

1 [Authorizing Refunding Certificates of Participation - Multiple Capital Improvement Projects -  
2 Not to Exceed \$97,500,000]

3 **Ordinance authorizing the execution and delivery of Certificates of Participation, in one**  
4 **or more series from time to time, evidencing and representing an aggregate principal**  
5 **amount of not to exceed \$97,500,000 (“Certificates”) to prepay certain certificates of**  
6 **participation that financed and refinanced various capital improvement projects;**  
7 **approving the form of a Fourth Supplement to Trust Agreement between the City and**  
8 **County of San Francisco (“City”) and U.S. Bank National Association, as trustee**  
9 **(“Trustee”) (including certain indemnities contained therein); approving respective**  
10 **forms of a Fourth Supplement to Property Lease and a Fourth Supplement to Project**  
11 **Lease, each between the City and the Trustee, for the lease and lease back of all or a**  
12 **portion of certain real property and improvements owned by the City and located at 375**  
13 **Laguna Honda Boulevard within the City and at 1 Moreland Drive, San Bruno,**  
14 **California, or other property as determined by the Director of Public Finance; approving**  
15 **the form of Escrow Agreement (including certain indemnities contained therein),**  
16 **between the City and U.S. Bank National Association, as escrow agent (“Escrow**  
17 **Agent”); approving the form of an Official Notice of Sale and a Notice of Intention to**  
18 **Sell the Certificates; approving the form of an official statement in preliminary and final**  
19 **form; approving the form of a purchase contract between the City and one or more**  
20 **initial purchasers of the Certificates; approving the form of a Continuing Disclosure**  
21 **Certificate; granting general authority to City officials to take necessary actions in**  
22 **connection with the authorization, sale, execution and delivery of the Certificates;**  
23 **approving modifications to documents; and ratifying previous actions taken in**  
24 **connection therewith, as defined herein.**

1           NOTE:    **Unchanged Code text and uncodified text** are in plain Arial font. **Additions**  
2           **to Codes** are in *single-underline italics Times New Roman font.* **Deletions to**  
3           **Codes** are in *strikethrough italics Times New Roman font.*  
4           **Board amendment additions** are in double-underlined Arial font.  
5           **Board amendment deletions** are in ~~strikethrough Arial font.~~  
6           **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code subsections or  
7           parts of tables

8           Be it ordained by the People of the City and County of San Francisco:

9           WHEREAS, The City and County of San Francisco (“City”) and U.S. Bank National  
10          Association, as trustee (“Trustee”), have previously entered into a Property Lease, dated as of  
11          May 1, 2009 (“Original Property Lease”), pursuant to which the City has leased certain real  
12          property and all improvements thereon (collectively, the “Prior Leased Property”) to the  
13          Trustee; and

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

17          WHEREAS, The City previously caused the execution and delivery of the City and  
18          County of San Francisco Certificates of Participation, Series 2009A (Multiple Capital  
19          Improvement Projects) (“2009A Certificates”) pursuant to a Trust Agreement, dated as of  
20          May 1, 2009, by and between the City and the Trustee (“Original Trust Agreement” and,  
21          together with the Original Property Lease and the Original Project Lease, the “Original  
22          Agreements”); and

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

25          WHEREAS, The Original Trust Agreement provides for the issuance of additional  
                certificates of participation by the execution and delivery of a supplement to the Original Trust  
                Agreement, and authorizes the principal and interest with respect to said certificates of

1 participation to be secured by a supplement to the Original Property Lease and to be paid  
2 from amounts paid by the City under a supplement to the Original Project Lease;

3 WHEREAS, The City subsequently caused the execution and delivery of the City and  
4 County of San Francisco Certificates of Participation, Series 2009B (Multiple Capital  
5 Improvement Projects) (“2009B Certificates” and, together with the 2009A Certificates, “2009  
6 Certificates”) pursuant to a First Supplement to Trust Agreement, dated as of September 1,  
7 2009 (“First Supplement to Trust Agreement”), supplementing the Original Trust Agreement;  
8 and

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

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

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

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

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

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

4           WHEREAS, The 2012A Certificates evidence direct undivided interests in the lease  
5 payments made by the City under the Original Project Lease, as supplemented by the First  
6 Supplement to Project Lease and Second Supplement to Project Lease, on a parity basis with  
7 the 2009 Certificates; and

8           WHEREAS, The City subsequently caused the execution and delivery of the City and  
9 County of San Francisco Refunding Certificates of Participation, Series 2019-R1 (Multiple  
10 Capital Improvement Projects) (“2019-R1 Certificates”) pursuant to a Third Supplement to  
11 Trust Agreement, dated as of November 1, 2019 (“Third Supplement to Trust Agreement”),  
12 supplementing the Original Trust Agreement, which 2019-R1 Certificates were issued to  
13 prepay all of the then-outstanding 2009 Certificates; and

14           WHEREAS, In connection therewith, the City and the Trustee have previously entered  
15 into a Third Supplement to Property Lease, dated as of November 1, 2019 (“Third Supplement  
16 to Property Lease”), supplementing the Original Property Lease; and

17           WHEREAS, In connection therewith, the City and the Trustee have previously entered  
18 into a Third Supplement to Project Lease, dated as of November 1, 2019 (“Third Supplement  
19 to Project Lease”), supplementing the Original Project Lease; and

20           WHEREAS, The 2019-R1 Certificates evidence direct undivided interests in the lease  
21 payments made by the City under the Original Project Lease, as supplemented by the First  
22 Supplement to Project Lease, the Second Supplement to Project Lease and the Third  
23 Supplement to Project Lease, on a parity basis with the 2012A Certificates; and

24           WHEREAS, The City, pursuant to its Ordinance No. 226-19 and its Ordinance No. 227-  
25 19, each approved as of October 11, 2019, and pursuant to its Ordinance No. 281-19,

1 approved as of December 20, 2019, has authorized the expansion of the leased property  
2 subject to the Original Property Lease, as previously supplemented, and to the Original  
3 Project Lease, as previously supplemented, pursuant to additional supplements to such  
4 Original Property Lease and Original Project Lease to be executed and delivered in the future,  
5 to include the entire campus of Laguna Honda Hospital (except for the portion thereof  
6 generally known as Laguna Honda Juvenile Detention Center), and the execution and delivery  
7 of additional certificates of participation of the City, pursuant to additional supplements to the  
8 Original Trust Agreement, as previously supplemented, to be executed and delivered in the  
9 future, to finance various projects of the City in an aggregate principal amount of up to  
10 \$240,200,000 (collectively, "Additional Certificates") and on a parity basis with the 2012A  
11 Certificates, the 2019-R1 Certificates and any Certificates, when issued, which supplements  
12 to the Original Property Lease, Original Project Lease and Original Trust Agreement may be  
13 executed and delivered and which Additional Certificates may be issued, in whole or in part,  
14 prior to, on, or after the date of the adoption of this Ordinance; and

15 WHEREAS, The City and U.S. Bank National Association, as successor trustee  
16 ("2010A Trustee"), have previously entered into a Property Lease, dated as of September 1,  
17 2010 ("2010A Property Lease"), pursuant to which the City has leased certain City-owned real  
18 property located at 1 Moreland Drive, San Bruno, California and all improvements thereon,  
19 generally known as the San Bruno Complex ("2010A Leased Property") to the 2010A Trustee;  
20 and

21 WHEREAS, The Trustee and the City have previously entered into a Project Lease,  
22 dated as of September 1, 2010 ("2010A Project Lease"), pursuant to which the 2010A Trustee  
23 has leased the 2010A Leased Property back to the City; and

24 WHEREAS, The City previously caused the execution and delivery of the City and  
25 County of San Francisco Refunding Certificates of Participation, Series 2010A ("2010A

1 Certificates”) pursuant to a Trust Agreement, dated as of September 1, 2010, by and between  
2 the City and the 2010A Trustee (“2010A Trust Agreement” and, together with the 2010A  
3 Property Lease and the 2010A Project Lease, the “2010A Agreements”); and

4 WHEREAS, The 2010A Certificates evidence direct undivided interests in the lease  
5 payments made by the City under the 2010A Project Lease; and

6 WHEREAS, A portion of the 2010A Certificates currently remain outstanding and  
7 unpaid (“Refunded Certificates”); and

8 WHEREAS, The Board of Supervisors (“Board of Supervisors” or “Board”) of the City  
9 desires to provide for the prepayment, in whole or in part, of the Refunded Certificates through  
10 the execution and delivery of one or more series of certificates of participation (“Certificates”) in  
11 an aggregate principal amount not to exceed \$97,500,000 therefor; and

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

17 WHEREAS, The term of the 2010A Project Lease shall end on such date as the  
18 Refunded Certificates and all other amounts due under the 2010A Project Lease and under the  
19 2010A Trust Agreement shall have been paid or provision for their payment shall have been  
20 made in accordance with Section 11.01 of the 2010A Trust Agreement, and, upon the  
21 termination of the 2010A Project Lease (other than as provided in Section 6 or Section 13  
22 thereof), all of the 2010A Trustee’s right, title and interest with respect to the 2010A Leased  
23 Property, and any improvements thereon or additions thereto, shall be transferred directly to  
24 the City or, at the option of the City, to any assignee or nominee of the City, in accordance with  
25 the provisions of the 2010A Project Lease, free and clear of any interest of the 2010A Trustee,

1 and upon such termination, the 2010A Trustee shall execute such conveyances, deeds and  
2 other documents as may be necessary to effect such vesting of record; and

3 WHEREAS, The term of the 2010A Property Lease shall end on the date of the  
4 termination of the Project Lease, and upon termination of the 2010A Property Lease, all of the  
5 2010A Trustee's interest in the 2010A Leased Property shall vest with the City; and

6 WHEREAS, Upon the payment and discharge of the Refunded Certificates as provided  
7 in Section 11.01(a) of the 2010A Trust Agreement, all obligations of the 2010A Trustee and  
8 the City under the 2010A Trust Agreement with respect to the Refunded Certificates shall  
9 cease and terminate, except only (i) the obligation of the 2010A Trustee to pay or cause to be  
10 paid to the owners thereof all sums due with respect to the Refunded Certificates and to  
11 register, transfer and exchange the Refunded Certificates pursuant to Sections 2.05 and 2.06  
12 of the 2010A Trust Agreement, (ii) the obligation of the City to pay the amounts owing to the  
13 2010A Trustee under Section 6.06 of the 2010A Trust Agreement, and (iii) the obligation of  
14 the City to comply with Sections 4.16 and 8.06 of the 2010A Trust Certificates relating to  
15 arbitrage rebate; and

16 WHEREAS, The Certificates will be executed and delivered in one or more series, from  
17 time to time, pursuant to a Fourth Supplement to the Original Trust Agreement ("Fourth  
18 Supplement to Trust Agreement"), by and between the City and the Trustee, supplementing  
19 the Original Trust Agreement; and

20 WHEREAS, In connection with the execution and delivery of the Certificates, the Board  
21 desires to cause the execution of a Fourth Supplement to the Original Property Lease ("Fourth  
22 Supplement to Property Lease"), supplementing and amending the Original Property Lease to  
23 supplement the Leased Property (defined below), pursuant to Section 18 of the Original  
24 Property Lease, Section 7.02 of the Original Trust Agreement and Sections 16 and 20 of the  
25 Original Project Lease (collectively, the "Leased Property Amendment Provisions"), by the

1 addition to such Leased Property of all or a portion of the 2010A Property, all as specified in  
2 the Fourth Supplement to Property Lease, and to provide for additional rental to be paid by the  
3 Trustee in connection with the prepayment of the Refunded Certificates and certain related  
4 matters and pursuant to which the City intends to lease to the Trustee the Prior Leased  
5 Property and such other property specified in the Fourth Supplement to Property Lease (the  
6 Prior Leased Property and all such other property, collectively, "Leased Property"); a Fourth  
7 Supplement to the Original Project Lease ("Fourth Supplement to Project Lease"),  
8 supplementing and amending the Original Project Lease to supplement the Leased Property  
9 pursuant to the Leased Property Amendment Provisions, by the addition of all or a portion of  
10 the 2010A Property, all as specified in the Fourth Supplement to Project Lease, and to provide  
11 for the leasing of such Leased Property back to the City, the additional Base Rental to be paid  
12 by the City in connection with the financing of the Project and certain related matters, with  
13 such additional changes to the Leased Property description to be set forth in the Fourth  
14 Supplement to Property Lease and Fourth Supplement to Project Lease as shall be  
15 determined by the City's Director of Public Finance (defined below); an Escrow Agreement  
16 ("Escrow Agreement"), between the City and U.S. Bank National Association, as escrow agent  
17 ("Escrow Agent"); a form of a purchase contract between the City and one or more initial  
18 purchasers of the Certificates ("Purchase Contract"); a Continuing Disclosure Certificate and  
19 certain other related documents; and

20 WHEREAS, The Certificates, when issued, will evidence direct undivided interests in  
21 the lease payments made by the City under the Original Project Lease, as previously  
22 supplemented and amended and as supplemented and amended by the Fourth Supplement  
23 to Project Lease, on a parity basis with the outstanding 2012A Certificates and 2019-R1  
24 Certificates any other Additional Certificates authorized and issued pursuant to additional,  
25 respective, executed and delivered supplements to the Original Agreements, prior to the



1 issuance of the Certificates; and

2 WHEREAS, The Board has been presented with the forms of certain documents and  
3 agreements referred to herein relating to the Certificates, and the Board has examined and is  
4 approving each such document and agreement and desires to authorize the execution of such  
5 documents and agreements and the consummation of such financing; and

6 WHEREAS, The Board has received from the City's Office of Public Finance and  
7 disclosed to the public certain good faith estimates, as required by Section 5852.1 of the  
8 California Government Code, regarding certain costs relating to, the net proceeds of, and the  
9 debt service cost of the proposed issuance of the Certificates, which estimated information  
10 has been provided by the City's municipal advisor, KNN Public Finance, and which estimated  
11 information is based upon conditions that are subject to change prior to, on, or after the date  
12 of final adoption of this Ordinance, including prevailing market conditions and the City's ability  
13 to refinance the 2010A Certificates on a tax-exempt basis; and

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

1           WHEREAS, The adoption of this Ordinance constitutes authorization of the Certificates  
2 within the meaning of Section 864 of the California Code of Civil Procedure, as amended, and  
3 any Validation Act that is effective after this Ordinance takes effect; and

4           NOW THEREFORE,

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

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

8           Section 2. Conditions Precedent. All conditions, things and acts required by law to  
9 exist, to happen and to be performed precedent to the execution and delivery of the  
10 Certificates exist, have happened and have been performed in due time, form and manner in  
11 accordance with applicable law, and the City is now authorized pursuant to its charter  
12 (“Charter”) and applicable law to incur indebtedness in the manner and form provided in this  
13 Ordinance.

14           Section 3. File Documents. The documents presented to the Board and on file with  
15 the Clerk of the Board of Supervisors or her designee (collectively, “Clerk”) are contained in  
16 File No. [\_\_\_\_\_].

17           Section 4. Authorization of the Certificates. The Board hereby authorizes and  
18 approves the execution and delivery of the Certificates in one or more series and on one or  
19 more delivery dates in accordance with the Fourth Supplement to Trust Agreement. The  
20 proceeds of the Certificates will be used, together with other available funds of the City, to  
21 (i) prepay the Refunded Certificates, including the payment of any interest accrued on the  
22 principal amounts thereof through the date of payment; (ii) fund a debt service or other similar  
23 reserve, as appropriate; and (iii) pay costs of issuance of the Certificates. The Certificates  
24 shall be designated as “City and County of San Francisco Refunding Certificates of  
25 Participation, Series 2020-R1 (Multiple Capital Improvement Projects)” with such other or

1 additional designations as to sub-series and the year of execution and delivery as determined  
2 by the Controller's Director of Public Finance ("Director of Public Finance") or her designee.

3 Section 5. Certain Terms of the Certificates. The Certificates shall evidence an  
4 aggregate principal amount of not to exceed Ninety Seven Million Five Hundred Thousand  
5 Dollars (\$97,500,000), and shall result in net debt service savings to the City of not less than  
6 three percent (3%) calculated pursuant to the procedure set forth in Chapter 43, Article VIII of  
7 the Administrative Code or by any other method permitted by law or other ordinance of the  
8 Board. The Certificates shall be subject to prepayment as set forth in the Fourth Supplement  
9 to Project Lease and Fourth Supplement to Trust Agreement. The Director of Public Finance  
10 is hereby authorized, to the extent such officer deems it necessary or advisable and financially  
11 advantageous to the City, to procure credit enhancement for the Certificates, including but not  
12 limited to municipal bond insurance or a debt service reserve fund surety policy.

13 Section 6. Tax Status of the Certificates. The Director of Public Finance is hereby  
14 authorized, to the extent such officer deems it necessary or advisable and in the interests of  
15 the City, to cause the execution and delivery of the Certificates (i) with interest with respect  
16 thereto being exempt or not exempt from federal income tax, and (ii) under any federal tax law  
17 provisions which provide for federal grants or credits to the City or to investors in lieu of the  
18 exemption of interest from federal income tax.

19 Section 7. Approval of the Fourth Supplement to Trust Agreement. The form of the  
20 Fourth Supplement to Trust Agreement between the City and the Trustee, as presented to the  
21 Board, a copy of which is on file with the Clerk, is hereby approved. The Mayor of the City  
22 ("Mayor") or the City's Controller ("Controller") or designees thereof are hereby authorized to  
23 execute and deliver the Fourth Supplement to Trust Agreement in the form hereby approved,  
24 and the Clerk is hereby authorized to attest to and affix the seal of the City on such Fourth  
25 Supplement to Trust Agreement, with such changes, additions and modifications as the Mayor

1 or the Controller may make or approve in accordance with Section 19 hereof.

2 Section 8. Approval of the Fourth Supplement to Property Lease. The form of the  
3 Fourth Supplement to Property Lease between the City and the Trustee, as presented to the  
4 Board, a copy of which is on file with the Clerk, is hereby approved. The Mayor or the  
5 Controller (or designees thereof) is hereby authorized to execute and deliver the Fourth  
6 Supplement to Property Lease in the form hereby approved, and the Clerk is hereby  
7 authorized to attest to and affix the seal of the City on such Fourth Supplement to Property  
8 Lease, with such changes, additions and modifications as the Mayor or the Controller (or  
9 designees thereof) may make or approve in accordance with Section 19 hereof.

10 Section 9. Approval of the Fourth Supplement to Project Lease. The form of the  
11 Fourth Supplement to Project Lease between the City and the Trustee, as presented to the  
12 Board, a copy of which is on file with the Clerk, is hereby approved. The Mayor or the  
13 Controller (or designees thereof) is hereby authorized to execute and deliver the Fourth  
14 Supplement to Project Lease in the form hereby approved, and the Clerk is hereby authorized  
15 to attest to and affix the seal of the City on such Fourth Supplement to Project Lease with  
16 such changes, additions and modifications as the Mayor or Controller (or designees thereof)  
17 may make or approve in accordance with Section 19 hereof; provided, however, that the  
18 maximum Base Rental (as defined in the Project Lease) to be paid under such Fourth  
19 Supplement to Project Lease in any fiscal year shall not exceed Eight Million Seven Hundred  
20 Thousand Dollars (\$8,700,000) and the term of the Fourth Supplement to Project Lease shall  
21 not extend beyond the 19<sup>th</sup> year following its date of execution, as such initial term may be  
22 extended in accordance with the Project Lease.

23 Section 10. Approval of the Leased Property and the Base Rental Payments. The  
24 Board hereby approves the leasing, pursuant to the terms of the Fourth Supplement to  
25 Property Lease and the Fourth Supplement to Project Lease, of all or a portion of the Leased

1 Property, including as such Leased Property shall be supplemented pursuant to the Leased  
2 Property Amendment Provisions. The Board also hereby approves the payment by the City of  
3 the Base Rental with respect thereto.

4 Section 11. Approval of the Escrow Agreement. The form of the Escrow Agreement  
5 between the City and the Escrow Agent, as presented to this Board, a copy of which is on file  
6 with the Clerk of the Board, is hereby approved. The Mayor, the Controller or the Director of  
7 Public Finance is hereby authorized to execute the Escrow Agreement, with such changes,  
8 additions and modifications as the Mayor, the Controller or the Director of Public Finance may  
9 make or approve in accordance with Section 19 hereof.

10 Section 12. Sale and Award of Certificates by Competitive Sale. In the event the  
11 Director of Public Finance determines to sell the Certificates by competitive sale, the Director  
12 of Public Finance, on behalf of the Controller, is hereby authorized and directed to receive  
13 bids for the purchase of the Certificates, and the Controller and the Director of Public Finance  
14 are each hereby authorized and directed to award the Certificates to the bidder whose bid  
15 represents the lowest true interest cost to the City, all in accordance with the procedures  
16 described in the Official Notice of Sale (as defined herein).

17 Section 13. Approval of Form of Official Notice of Sale. The form of an official notice  
18 of sale relating to the Certificates (“Official Notice of Sale”), as presented to this Board, a copy  
19 of which is on file with the Clerk, is hereby approved. The Controller or the Director of Public  
20 Finance is authorized to approve the distribution of an Official Notice of Sale for the  
21 Certificates, with such changes, additions and modifications as such official may make or  
22 approve in accordance with Section 19 hereof.

23 Section 14. Approval of Notice of Intention to Sell Relating to the Certificates. The  
24 form of a notice of intention to sell relating to the Certificates (“Notice of Intention to Sell”), as  
25 presented to this Board, a copy of which is on file with the Clerk, is hereby approved. The

1 Controller or the Director of Public Finance is hereby authorized to approve the publication of  
2 the Notice of Intention to Sell relating to the Certificates, with such changes, additions and  
3 modifications as such official may make or approve in accordance with Section 19 hereof.

4 Section 15. Sale of Certificates by Negotiated Sale. If the Controller or the Director of  
5 Public Finance determines to sell the Certificates by negotiated sale, the Controller or the  
6 Director of Public Finance is hereby authorized to sell the Certificates by negotiated sale  
7 pursuant to one or more Purchase Contracts by and between the City and the underwriter or  
8 underwriters named therein; provided, however, that the underwriters' discount under any  
9 such Purchase Contract shall not exceed one-half of one percent (0.5%) of the principal  
10 amount of the Certificates. The form of Purchase Contract, as presented to the Board, a copy  
11 of which is on file with the Clerk, is hereby approved.

12 Section 16. Authorization to Appoint Underwriters. To accomplish the sale of the  
13 Certificates by negotiated sale, if applicable, the Controller or the Director of Public Finance is  
14 hereby authorized to appoint one or more financial institutions to act as underwriter(s) for the  
15 Certificates in accordance with City policies and procedures, including but not limited to the  
16 City's policy to provide locally disadvantaged business enterprises an equal opportunity to  
17 participate in the performance of all City contracts.

18 Section 17. Approval of the Official Statement in Preliminary and Final Form. The  
19 form of an official statement relating to the Certificates ("Official Statement"), as presented to  
20 this Board, a copy of which is on file in preliminary form with the Clerk, is hereby approved.  
21 The Controller is hereby authorized to approve the preliminary Official Statement in  
22 substantially said form, with such changes, additions, modifications (including but not limited  
23 to the inclusion of the most current City financial information) or deletions as such official may  
24 make or approve in accordance with Section 19 hereof, and to deem the preliminary Official  
25 Statement final for purposes of the Rule 15c2-12 of the Securities and Exchange Act of 1934,

1 as amended, to execute, and to designate the Director of Public Finance to execute in his  
2 stead, a certificate to that effect, and to cause the preliminary Official Statement to be  
3 delivered, in printed or electronic form, to potential purchasers of the Certificates, such  
4 approval to be conclusively evidenced by the delivery of said deemed-final certificate. The  
5 Controller is hereby further authorized and directed to sign and deliver the Official Statement  
6 in final form to purchasers of the Certificates.

7 Section 18. Approval of the Continuing Disclosure Certificate. The form of a  
8 Continuing Disclosure Certificate of the City relating to the Certificates, as presented to the  
9 Board, a copy of which is on file with the Clerk, is hereby approved. The Controller or the  
10 Director of Public Finance is hereby authorized to execute the Continuing Disclosure  
11 Certificate, with such changes, additions, modifications or deletions as the Controller or the  
12 Director of Public Finance may approve upon consultation with the City Attorney; such  
13 approval to be conclusively evidenced by the execution and delivery of the Continuing  
14 Disclosure Certificate.

15 Section 19. General Authority. The Mayor, the Treasurer, the City Attorney, the  
16 Controller, the City Administrator, the Director of Public Finance, the Clerk and other officers  
17 of the City and their duly authorized deputies, designees and agents are hereby authorized  
18 and directed, jointly and severally, to take such actions and to execute and deliver such  
19 certificates, agreements, requests or other documents as they may deem necessary or  
20 desirable to accomplish the purposes of this Ordinance, including but not limited to the  
21 execution and delivery of the Fourth Supplement to Property Lease, the Fourth Supplement to  
22 Project Lease, the Fourth Supplement to Trust Agreement, the Official Statement, the Escrow  
23 Agreement, one or more Purchase Contracts, the Continuing Disclosure Certificate and the  
24 Certificates, to obtain bond insurance or other credit enhancements or a surety policy with  
25 respect to the Certificates, to obtain title insurance, to clear any encumbrances to title and to

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

7 Section 20. Modifications, Changes and Additions. The Mayor, the Treasurer, the  
8 Controller and the Director of Public Finance each are hereby authorized to make such  
9 modifications, changes and additions to the documents and agreements approved hereby,  
10 upon consultation with the City Attorney, as may be necessary or desirable and in the  
11 interests of the City, and which changes do not materially increase the City's obligations or  
12 reduce its rights thereunder or hereunder. The respective official's approval of such  
13 modifications, changes and additions shall be conclusively evidenced by the execution and  
14 delivery by such official and the Clerk of the Fourth Supplement to Property Lease, the Fourth  
15 Supplement to Project Lease and the Fourth Supplement to Trust Agreement, one or more  
16 Purchase Contracts, the Escrow Agreement or any of the other documents approved in this  
17 Ordinance. Any such actions are solely intended to further the purposes of this Ordinance and  
18 are subject in all respects to the terms of this Ordinance. No such actions shall increase the  
19 risk to the City or require the City to spend any resources not otherwise granted herein. Final  
20 versions of any such documents shall be provided to the Clerk for inclusion in the official file  
21 within 30 days (or as soon thereafter as final documents are available) of execution by all  
22 parties.

23 Section 21. Partial Invalidity. Any provision of this Ordinance found to be prohibited by  
24 law shall be ineffective only to the extent of such prohibition, and shall not invalidate the  
25 remainder of this Ordinance.



1           Section 22.   Effective Date. This Ordinance shall take effect immediately.

2           Section 23.   Ratification of Prior Actions. All actions authorized consistent with any  
3 documents presented herein and approved by this Ordinance but heretofore taken are hereby  
4 ratified, approved and confirmed by the Board.

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

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10          By: /s/ Mark D. Blake  
11             Mark D. Blake  
              Deputy City Attorney

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