  
16 Official Statement, with such additions, corrections and revisions as may be determined to be  
17 necessary or desirable made in accordance with Section 19 and as are permitted under the  
18 Rule. The Director of Public Finance is authorized and directed to cause to be printed and  
19 mailed or electronically distributed the final Official Statement to all actual initial purchasers of  
20 the Series 2019B Bonds.

21           Section 18. Continuing Disclosure Certificate. The form of Continuing Disclosure  
22 Certificate (the "Continuing Disclosure Certificate"), to be signed by the City to permit the  
23 original purchasers of the Series 2019B Bonds to comply with the Rule, submitted to the  
24 Board of Supervisors is approved and adopted as the Continuing Disclosure Certificate, with  
25 such additions, corrections and revisions as may be determined to be necessary or desirable

1 made in accordance with Section 19. The Controller is authorized and directed to execute the  
2 Continuing Disclosure Certificate on behalf of the City and deliver the Continuing Disclosure  
3 Certificate to the original purchasers of the Series 2019B Bonds.

4 Section 19. Modification to Documents. Any City official authorized by this Resolution  
5 to execute any document is further authorized, in consultation with the City Attorney and co-  
6 bond counsel, to approve and make such changes, additions, amendments or modifications to  
7 the document or documents such official is authorized to execute as may be necessary or  
8 advisable (provided, that such changes, additions, amendments or modifications shall not  
9 authorize an aggregate principal amount of Series 2019B Bonds in excess of \$50,000,000 or  
10 conflict with the provisions of Section 4). The approval of any change, addition, amendment  
11 or modification to any of the aforementioned documents shall be evidenced conclusively by  
12 the execution and delivery of the document in question.

13 Section 20. Ratification. All actions previously taken by officials, employees and  
14 agents of the City with respect to the sale and issuance of the Series 2019B Bonds,  
15 consistent with any documents presented and this Resolution, are approved, confirmed and  
16 ratified.

17 Section 21. Relationship to Authorizing Resolution. In the event of any conflict  
18 between this Resolution and the Authorizing Resolution, the terms of this Resolution shall  
19 control. Without limiting the foregoing and notwithstanding the provisions of the Authorizing  
20 Resolution, the City is not obligated to transfer money from the General Fund of the City to the  
21 Bond Account to pay the principal of or interest on the Series 2019B Bonds.

22 Section 22. Accountability Reports. The Series 2019B Bonds are subject to  
23 accountability requirements under the Administrative Code and the Bond Ordinances. The  
24 deadline for submission of the Accountability report(s) under Administrative Code  
25 Sections 2.71(a) and 2.71(b) are hereby waived with respect to the Series 2019B Bonds.

1 Accountability report(s) with respect to the Series 2019B Bonds shall be submitted in all other  
2 respects in the manner required by the Administrative Code and the Bond Ordinances.

3 Section 23. CEQA Determination. The Board of Supervisors hereby reaffirms and  
4 incorporates by reference the CEQA findings and determinations set forth in the Bond  
5 Ordinances as if set forth in full herein. The use of bond proceeds to finance any identified  
6 project or portion of any identified project with bond proceeds will be subject, as necessary, to  
7 approval of the Board of Supervisors upon completion of any planning and any further  
8 required environmental review under CEQA for the individual facilities and projects.

9 Covenants to Maintain Tax-Exempt Status.

10 (a) Definitions. When used in this Section, the following terms have the following  
11 meanings:

12 “*Closing Date*” means the date on which the Series 2019B Bonds are first  
13 authenticated and delivered to the initial purchasers against payment therefor.

14 “*Code*” means the Internal Revenue Code of 1986, as amended by all legislation, if  
15 any, effective on or before the Closing Date.

16 “*Computation Date*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

17 “*Final Computation Date*” has the meaning set forth in Section 1.148-3(e)(2) of the  
18 Regulations.

19 “*Gross Proceeds*” means any proceeds as defined in Section 1.148-1(b) of the  
20 Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the  
21 Regulations, of the Series 2019B Bonds.

22 “*Investment*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

23 “*Nonpurpose Investment*” means any investment property, as defined in Section 148(b)  
24 of the Code, in which Gross Proceeds of the Series 2019B Bonds are invested and which is  
25 not acquired to carry out the governmental purposes of the Series 2019B Bonds.

1           “*Rebate Amount*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

2           “*Regulations*” means any proposed, temporary, or final Income Tax Regulations issued  
3 pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue  
4 Code of 1954, which are applicable to the Series 2019B Bonds. Any reference to any specific  
5 Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax  
6 Regulation designed to supplement, amend or replace the specific Regulation referenced.

7           “*Yield*” of:

8           any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and  
9           the Series 2019B Bonds has the meaning set forth in Section 1.148-4 of the  
10 Regulations.

11           (b)   Not to Cause Interest to Become Taxable. The City shall not use, permit the  
12 use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition,  
13 construction or improvement of which is to be financed directly or indirectly with Gross  
14 Proceeds) in a manner which if made or omitted, respectively, would cause the interest on  
15 any Bond to become includable in the gross income, as defined in Section 61 of the Code, of  
16 the owner thereof for federal income tax purposes. Without limiting the generality of the  
17 foregoing, unless and until the City receives a written opinion of counsel nationally recognized  
18 in the field of municipal bond law to the effect that failure to comply with such covenant will not  
19 adversely affect the exemption from federal income tax of the interest on any Bond, the City  
20 shall comply with each of the specific covenants in this Section.

21           (c)   No Private Use or Private Payments. Except as permitted by Section 141 of the  
22 Code and the Regulations and rulings thereunder, the City shall at all times prior to the final  
23 payment on the Series 2019B Bonds:

24                   (i)   exclusively own, operate and possess all property, the acquisition,  
25 construction or improvement of which is to be financed or refinanced directly or indirectly with

1 Gross Proceeds of the Series 2019B Bonds, and not use or permit the use of such Gross  
2 Proceeds (including all contractual arrangements with terms different than those applicable to  
3 the general public) or any property acquired, constructed or improved with such Gross  
4 Proceeds in any activity carried on by any person or entity (including the United States or any  
5 agency, department and instrumentality thereof) other than a state or local government,  
6 unless such use is solely as a member of the general public; and

7 (ii) not directly or indirectly impose or accept any charge or other payment by  
8 any person or entity who is treated as using Gross Proceeds of the Series 2019B Bonds or  
9 any property the acquisition, construction or improvement of which is to be financed or  
10 refinanced directly or indirectly with such Gross Proceeds, other than taxes of general  
11 application within the City or interest earned on investments acquired with such Gross  
12 Proceeds pending application for their intended purposes.

13 (d) No Private Loan. Except to the extent permitted by Section 141 of the Code and  
14 the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Series  
15 2019B Bonds to make or finance loans to any person or entity other than a state or local  
16 government. For purposes of the foregoing covenant, such Gross Proceeds are considered  
17 to be "loaned" to a person or entity if: (i) property acquired, constructed or improved with such  
18 Gross Proceeds is sold or leased to such person or entity in a transaction which creates a  
19 debt for federal income tax purposes; (ii) capacity in or service from such property is  
20 committed to such person or entity under a take-or-pay, output or similar contract or  
21 arrangement; or (iii) indirect benefits, or burdens and benefits of ownership, of such Gross  
22 Proceeds or any property acquired, constructed or improved with such Gross Proceeds are  
23 otherwise transferred in a transaction which is the economic equivalent of a loan.

24 (e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of  
25 the Code and the Regulations and rulings thereunder, the City shall not at any time prior to



1 the final stated maturity of the Series 2019B Bonds directly or indirectly invest Gross  
2 Proceeds in any Investment, if as a result of such investment the Yield of any Investment  
3 acquired with Gross Proceeds, whether then held or previously disposed of, exceeds the Yield  
4 of the Series 2019B Bonds.

5 (f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of  
6 the Code and the Regulations and rulings thereunder, the City shall not take or omit to take  
7 any action which would cause the Series 2019B Bonds to be federally guaranteed within the  
8 meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

9 (g) Information Report. The City shall timely file the information required by Section  
10 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and  
11 in such place as the Secretary may prescribe.

12 (h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section  
13 148(f) of the Code and the Regulations and rulings thereunder:

14 (i) The City shall account for all Gross Proceeds (including all receipts,  
15 expenditures and investments thereof) on its books of account separately and apart from all  
16 other funds (and receipts, expenditures and investments thereof) and shall retain all records  
17 of accounting for at least six years after the day on which the last outstanding Bond is  
18 discharged. However, to the extent permitted by law, the City may commingle Gross  
19 Proceeds of the Series 2019B Bonds with other money of the City; provided that the City  
20 separately accounts for each receipt and expenditure of Gross Proceeds and the obligations  
21 acquired therewith.

22 (ii) Not less frequently than each Computation Date, the City shall calculate  
23 the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the  
24 Regulations and rulings thereunder. The City shall maintain such calculations with its official  
25 transcript of proceedings relating to the issuance of the Series 2019B Bonds until six years

1 after the Final Computation Date.

2 (iii) As additional consideration for the purchase of the Series 2019B Bonds  
3 by the initial purchasers and the loan of the money represented thereby and in order to induce  
4 such purchase by measures designed to ensure the excludability of the interest thereon from  
5 gross income for federal income tax purposes, the City shall pay to the United States the  
6 amount that when added to the future value of previous rebate payments made for the Series  
7 2019B Bonds equals (i) in the case of a Final Computation Date, 100% of the Rebate Amount  
8 on such date; and (ii) in the case of any other Computation Date, 90% of the Rebate Amount  
9 on such date. In all cases, the rebate payments shall be made at the times, in the  
10 installments, to the place and in the manner as is or may be required by Section 148(f) of the  
11 Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T  
12 or such other forms and information as is or may be required by Section 148(f) of the Code  
13 and the Regulations and rulings thereunder.

14 (iv) The City shall exercise reasonable diligence to assure that no errors are  
15 made in the calculations and payments required by paragraphs (ii) and (iii), and if an error is  
16 made, to discover and promptly correct such error within a reasonable amount of time  
17 thereafter (and in all events within 180 days after discovery of the error), including payment to  
18 the United States of any additional Rebate Amount owed to it, interest thereon, and any  
19 penalty imposed under Section 1.148-3(h) of the Regulations.

20 (i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of  
21 the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to  
22 the final payment on the Series 2019B Bonds, enter into any transaction that reduces the  
23 amount required to be paid to the United States pursuant to Section 25(h) above because  
24 such transaction results in a smaller profit or a larger loss than would have resulted if the  
25 transaction had been at arm's length and had the Yield of the Series 2019B Bonds not been

1 relevant to either party.

2 (j) Elections. The City directs and authorizes the Director of Public Finance and the  
3 Controller, either or any combination of them, to make elections permitted or required  
4 pursuant to the provisions of the Code or the Regulations, as they deem necessary or  
5 appropriate in connection with the Series 2019B Bonds, in the Certificate as to Tax Exemption  
6 or similar or other appropriate certificate, form or document.

7 Section 24. Reimbursement. The City declares its official intent to reimburse prior  
8 expenditures of the City incurred prior to the issuance and sale of the Series 2019B Bonds in  
9 connection with the Project or portions thereof to be financed by the Series 2019B Bonds. The  
10 Board of Supervisors declares the City's intent to reimburse the City with the proceeds of the  
11 Series 2019B Bonds for the expenditures with respect to the Project (the "Expenditures" and  
12 each an "Expenditure") made on and after that date that is no more than 60 days prior to  
13 adoption of this Resolution. The City reasonably expects on the date of adoption of this  
14 Resolution that it will reimburse the Expenditures with the proceeds of the Series 2019B  
15 Bonds.

16 Each Expenditure was and will be either (a) of a type properly chargeable to a capital  
17 account under general federal income tax principles (determined in each case as of the date  
18 of the Expenditure), (b) a cost of issuance with respect to the Series 2019B Bonds, (c) a  
19 nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a  
20 party that is not related to or an agent of the City so long as such grant does not impose any  
21 obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the  
22 City. The maximum aggregate principal amount of the Series 2019B Bonds expected to be  
23 issued for the Project is \$50,000,000. The City shall make a reimbursement allocation, which  
24 is a written allocation by the City that evidences the City's use of proceeds of the Series  
25 2019B Bonds to reimburse an Expenditure, no later than 18 months after the later of the date

1 on which the Expenditure is paid or the Project is placed in service or abandoned, but in no  
2 event more than three years after the date on which the Expenditure is paid. The City  
3 recognizes that exceptions are available for certain "preliminary expenditures," costs of  
4 issuance, certain *de minimis* amounts, expenditures by "small issuers" (based on the year of  
5 issuance and not the year of expenditure) and expenditures for construction projects of at  
6 least 5 years.

7 Section 25. General Authority. The Clerk of the Board of Supervisors, the Mayor, the  
8 City Treasurer, the Director of Public Finance, the City Attorney and the Controller are each  
9 authorized and directed in the name and on behalf of the City to take any and all steps and to  
10 issue, deliver or enter into any and all certificates, requisitions, agreements, notices, consents,  
11 and other documents as may be necessary to give effect to the provisions of this Resolution,  
12 including but not limited to tax compliance certificates and letters of representations to any  
13 depository or depositories, which they or any of them might deem necessary or appropriate in  
14 order to consummate the lawful issuance, sale and delivery of the Series 2019B Bonds. Any  
15 such actions are solely intended to further the purposes of this Resolution, and are subject in  
16 all respects to the terms of this Resolution. No such actions shall increase the risk to the City  
17 or require the City to spend any resources not otherwise granted herein.

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1 Final versions of any such documents shall be provided to the Clerk of the Board of  
2 Supervisors for inclusion in the official file within 30 days (or as soon thereafter as final  
3 documents are available) of execution by all parties.

4  
5 APPROVED AS TO FORM:  
6 DENNIS J. HERRERA, City Attorney

7  
8  
9 By

  
KENNETH D. ROUX  
Deputy City Attorney

n:\financ\as2019\1800446\01357011.docx

EXHIBIT A

FORM OF BOND

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to City or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE OF THIS BOND FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

Number

Principal Amount

R-\_\_

UNITED STATES OF AMERICA

\$ \_\_\_\_\_

STATE OF CALIFORNIA

CITY AND COUNTY OF SAN FRANCISCO

GENERAL OBLIGATION BONDS

(EMBARCADERO SEAWALL EARTHQUAKE SAFETY, 2018)

SERIES 2019B

Interest Rate

Maturity Date

Dated Date

CUSIP Number

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: \_\_\_\_\_

1 The City and County of San Francisco, State of California (the "City"), acknowledges itself  
2 indebted to and promises to pay to the registered owner specified above or registered  
3 assigns, on the maturity date specified above, the principal amount of this Bond specified  
4 above in lawful money of the United States of America, and to pay interest on the principal  
5 amount in like lawful money from the interest payment date (as defined below) next  
6 preceding the date of authentication of this Bond (unless this Bond is authenticated as of the  
7 day during the period from the last day of the month immediately preceding any Interest  
8 Payment Date (the "Record Date") to such Interest Payment Date, inclusive, in which event it  
9 shall bear from such Interest Payment Date, or unless this Bond is authenticated on or before  
10 November 30, 2019, in which event it shall bear interest from its Dated Date (specified above)  
11 until payment of such Principal Amount, at the Interest Rate per year specified above  
12 calculated on the basis of a 360-day year comprised of twelve 30-day months, payable on  
13 December 15, 2019 and semiannually thereafter on June 15 and December 15 in each year  
14 (each, an "Interest Payment Date"); *provided*, that if any Interest Payment Date occurs on a  
15 day that banks in California or New York are closed for business or the New York Stock  
16 Exchange is closed for business, then such payment shall be made on the next succeeding  
17 day that banks in both California and New York are open for business and the New York  
18 Stock Exchange is open for business (a "Business Day"). The Principal Amount of this Bond is  
19 payable to the Registered Owner of this Bond upon the surrender of this Bond at the office of  
20 the Treasurer of the City (the "City Treasurer") in San Francisco, California. The interest on  
21 this Bond is payable to the person whose name appears on the Bond registration books of the  
22 City Treasurer as the Registered Owner of this Bond as of the close of business on the  
23 Record Date immediately preceding an Interest Payment Date, whether or not such day is a  
24 Business Day, such interest to be paid by check mailed on the Interest Payment Date to such  
25 Registered Owner at the owner's address as it appears on such registration books; *provided*,

1 that the Registered Owner of Bonds in an aggregate principal amount of at least \$1,000,000  
2 may submit a written request to the City Treasurer on or before the Record Date preceding  
3 any Interest Payment Date for payment of interest by wire transfer to a commercial bank  
4 located in the United States of America.

5 This Bond is one of a duly authorized issue of Bonds (the "Bonds") of like tenor (except to  
6 such variations, if any, as may be required to designate varying numbers, denominations,  
7 interest rates and maturities), in the aggregate principal amount of \$\_\_\_\_\_, which is  
8 part of a bond authorization in the aggregate original principal amount of \$425,000,000  
9 authorized by the affirmative votes of more than two-thirds of the voters voting at a special  
10 election duly and legally called, held and conducted in the City on November 6, 2018 and is  
11 issued and sold by the city pursuant to and in strict conformity with the provisions of the  
12 constitution and laws of the State of California, the charter of the City and a resolution of  
13 necessity adopted by the board of supervisors of the City (the "Board of Supervisors") on June  
14 12, 2018, and duly approved by the mayor of the City on June 20, 2018, and resolution no.  
15 \_\_\_\_\_, adopted by the board of supervisors on \_\_\_\_\_, 2019 and duly approved by the  
16 mayor of the City on \_\_\_\_\_, 2019 (together with the related certificate awarding the  
17 Bonds and fixing definitive interest rates for the Bonds, dated \_\_\_\_\_, 2019, the  
18 "resolutions").

19 The Bonds are issuable as fully registered Bonds without coupons in the  
20 denominations of \$5,000 or any integral multiple of such amount, *provided* that no Bond shall  
21 have principal maturing on more than one principal maturity date. Subject to the limitations  
22 and conditions and upon payment of the charges, if any, as provided in the Resolutions, the  
23 Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized  
24 denominations of the same interest rate and maturity.

25 ///



1 This Bond is transferable by its Registered Owner, in person or by its attorney duly authorized  
2 in writing, at the office of the City Treasurer, but only in the manner, subject to the limitations  
3 and upon payment of the charges provided in the Resolutions, and upon surrender and  
4 cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized  
5 denomination or denominations for the same interest rate and same aggregate principal  
6 amount will be issued to the transferee in exchange for this Bond.

7 No transfer or exchange of the Bonds shall be required to be made by the City Treasurer  
8 during the period from the Record Date next preceding each Interest Payment Date to such  
9 Interest Payment Date or after a notice of redemption shall have been mailed with respect to  
10 such Bonds.

11 Bonds maturing on and before June 15, 20\_\_, will not be subject to optional  
12 redemption prior to their respective maturity dates. The Bonds maturing on or after June 15,  
13 20\_\_ will be subject to optional redemption prior to their respective stated maturity dates, at  
14 the option of the City, from any source of available funds, as a whole or in part on any date  
15 (with the maturities to be redeemed to be determined by the City and by lot within a maturity),  
16 on or after June 15, 20\_\_, at the redemption price equal to the principal amount of the Bonds  
17 redeemed, together with accrued interest to the date fixed for redemption, without premium. If  
18 less than all of the outstanding Bonds are to be redeemed, they may be redeemed in any  
19 order of maturity as determined by the Director of Finance. If less than all of the outstanding  
20 Bonds of a maturity are to be redeemed, the Bonds or portions of Bonds of such maturity to  
21 be redeemed shall be selected Director of Public Finance, in authorized denominations of  
22 \$5,000 or integral multiples of that amount, from among Bonds of that maturity not previously  
23 called for redemption, by lot, in any manner which the Director of Public Finance deems fair.

24 Bonds maturing on June 15, 20\_\_, are subject to mandatory sinking fund redemption  
25 on June 15 of each of the years 20\_\_ through 20\_\_, inclusive, and at maturity in the

1    respective amount provided in the [Official Notice of Sale/the Purchase Contract] for the  
2    Bonds.

3            Bonds maturing on June 15, 20\_\_, are subject to mandatory sinking fund redemption  
4    on June 15 of each of the years 20\_\_ through 20\_\_, inclusive, and at maturity in the  
5    respective amount provided in the [Official Notice of Sale/the Purchase Contract] for the  
6    Bonds.

7            Notice of the redemption of Bonds which by their terms shall have become subject to  
8    redemption shall be given or caused to be given to the Registered Owner of each Bond or  
9    portion of a Bond called for redemption not less than 20 or more than 60 days before any date  
10   established for redemption of Bonds, by the City Treasurer on behalf of the City, first class  
11   mail, postage prepaid, sent to the Registered Owner's last address, if any, appearing on the  
12   registration books kept by the City Treasurer. Official notices of redemption will contain the  
13   information specified in the Resolutions.

14           Official notice of redemption having been given as aforesaid, the Bonds or portions of  
15   Bonds so to be redeemed shall, on the date fixed for redemption, become due and payable at  
16   the redemption price therein specified, and from and after such date (unless such redemption  
17   and notice of it shall have been rescinded or unless the City shall default in the payment of the  
18   redemption price), such Bonds or portions of Bonds shall cease to bear interest. Neither the  
19   failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular  
20   Registered Owner, shall affect the sufficiency of such notice with respect to other Bonds.

21           Notice of redemption, or notice of rescission of an optional redemption, having been  
22   properly given, failure of a Registered Owner to receive such notice shall not be deemed to  
23   invalidate, limit or delay the effect of the notice or redemption action described in the notice.

24           Any notice of optional redemption may provide that such redemption is conditional  
25   upon occurrence of a specified event, as provided in the Resolutions. In the event that such

1 conditional notice of optional redemption has been given, and on the date fixed for redemption  
2 such condition has not been satisfied, the Bonds for which notice of conditional optional  
3 redemption was given shall not be redeemed and shall remain Outstanding for all purposes of  
4 the Resolutions and the redemption not occurring shall not constitute an event of default  
5 under the Resolutions.

6 The City may rescind any optional redemption and notice of it for any reason on any  
7 date prior to any Redemption Date by causing written notice of the rescission to be given to  
8 the owners of all Bonds so called for redemption. Notice of any such rescission of redemption  
9 shall be given in the same manner notice of redemption was originally given.

10 The actual receipt by the owner of any Bond of notice of such rescission shall not be a  
11 condition precedent to rescission, and failure to receive such notice or any defect in such  
12 notice so mailed shall not affect the validity of the rescission.

13 The City and the City Treasurer may treat the Registered Owner of this Bond as the absolute  
14 owner of this Bond for all purposes, and the City and the City Treasurer shall not be affected  
15 by any notice to the contrary.

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

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

1           This Bond shall not be entitled to any benefit under the Resolutions, or become valid or  
2 obligatory for any purpose, until the certificate of authentication and registration on this Bond  
3 shall have been signed by the City Treasurer.

IN WITNESS WHEREOF the Board of Supervisors has caused this Bond to be executed by the Mayor of the City and to be countersigned by the Clerk of the Board of Supervisors, all as of \_\_\_\_\_.

Mayor of the City and  
County of San Francisco

Countersigned:

Clerk of the Board of Supervisors

**CERTIFICATE OF REGISTRATION AND AUTHENTICATION**

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

Date of Authentication: \_\_\_\_\_

\_\_\_\_\_  
Treasurer of the  
City and County of San Francisco

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the within-mentioned registered bond and all rights thereunder and hereby irrevocably constitute(s) and appoint(s) \_\_\_\_\_ attorney to transfer the same on the books of the paying agent with full power of substitution in the premises.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges and who is a member of a Medallion Signature Program.



**City and County of San Francisco**  
**Tails**  
**Resolution**

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

**File Number:** 190358

**Date Passed:** July 16, 2019

Resolution authorizing the issuance and sale of not to exceed \$50,000,000 aggregate principal amount of City and County of San Francisco General Obligation Bonds (Embarcadero Seawall Earthquake Safety, 2018) Series 2019B; prescribing the form and terms of such bonds; providing for the appointment of depositories and other agents for such bonds; providing for the establishment of accounts and/or subaccounts related to such bonds; authorizing the sale of such bonds by competitive or negotiated sale; approving the forms of the Official Notice of Sale and Notice of Intention to Sell Bonds and directing the publication of the Notice of Intention to Sell Bonds; approving the form of the Purchase Contract; approving the form of the Preliminary Official Statement and the execution of the Official Statement relating to the sale of such bonds; approving the form of the Continuing Disclosure Certificate; authorizing and approving modifications to such documents; ratifying certain actions previously taken, as defined herein; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale, and delivery of such bonds, as defined herein.

July 10, 2019 Budget and Finance Sub-Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

July 10, 2019 Budget and Finance Sub-Committee - RECOMMENDED AS AMENDED

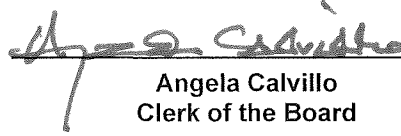
July 16, 2019 Board of Supervisors - ADOPTED

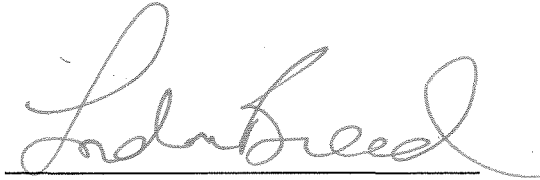
Ayes: 10 - Brown, Fewer, Haney, Mandelman, Peskin, Ronen, Safai, Stefani, Walton and Yee  
Excused: 1 - Mar



File No. 190358

I hereby certify that the foregoing  
Resolution was ADOPTED on 7/16/2019 by  
the Board of Supervisors of the City and  
County of San Francisco.

  
Angela Calvillo  
Clerk of the Board

  
London N. Breed  
Mayor

  
Date Approved