

1 [Bond Sale of Neighborhood Recreation and Park Facilities Improvement Bonds.]

2       **Resolution authorizing and directing the sale of not to exceed \$68,800,000 General**  
3 **Obligation Bonds (Neighborhood Recreation and Park Facilities Improvement Bonds,**  
4 **2000), Series 2004A; prescribing the form and terms of said bonds; authorizing the**  
5 **execution, authentication and registration of said bonds; providing for the appointment of**  
6 **depositories and other agents for said bonds; providing for the establishment of**  
7 **accounts related thereto; approving the forms of official notice of sale and notice of**  
8 **intention to sell bonds; directing the publication of the notice of intention to sell bonds;**  
9 **approving the form and execution of the official statement relating thereto; approving the**  
10 **form of the continuing disclosure certificate; approving modifications to documents;**  
11 **ratifying certain actions previously taken; and granting general authority to City officials**  
12 **to take necessary actions in connection with the authorization, issuance, sale and**  
13 **delivery of said bonds.**

14       WHEREAS, By Resolution No. 378-00 (the "Neighborhood Parks Authorizing  
15 Resolution"), adopted by the Board of Supervisors (the "Board") of the City and County of San  
16 Francisco (the "City") on May 1, 2000, and signed by the Mayor of the City (the "Mayor") on May  
17 12, 2000, the City authorized the issuance of its Neighborhood Recreation and Park Facilities  
18 Improvement Bonds, 2000 (the "Neighborhood Park Bonds"), and the sale of the first series of  
19 not to exceed \$6,180,000 aggregate principal amount of said Neighborhood Park Bonds, and by  
20 Resolution No. 879-000, adopted by the Board on October 10, 2000, and signed by the Mayor  
21 on October 20, 2000, the City authorized the sale of the second series of not to exceed  
22 \$14,060,000 aggregate principal amount of said Neighborhood Park Bonds, and by Resolution  
23 No. 360-03, adopted by the Board on June 10, 2003, and signed by the Mayor on June 12,  
24 2003, the City authorized the sale of the third series of not to exceed \$20,960,000 aggregate  
25 principal amount of said Neighborhood Park Bonds; and,

Mayor Newsom, *Supervisors McGoldrick, Elsbernd, Duffy*  
BOARD OF SUPERVISORS

1           WHEREAS, It is necessary and desirable to issue an amount not to exceed of  
2 \$68,800,000 General Obligation Bonds (Neighborhood Recreation and Park Facilities  
3 Improvement Bonds, 2000), Series 2004A (the "Series 2004A Bonds"); and,

4           WHEREAS, The Series 2004A Bonds are being issued pursuant to the Neighborhood  
5 Parks Authorizing Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the  
6 California Government Code (the "Act"), the Charter of the City and a duly held election; and,

7           WHEREAS, The City expects to pay certain expenditures in connection with the projects  
8 to be financed by the Series 2004A Bonds prior to the issuance and sale of the Series 2004A  
9 Bonds, and the City intends to reimburse itself and to pay third parties for such prior  
10 expenditures from the proceeds of the Series 2004A Bonds; and,

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

14           WHEREAS, The Treasury Regulations require that any reimbursement allocation of  
15 proceeds of the Series 2004A Bonds to be made with respect to expenditures incurred prior to  
16 the issuance of the Series 2004A Bonds will occur not later than eighteen (18) months after the  
17 later of (i) the date on which the expenditure is paid or (ii) the date on which the facilities are  
18 placed in service, but in no event later than three (3) years after the expenditure is paid; and,

19           WHEREAS, The adoption of this Resolution shall constitute authorization of the Series  
20 2004A Bonds within the meaning of Section 864 of the California Code of Civil Procedure; now,  
21 therefore, be it

22           RESOLVED by the Board of Supervisors of the City and County of San Francisco, as  
23 follows:

24           Section 1. Recitals. All of the recitals herein are true and correct.  
25

1 Section 2. Conditions Precedent. All conditions, things and acts required by law to exist,  
2 to happen and to be performed precedent to and in the issuance of the Series 2004A Bonds  
3 exist, have happened and have been performed in due time, form and manner in accordance  
4 with applicable law, and the City is now authorized pursuant to its Charter and applicable law to  
5 incur indebtedness in the manner and form provided in this Resolution.

6 Section 3. Documents. The documents presented to this Board and on file with the Clerk  
7 of the Board of Supervisors, or his or her designee (the "Clerk of the Board of Supervisors") are  
8 contained in File No. 041177.

9 Section 4. Issuance and Sale of Series 2004A Bonds. The Board hereby authorizes the  
10 issuance and sale of not to exceed \$68,800,000 principal amount of bonds to be designated as  
11 "City and County of San Francisco General Obligation Bonds (Neighborhood Recreation and  
12 Park Facilities Improvement Bonds, 2000), Series 2004A" for the purposes set forth in  
13 Proposition A approved by the voters on March 7, 2000. The Director of Public Finance of the  
14 City or his or her designee (the "Director of Public Finance") is hereby authorized to determine  
15 the sale date, the maturity dates and the redemption dates of the Series 2004A Bonds, subject  
16 to the following terms and conditions: (i) the Series 2004A Bonds shall not have a true interest  
17 cost in excess of 12% (as such term is defined in the Official Notice of Sale); and (ii) the Series  
18 2004A Bonds shall not have a final maturity date after 2029. The Director of Public Finance is  
19 further authorized to give the Series 2004A Bonds such additional or other series designation as  
20 may be necessary or appropriate to distinguish such series from every other series and from  
21 other bonds issued by the City.

22 Section 5. Execution, Authentication and Registration of the Series 2004A Bonds. The  
23 Series 2004A Bonds shall be in fully registered form without coupons in denominations of \$5,000  
24 or any integral multiple thereof. The officers of the City are hereby directed to cause the Series  
25 2004A Bonds to be prepared in sufficient quantity for delivery to or for the account of the

1 purchaser thereof and the Clerk of the Board of Supervisors is hereby directed to cause the  
2 blanks therein to be completed in accordance with the Neighborhood Parks Authorizing  
3 Resolution, to cause the seal of the City to be reproduced or impressed thereon, to procure their  
4 execution by the proper officers of the City (including by facsimile signature if necessary or  
5 convenient), and to deliver the Series 2004A Bonds when so executed to said purchaser in  
6 exchange for the purchase price thereof, all in accordance with the Neighborhood Parks  
7 Authorizing Resolution.

8 The Series 2004A Bonds and the certificate of authentication and registration of the  
9 Treasurer of the City or his or her designee (the "City Treasurer") and the form of assignment to  
10 appear thereon shall be substantially in the form attached hereto as Exhibit A (a copy of which is  
11 on file with the Clerk of the Board of Supervisors and which is hereby declared to be a part of  
12 this Resolution as if fully set forth herein) with necessary or appropriate variations, omissions  
13 and insertions as permitted or required by this Resolution.

14 Only such of the Series 2004A Bonds as shall bear thereon a certificate of  
15 authentication and registration in the form herein recited, executed by the City Treasurer, shall  
16 be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such  
17 certificate of the City Treasurer, executed as herein provided, shall be conclusive evidence that  
18 the Series 2004A Bonds so authenticated have been duly authenticated and delivered  
19 hereunder and are entitled to the benefits of this Resolution.

20 The City Treasurer shall assign a distinctive letter, or number, or letter and number to  
21 each Series 2004A Bond authenticated and registered by him or her and shall maintain a record  
22 thereof which shall be available for inspection.

23 Section 6. Registration Books. The City Treasurer shall keep or cause to be kept, at the  
24 office of the City Treasurer, sufficient books for the registration and transfer of the Series 2004A  
25 Bonds, which shall at all times be open to inspection, and upon presentation for such purpose,

1 the City Treasurer shall, under such reasonable regulations as he or she may prescribe, register  
2 or transfer or cause to be registered or transferred, on said books, Series 2004A Bonds as  
3 herein provided.

4 Section 7. Transfer or Exchange of Bonds. Any Series 2004A Bond may, in accordance  
5 with its terms, be transferred upon the books required to be kept pursuant to the provisions of  
6 Section 6 hereof, by the person in whose name it is registered, in person or by the duly  
7 authorized attorney of such person in writing, upon surrender of such Series 2004A Bond for  
8 cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form  
9 approved by the City Treasurer.

10 Any Series 2004A Bonds may be exchanged at the office of the City Treasurer for a like  
11 aggregate principal amount of other authorized denominations of the same interest rate and  
12 maturity.

13 Whenever any Series 2004A Bond shall be surrendered for transfer or exchange, the  
14 designated City officials shall execute (as provided in Section 5 hereof) and the City Treasurer  
15 shall authenticate and deliver a new Series 2004A Bond or Series 2004A Bonds of the same  
16 interest rate and maturity in a like aggregate principal amount. The City Treasurer shall require  
17 the payment by any bond owner requesting any such transfer of any tax or other governmental  
18 charge required to be paid with respect to such transfer or exchange.

19 No transfer or exchange of Series 2004A Bonds shall be required to be made by the City  
20 Treasurer during the period from the Record Date (as defined herein) next preceding each  
21 interest payment date to such interest payment date or after a notice of redemption shall have  
22 been mailed with respect to such Series 2004A Bond.

23 Section 8. Terms of the Bonds; General Redemption Provisions. The Series 2004A  
24 Bonds shall each be dated the first day of the month in which the Series 2004A Bonds are sold  
25 or such other date (the "Dated Date") as specified in the award to be made pursuant to Section

1 13 hereof (the "Bond Award"). The Series 2004A Bonds shall bear interest from the Dated Date  
2 until the principal is paid in full at rates to be determined upon the sale of the Series 2004A  
3 Bonds, calculated on the basis of a 360-day year comprised of twelve 30-day months, payable  
4 June 15, 2004, and semiannually thereafter on June 15 and December 15 of each year (or such  
5 other dates as may be designated in the Bond Award).

6 The principal of the Series 2004A Bonds shall be payable in lawful money of the United  
7 States of America to the owner thereof, upon the surrender thereof at maturity or earlier  
8 redemption at the office of the City Treasurer. The interest on the Series 2004A Bonds shall be  
9 payable in like lawful money to the person whose name appears on the bond registration books  
10 of the City Treasurer as the owner thereof as of the close of business on the last day of the  
11 month immediately preceding an interest payment date (the "Record Date"); whether or not such  
12 day is a Business Day (as herein defined).

13 Each Series 2004A Bond shall bear interest from the interest payment date next  
14 preceding the date of authentication thereof unless it is authenticated as of a day during the  
15 period from the Record Date next preceding any interest payment date to the interest payment  
16 date, inclusive, in which event it shall bear interest from such interest payment date, or unless it  
17 is authenticated on or before November 30, 2004 (or such other date as may be designated in  
18 the Bond Award), in which event it shall bear interest from the Dated Date; provided, however,  
19 that if, at the time of authentication of any Series 2004A Bond, interest is in default on the Series  
20 2004A Bonds, such Series 2004A Bond shall bear interest from the interest payment date to  
21 which interest has previously been paid or made available for payment on the Series 2004A  
22 Bonds or from the Dated Date if the first interest payment is not made. Except as may be  
23 otherwise provided in connection with any book-entry only system applicable to the Series  
24 2004A Bonds, payment of the interest on any Series 2004A Bond shall be made by check  
25 mailed to such owner at such owner's address as it appears on the registration books as of the

1 Record Date; provided, however, if any interest payment occurs on a day that banks in California  
2 and New York are closed for business or the New York Stock Exchange is closed for business,  
3 then such payment shall be made on the next succeeding day that banks in both California and  
4 New York are open for business and the New York Stock Exchange is open for business (a  
5 "Business Day"); and provided, further, that the registered owner of an aggregate principal  
6 amount of at least \$1,000,000 of the Series 2004A Bonds may submit a written request to the  
7 City Treasurer on or before a Record Date preceding an interest payment date for payment of  
8 interest by wire transfer to a commercial bank located within the United States. For so long as  
9 the Series 2004A Bonds are held in book-entry form by a securities depository selected by the  
10 City pursuant to Section 11 hereof, payment may be made to the registered owner of the Series  
11 2004A Bonds designated by such securities depository by wire transfer of immediately available  
12 funds.

13 The Series 2004A Bonds maturing on or before June 15, 2011 (or such other date as  
14 may be designated in the Bond Award) shall not be subject to optional redemption prior to  
15 maturity. The Series 2004A Bonds maturing on or after June 15, 2012 (or such other date as  
16 may be designated in the Bond Award) are subject to optional redemption prior to their  
17 respective stated maturities, at the option of the City, from any source of available funds, as a  
18 whole or in part on any date (with the maturities to be redeemed to be determined by the City  
19 and by lot within a maturity) on or after June 15, 2011 (or such other date as may be designated  
20 in the Bond Award), at redemption prices equal to 102% of the principal amount redeemed in the  
21 first year the Series 2004A Bonds are subject to optional redemption (with such redemption price  
22 declining to 100% at the rate of 1.0% annually), together with accrued interest to the date of  
23 redemption, or such other redemption prices as may be designated in the Bond Award.

24 The Series 2004A Bonds shall be subject to mandatory redemption at par, by lot, in any  
25 year for which the purchaser thereof has designated that the principal amount payable with

1 respect to that year shall constitute a mandatory sinking fund payment as permitted by the  
2 Official Notice of Sale (as more fully described in Section 13 hereof). Any Series 2004A Bonds  
3 subject to mandatory redemption shall be designated as such in the Bond Award. The principal  
4 and interest on the Series 2004A Bonds subject to mandatory redemption shall be paid from the  
5 Series 2004A Bond Account, pursuant to Section 9 hereof. In lieu of any such mandatory  
6 redemption for the Series 2004A Bonds, at any time prior to the selection of the Series 2004A  
7 Bonds for redemption, the City may apply such amounts on deposit in the Series 2004A Bond  
8 Account (as defined in Section 9 hereof) to make such payment to the purchase of Series 2004A  
9 Bonds subject to such redemption at public or private sale, as and when and at such prices not  
10 in excess of the principal amount thereof (including sales commission and other charges but  
11 excluding accrued interest), as the City may determine.

12 The date on which the Series 2004A Bonds which are called for redemption are to be  
13 presented for redemption is herein sometimes called the "redemption date." The City Treasurer  
14 shall mail, or cause to be mailed, notice of any redemption of Series 2004A Bonds, postage  
15 prepaid, to the respective registered owners thereof at the addresses appearing on the bond  
16 registration books not less than thirty (30) nor more than sixty (60) days prior to the redemption  
17 date. The notice of redemption shall (a) state the redemption date; (b) state the redemption  
18 price; (c) state the dates of maturity of the Series 2004A Bonds and, if less than all of any such  
19 maturity is called for redemption, the distinctive numbers of the Series 2004A Bonds of such  
20 maturity to be redeemed, and in the case of Series 2004A Bonds redeemed in part only, the  
21 respective portions of the principal amount thereof to be redeemed; (d) state the CUSIP number,  
22 if any, of each Series 2004A Bond to be redeemed; (e) require that such Series 2004A Bonds be  
23 surrendered by the owners at the office of the City Treasurer or his or her agent; and (f) give  
24 notice that interest on such Series 2004A Bonds will cease to accrue after the designated  
25 redemption date.



1 The actual receipt by the owner of any Series 2004A Bond of notice of such redemption  
2 shall not be a condition precedent to redemption, and failure to receive such notice, or any defect  
3 in such notice, shall not affect the validity of the proceedings for the redemption of such Series  
4 2004A Bonds or the cessation of accrual of interest on such Series 2004A Bonds on the  
5 redemption date.

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

12 The notice or notices required for redemption shall be given by the City Treasurer, or any  
13 agent appointed by the City. A certificate of the City Treasurer or such other appointed agent of  
14 the City that notice of redemption has been given to the owner of any Series 2004A Bond in  
15 accordance with this Resolution shall be conclusive against all parties.

16 At the time the City Treasurer or the Controller of the City or his or her designee (the  
17 "Controller") determines to optionally call and redeem any of the Series 2004A Bonds, the City  
18 Treasurer or his or her agent shall establish a redemption account to be described or known as  
19 the "General Obligation Bonds (Neighborhood Recreation and Park Facilities Improvement  
20 Bonds, 2000), Series 2004A Redemption Account" (the "Series 2004A Redemption Account")  
21 and prior to or on the redemption date there must be set aside in said Series 2004A Redemption  
22 Account moneys available for the purpose and sufficient to redeem as provided in this  
23 Resolution, the Series 2004A Bonds designated in said notice of redemption, subject to  
24 rescission as hereinafter provided. Said moneys must be set aside in the Series 2004A  
25 Redemption Account solely for the purpose of, and shall be applied on or after the redemption

1 date to, payment of the redemption price of the Series 2004A Bonds to be redeemed upon  
2 presentation and surrender of such Series 2004A Bonds. Any interest due on or prior to the  
3 redemption date may be paid from the Series 2004A Bond Account as provided in Section 9  
4 hereof or from the Series 2004A Redemption Account. Moneys held from time to time in the  
5 Series 2004A Redemption Account shall be invested by the City Treasurer pursuant to the City's  
6 policies and guidelines for investment of General Fund moneys. If, after all of the Series 2004A  
7 Bonds have been redeemed and canceled or paid and canceled, there are moneys remaining in  
8 said Series 2004A Redemption Account, said moneys shall be transferred to the General Fund  
9 of the City or to such other fund or account as required by applicable law; provided, however,  
10 that if said moneys are part of the proceeds of refunding bonds, said moneys shall be transferred  
11 pursuant to the resolution authorizing such refunding bonds.

12 When notice of optional redemption has been given, substantially as provided herein, and  
13 when the amount necessary for the redemption of the Series 2004A Bonds called for redemption  
14 (principal and premium, if any) is set aside for that purpose in said Series 2004A Redemption  
15 Account, as provided herein, the Series 2004A Bonds designated for redemption shall become  
16 due and payable on the date fixed for redemption thereof, and upon presentation and surrender  
17 of said Series 2004A Bonds at the place specified in the notice of redemption, such Series  
18 2004A Bonds shall be redeemed and paid at said redemption price out of said Series 2004A  
19 Redemption Account. No interest will accrue on such Series 2004A Bonds called for redemption  
20 after the redemption date and the registered owners of such Series 2004A Bonds shall look for  
21 payment of such Series 2004A Bonds only to said Series 2004A Redemption Account. All  
22 Series 2004A Bonds redeemed shall be canceled forthwith by the City Treasurer and shall not  
23 be reissued.

24 The City may rescind any optional redemption and notice thereof for any reason on any  
25 date prior to the date fixed for redemption by causing written notice of the rescission to be given

1 to the owners of all Series 2004A Bonds so called for redemption. Any optional redemption and  
2 notice thereof shall be rescinded if for any reason on the date fixed for redemption funds are not  
3 or will not be available in the Series 2004A Redemption Account in an amount sufficient to pay in  
4 full on said date the principal of, interest, and any premium due on the Series 2004A Bonds  
5 called for redemption. Notice of rescission of redemption shall be given in the same manner  
6 notice of redemption was originally given. The actual receipt by the owner of any Series 2004A  
7 Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to  
8 receive such notice or any defect in such notice shall not affect the validity of the rescission.

9           Section 9. Series 2004A Bond Account. There is hereby established with the  
10 City Treasurer a special subaccount in the General Obligation Bonds (Neighborhood  
11 Recreation and Park Facilities Improvement Bonds, 2000) Bond Account (the "Bond  
12 Account") created pursuant to the Neighborhood Parks Authorizing Resolution, to be  
13 designated the "General Obligation Bonds (Neighborhood Recreation and Park Facilities  
14 Improvement Bonds, 2000), Series 2004A Bond Account (the "Series 2004A Bond Account"),"  
15 to be held separate and apart from all other accounts of the City. All interest earned on  
16 amounts on deposit in the Series 2004A Bond Account shall be retained in the Series 2004A  
17 Bond Account.

18           On or prior to the date on which any payment of principal or interest on the Series  
19 2004A Bonds is due, including any Series 2004A Bonds subject to mandatory redemption on  
20 said date, the City Treasurer shall allocate to and deposit in the Series 2004A Bond Account,  
21 from amounts held in the Series 2004A Bond Account, an amount which, when added to any  
22 available moneys contained in the Series 2004A Bond Account, is sufficient to pay principal  
23 and interest on the Series 2004A Bonds on such date.

24           On or prior to the date on which any Series 2004A Bonds are to be redeemed at the  
25 option of the City pursuant to this Resolution, the City Treasurer may allocate to and deposit

1 in the Series 2004A Redemption Account, from amounts held in the Bond Account pursuant to  
2 Section 8 of the Neighborhood Parks Authorizing Resolution, an amount which, when added  
3 to any available moneys contained in the Series 2004A Redemption Account, is sufficient to  
4 pay principal, interest and premium, if any, on such Series 2004A Bonds on such date. The  
5 City Treasurer may make such other provision for the payment of principal and interest and  
6 any redemption premium on the Series 2004A Bonds as is necessary or convenient to permit  
7 the optional redemption of the Series 2004A Bonds.

8         Amounts in the Series 2004A Bond Account may be invested in any investment of the  
9 City in which moneys in the General Fund of the City are invested. The City Treasurer may  
10 commingle any of the moneys held in the Series 2004A Bond Account with other City moneys  
11 or deposit amounts credited to the Series 2004A Bond Account into a separate fund or funds  
12 for investment purposes only; *provided, however*, that all of the moneys held in the Series  
13 2004A Bond Account hereunder shall be accounted for separately notwithstanding any such  
14 commingling or separate deposit by the City Treasurer. Any bid premium or accrued interest  
15 received upon the sale of the Series 2004A Bonds shall be deposited into the Series 2004A  
16 Bond Account.

17         Section 10. Project Account. There is hereby established with the City Treasurer a  
18 special subaccount in the General Obligation Bonds (Neighborhood Recreation and Park  
19 Facilities Improvement Bonds, 2000) Project Account (the "Project Account") created pursuant  
20 to the Neighborhood Parks Authorizing Resolution, to be designated the "General Obligation  
21 Bonds (Neighborhood Recreation and Park Facilities Improvement Bonds, 2000), Series  
22 2004A Project Account" (the "Series 2004A Project Account"), to be held separate and apart  
23 from all other accounts of the City. All interest earned on amounts on deposit in the Series  
24 2004A Project Account shall be retained in the Series 2004A Project Account. Amounts in the  
25 Series 2004A Project Account shall be expended in accordance with the provisions of the

1 Neighborhood Parks Authorizing Resolution for the acquisition, renovation and construction of  
2 the Project (as defined in the Neighborhood Parks Authorizing Resolution).

3 Amounts in the Series 2004A Project Account may be invested in any investment of the  
4 City in which moneys in the General Fund of the City are invested. The City Treasurer may  
5 commingle any of the moneys held in the Series 2004A Project Account with other City  
6 moneys or deposit amounts credited to the Series 2004A Project Account into a separate fund  
7 or funds for investment purposes only; *provided, however*, that all of the moneys held in the  
8 Series 2004A Project Account (including interest earnings) hereunder shall be accounted for  
9 separately notwithstanding any such commingling or separate deposit by the City Treasurer.

10 The City Treasurer is hereby authorized to pay or cause to be paid from the proceeds  
11 of the Series 2004A Bonds, on behalf of the City, the costs of issuance associated with the  
12 Series 2004A Bonds. Costs of issuance of the Series 2004A Bonds shall include, without  
13 limitation, bond and financial printing expenses, mailing and publication expenses, rating  
14 agency fees, the fees and expenses of paying agents, registrars, financial consultants and  
15 bond counsel and the reimbursement of departmental expenses in connection with the  
16 issuance of the Series 2004A Bonds.

17 Section 11. Appointment of Depositories and Other Agents. The City Treasurer is  
18 hereby authorized and directed to appoint one or more depositories as he or she may deem  
19 desirable and the procedures set forth in Section 8 hereof relating to registration of ownership of  
20 the Series 2004A Bonds, and payments and redemption notices to owners of the Series 2004A  
21 Bonds may be modified to comply with the policies and procedures of such depository. The City  
22 will not have any responsibility or obligation to any purchaser of a beneficial ownership interest in  
23 any Series 2004A Bonds or to any participants in such a depository with respect to (i) the  
24 accuracy of any records maintained by such securities depository or any participant therein; (ii)  
25 any notice that is permitted or required to be given to the owners of the Series 2004A Bonds

1 under this Resolution; (iii) the selection by such securities depository or any participant therein of  
2 any person to receive payment in the event of a partial redemption of the Series 2004A Bonds;  
3 (iv) the payment by such securities depository or any participant therein of any amount with  
4 respect to the principal or redemption premium, if any, or interest due with respect to the Series  
5 2004A Bonds; (v) any consent given or other action taken by such securities depository as the  
6 owner of the Series 2004A Bonds; or (vi) any other matter.

7 The City Treasurer is hereby also authorized and directed to appoint one or more agents  
8 as he or she may deem necessary or desirable. To the extent permitted by applicable law and  
9 under the supervision of the City Treasurer, such agents may serve as paying agent, fiscal  
10 agent, rebate calculation agent or escrow agent or registrar for the Series 2004A Bonds or may  
11 assist the City Treasurer in performing any or all of such functions and such other duties as the  
12 City Treasurer shall determine. Such agents shall serve under such terms and conditions as the  
13 City Treasurer shall determine. The City Treasurer may remove or replace agents appointed  
14 pursuant to this paragraph at any time.

15 Section 12. Defeasance Provisions. Payment of all or any portion of the Series 2004A  
16 Bonds may be provided for prior to such Series 2004A Bonds' respective stated maturities by  
17 irrevocably depositing with the City Treasurer (or any commercial bank or trust company  
18 designated by the City Treasurer to act as escrow agent with respect thereto):

19 (a) An amount of cash equal to the principal amount of all of such Series  
20 2004A Bonds or a portion thereof, and all unpaid interest thereon to maturity, except that in the  
21 case of Series 2004A Bonds which are to be redeemed prior to such Series 2004A Bonds'  
22 respective stated maturities and in respect of which notice of such redemption shall have been  
23 given as provided in Section 8 hereof or an irrevocable election to give such notice shall have  
24 been made by the City, the amount to be deposited shall be the principal amount thereof, all  
25

1 unpaid interest thereon to the redemption date, and any premium due on such redemption date;  
2 or

3 (b) Defeasance Securities (as herein defined) not subject to call, except as  
4 provided below in the definition thereof, maturing and paying interest at such times and in such  
5 amounts, together with interest earnings and cash, if required, as will, without reinvestment, as  
6 certified by an independent certified public accountant, be fully sufficient to pay the principal and  
7 all unpaid interest to maturity, or to the redemption date, as the case may be, and any premium  
8 due on the Series 2004A Bonds to be paid or redeemed, as such principal and interest come  
9 due; provided, that, in the case of the Series 2004A Bonds which are to be redeemed prior to  
10 maturity, notice of such redemption shall be given as provided in Section 8 hereof or an  
11 irrevocable election to give such notice shall have been made by the City; then, all obligations of  
12 the City with respect to said outstanding Series 2004A Bonds shall cease and terminate, except  
13 only the obligation of the City to pay or cause to be paid from the funds deposited pursuant to  
14 paragraphs (a) or (b) of this Section 12, to the owners of said Series 2004A Bonds all sums due  
15 with respect thereto; provided, that the City shall have received an opinion of nationally  
16 recognized bond counsel, that provision for the payment of said Series 2004A Bonds has been  
17 made in accordance with this Section 12.

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

- 21 (1) United States Obligations (as herein defined); and  
22 (2) Pre-refunded fixed interest rate municipal obligations meeting the following  
23 conditions: (a) the municipal obligations are not subject to redemption prior to maturity, or the  
24 trustee has been given irrevocable instructions concerning their calling and redemption and the  
25 issuer has covenanted not to redeem such obligations other than as set forth in such

1 instructions; (b) the municipal obligations are secured by cash and/or United States Obligations;  
2 (c) the principal of and interest on the United States Obligations (plus any cash in the escrow  
3 fund or the redemption account) are sufficient to meet the liabilities of the municipal obligations;  
4 (d) the United States Obligations serving as security for the municipal obligations are held by the  
5 City Treasurer or, if appointed by the City Treasurer pursuant to Section 11 hereof, an escrow  
6 agent or trustee; (e) the United States Obligations are not available to satisfy any other claims,  
7 including those against the trustee or escrow agent; and (f) the municipal obligations are rated  
8 "AAA" by S&P and "Aaa" by Moody's.

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

18 Section 13. Official Notice of Sale. The form of proposed Official Notice of Sale inviting  
19 bids for the Series 2004A Bonds submitted to the Board is hereby approved and adopted as the  
20 Official Notice of Sale inviting bids for the Series 2004A Bonds with such changes, additions and  
21 modifications as may be made in accordance with Section 19 hereof.

22 Proposals shall be received on the date designated by the Director of Public Finance  
23 pursuant to Section 4 hereof. The Director of Public Finance is hereby authorized and directed  
24 to cause to be mailed or otherwise circulated to prospective bidders for the Series 2004A Bonds  
25



1 copies of said Official Notice of Sale, subject to such corrections, revisions or additions as may  
2 be acceptable to the Director of Public Finance.

3 The Controller is hereby authorized to award the Series 2004A Bonds to the bidder  
4 whose bid represents the lowest true interest cost to the City, all in accordance with the  
5 procedures described in the Official Notice of Sale. The Controller shall provide a copy of the  
6 Series 2004A Bond Award as soon as practicable to the Clerk of the Board of Supervisors and  
7 the Director of Public Finance; provided, however, that failure to provide such copies shall not  
8 affect the validity of the Series 2004A Bond Award.

9 Section 14. Publication of Notice of Intention to Sell Bonds. The form of proposed Notice  
10 of Intention to Sell Bonds submitted to the Board is hereby approved and adopted as the Notice  
11 of Intention to Sell Bonds, and the Director of Public Finance is hereby authorized and directed  
12 to cause said Notice of Intention to Sell Bonds, subject to such corrections, revisions or additions  
13 as may be made in accordance with Section 19 hereof, to be published once in The Bond Buyer  
14 or another financial publication generally circulated throughout the State of California.

15 Section 15. Solicitation of Competitive Bids. This Board hereby authorizes the solicitation  
16 of competitive bids for the purchase of the Series 2004A Bonds on the date and at the place  
17 determined in accordance with the Official Notice of Sale herein referenced.

18 Section 16. Official Statement. The form of proposed Official Statement describing the  
19 Series 2004A Bonds (the "Official Statement") submitted to the Board is hereby approved and  
20 adopted as the Official Statement describing the Series 2004A Bonds, with such additions,  
21 corrections and revisions as may be determined to be necessary or desirable made in  
22 accordance with Section 19 hereof. The Controller is hereby authorized to cause the distribution  
23 of a Preliminary Official Statement deemed final for purposes of Rule 15c2-12 of the Securities  
24 Exchange Act of 1934, as amended, and to sign a certificate to that effect. The Controller is  
25 hereby further authorized and directed to sign the final Official Statement. The Director of Public

1 Finance is hereby authorized and directed to cause to be printed and mailed to prospective  
2 bidders for the Series 2004A Bonds copies of the Official Statement in substantially the form of  
3 the Preliminary Official Statement approved and adopted hereby, as completed, supplemented,  
4 corrected or revised.

5 Section 17. Tax Covenants. (a) General. The City hereby covenants with the holders  
6 of the Series 2004A Bonds that, notwithstanding any other provisions of this Resolution, it  
7 shall not take any action, or fail to take any action, if any such action or failure to take action  
8 would adversely affect the exclusion from gross income of interest on the Series 2004A Bonds  
9 under Section 103 of the Internal Revenue Code of 1986 (the "Code"), and the regulations  
10 issued thereunder, as the same may be amended from time to time, and any successor  
11 provisions of law. Reference to a particular section of the Code shall be deemed to be a  
12 reference to any successor to any such section. The City shall not, directly or indirectly, use  
13 or permit the use of proceeds of the Series 2004A Bonds or any of the property financed or  
14 refinanced with proceeds of the Series 2004A Bonds, or any portion thereof, by any person  
15 other than a governmental unit (as such term is used in Section 141 of the Code), in such  
16 manner or to such extent as would result in the loss of exclusion of interest on the Series  
17 2004A Bonds from gross income for federal income tax purposes.

18 (b) Use of Proceeds. The City shall not take any action, or fail to take any  
19 action, if any such action or failure to take action would cause the Series 2004A Bonds to be  
20 "private activity bonds" within the meaning of Section 141 of the Code, and in furtherance  
21 thereof, shall not make any use of the proceeds of the Series 2004A Bonds or any of the  
22 property financed or refinanced with proceeds of the Series 2004A Bonds, or any portion  
23 thereof, or any other funds of the City, that would cause the Series 2004A Bonds to be  
24 "private activity bonds" within the meaning of Section 141 of the Code. To that end, so long  
25 as any Series 2004A Bonds are outstanding, the City, with respect to such proceeds and

1 property and such other funds, will comply with applicable requirements of the Code and all  
2 regulations of the United States Department of the Treasury issued thereunder and under  
3 Section 103 of the Internal Revenue Code of 1954, as amended (the "1954 Code"), to the  
4 extent such requirements are, at the time, applicable and in effect. The City shall establish  
5 reasonable procedures necessary to ensure continued compliance with Section 141 of the  
6 Code (or, if applicable, the 1954 Code) and the continued qualification of the Series 2004A  
7 Bonds as "governmental bonds."

8 (c) Arbitrage. The City shall not, directly or indirectly, use or permit the use  
9 of any proceeds of any Series 2004A Bonds, or of any property financed or refinanced  
10 thereby, or other funds of the City, or take or omit to take any action, that would cause the  
11 Series 2004A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.  
12 To that end, the City shall comply with all requirements of Section 148 of the Code and all  
13 regulations of the United States Department of the Treasury issued thereunder to the extent  
14 such requirements are, at the time, in effect and applicable to the Series 2004A Bonds.

15 (d) Federal Guarantee. The City shall not make any use of the proceeds of  
16 the Series 2004A Bonds or any other funds of the City, or take or omit to take any other  
17 action, that would cause the Series 2004A Bonds to be "federally guaranteed" within the  
18 meaning of Section 149(b) of the Code.

19 (e) Compliance with Tax Certificate. In furtherance of the foregoing tax  
20 covenants of this Section 17, the City covenants that it will comply with the provisions of the  
21 Tax Certificate to be executed by the City, dated the date of issuance of the Series 2004A  
22 Bonds, as it may be amended from time to time (herein called the "Tax Certificate"). This  
23 covenant shall survive payment in full or defeasance of the Series 2004A Bonds.

24 Section 18. Continuing Disclosure Certificate. The form of Continuing Disclosure  
25 Certificate issued by the City to permit the original purchasers of the Series 2004A Bonds to

1 comply with Securities and Exchange Commission Rule 15c2-12 promulgated under the  
2 Securities Exchange Act of 1934, as amended, submitted to the Board is hereby approved and  
3 adopted as the Continuing Disclosure Certificate, with such additions, corrections and revisions  
4 as may be determined to be necessary or desirable made in accordance with Section 19 hereof.  
5 The Controller is hereby authorized and directed to execute the Continuing Disclosure Certificate  
6 on behalf of the City and deliver the Continuing Disclosure Certificate to the original purchasers  
7 of the Series 2004A Bonds.

8       Section 19. Modification to Documents. Any City official authorized by this Resolution to  
9 execute any document is hereby further authorized, in consultation with the City Attorney, to  
10 approve and make such changes, additions, amendments or modifications to the document or  
11 documents such official is authorized to execute as may be necessary or advisable (provided  
12 that such changes, additions, amendments or modifications shall not authorize an aggregate  
13 principal amount of Series 2004A Bonds in excess of \$68,800,000 or conflict with the provisions  
14 of Section 4 hereof). The approval of any change, addition, amendment or modification to any of  
15 the aforementioned documents shall be evidenced conclusively by the execution and delivery of  
16 the document in question.

17       Section 20. Ratification. All actions heretofore taken by officials, employees and agents  
18 of the City with respect to the sale and issuance of the Series 2004A Bonds are hereby  
19 approved, confirmed and ratified.

20       Section 21. Relationship to Neighborhood Parks Authorizing Resolution. In the event of  
21 any conflict between this Resolution and the Neighborhood Parks Authorizing Resolution, the  
22 terms of this Resolution shall control.

23       Section 22. Reimbursement. The City hereby declares its official intent to reimburse  
24 prior expenditures of the City incurred prior to the issuance and sale of the Series 2004A Bonds  
25 in connection with the projects to be financed by the Series 2004A Bonds.

1 Section 23. Accountability Reports. The Series 2004A Bonds are subject to Article VIII of  
2 Chapter 2 of the City's Administrative Code. Accountability report(s) with respect to the Series  
3 2004A Bonds shall be submitted at the time(s) and in the manner required by said Article VIII.

4 Section 24. General Authority. The Clerk of the Board of Supervisors, the Mayor, the  
5 City Treasurer, the Director of Public Finance, the City Attorney and the Controller are each  
6 hereby authorized and directed in the name and on behalf of the City to take any and all steps  
7 and to issue, deliver or enter into any and all certificates, requisitions, agreements, notices,  
8 consents, and other documents as may be necessary to give effect to the provisions of this  
9 resolution, including but not limited to letters of representations to any depository or depositories  
10 which they or any of them might deem necessary or appropriate in order to consummate the  
11 lawful issuance, sale and delivery of the Series 2004A Bonds.

12  
13 APPROVED AS TO FORM:

14 DENNIS J. HERRERA  
15 City Attorney

16 By: *Theresa Alvarez Hackett*  
17 THERESA ALVAREZ HACKETT  
18 Deputy City Attorney



# City and County of San Francisco

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

## Tails Resolution

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**File Number:** 041177

**Date Passed:**

Resolution authorizing and directing the sale of not to exceed \$68,800,000 General Obligation Bonds (Neighborhood Recreation and Park Facilities Improvement Bonds, 2000), Series 2004A; prescribing the form and terms of said bonds; authorizing the execution, authentication and registration of said bonds; providing for the appointment of depositories and other agents for said bonds; providing for the establishment of accounts related thereto; approving the forms of official notice of sale and notice of intention to sell bonds; directing the publication of the notice of intention to sell bonds; approving the form and execution of the official statement relating thereto; approving the form of the continuing disclosure certificate; approving modifications to documents; ratifying certain actions previously taken; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale and delivery of said bonds.

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September 28, 2004 Board of Supervisors — ADOPTED


Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Gonzalez, Ma, Maxwell, McGoldrick, Peskin, Sandoval

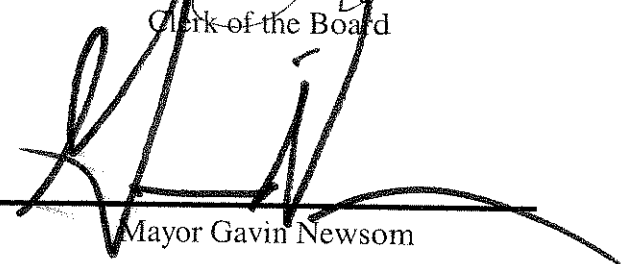
File No. 041177

I hereby certify that the foregoing Resolution was ADOPTED on September 28, 2004 by the Board of Supervisors of the City and County of San Francisco.

SEP 30 2004

Date Approved

  
Gloria L. Young  
Clerk of the Board

  
Mayor Gavin Newsom