[Reimbursement resolution for proposed capital projects.]

Resolution declaring the intent of the City and County of San Francisco to reimburse certain expenditures relating to the San Francisco General Hospital replacement project, the Hall of Justice replacement project, the Mission Bay Fire and Police Facilities project, the Auxiliary Water Supply System reconstruction and renovation project and the Forensic Crime Laboratory replacement project from the proceeds of future indebtedness; and making related findings.

WHEREAS, The Board of Supervisors (the "Board") of the City and County of San Francisco (the "City") desires to undertake the acquisition, improvement, construction and/or reconstruction of a new health care facility or facilities to replace San Francisco General Hospital (the "SFGH Project"); and,

WHEREAS, The City expects to pay on and after the date hereof certain expenditures (the "SFGH Expenditures") in connection with the SFGH Project; and,

WHEREAS, The Board desires to undertake the acquisition, improvement, construction and/or reconstruction of a new criminal justice facility or facilities to replace the San Francisco Hall of Justice (the "Hall of Justice Project"); and,

WHEREAS, The City expects to pay on and after the date hereof certain expenditures (the "Hall of Justice Expenditures") in connection with the Hall of Justice Project; and,

WHEREAS, The Board desires to undertake the acquisition, improvement, construction and/or reconstruction of new police and fire department facilities in the City's Mission Bay neighborhood (the "Mission Bay Project"); and,

WHEREAS, The City expects to pay on and after the date hereof certain expenditures (the "Mission Bay Expenditures") in connection with the Mission Bay Project; and,
WHEREAS, The Board desires to undertake the renovation, reconstruction, and/or improvement of the City's Auxiliary Water Supply System, a high pressure water distribution system (the "AWSS Project"); and,

WHEREAS, The City expects to pay on and after the date hereof certain expenditures (the "AWSS Expenditures") in connection with the AWSS Project; and,

WHEREAS, The Board desires to undertake the acquisition, improvement, construction and/or reconstruction of a new forensic crime laboratory to replace the City's current laboratory facility (the "Crime Lab Project"); and,

WHEREAS, The City expects to pay on and after the date hereof certain expenditures (the "Crime Lab Expenditures") in connection with the Crime Lab Project; and,

WHEREAS, The SFGH Project, the Hall of Justice Project, the Mission Bay Project, the AWSS Project and the Crime Lab Project shall be referred to herein collectively as the "Projects" and individually as a "Project"; and,

WHEREAS, The SFGH Expenditures, the Hall of Justice Expenditures, the Mission Bay Expenditures, the AWSS Expenditures and the Crime Lab Expenditures shall be referred to herein collectively as the "Expenditures"; and,

WHEREAS, The Board has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are or will be available only for a temporary period, and it is desirable to reimburse all such Expenditures made on and after the date hereof with respect to a Project from the proceeds of one or more issues of tax-exempt bonds or other forms of indebtedness to be issued by the City to finance the acquisition and completion of such Project (the "Bonds"); and

WHEREAS, In order to achieve the reimbursement described in the preceding paragraph, Section 1.150-2 of the Treasury Regulations (the "Regulation") requires the Board...
to declare its reasonable official intent to reimburse prior Expenditures with proceeds of a
borrowing; and

WHEREAS, The maximum principal amount of debt issued to finance the SFGH
Project is not expected to exceed $751,000,000; and,

WHEREAS, The maximum principal amount of debt issued to finance the Hall of
Justice Project is not expected to exceed $750,000,000; and,

WHEREAS, The maximum principal amount of debt issued to finance the Mission Bay
Project is not expected to exceed $25,000,000; and,

WHEREAS, The maximum principal amount of debt issued to finance the AWSS
Project is not expected to exceed $90,000,000; and,

WHEREAS, The maximum principal amount of debt issued to finance the Crime Lab
Project is not expected to exceed $20,000,000; now, therefore, be it

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

Section 1. The Board finds and determines that the foregoing recitals are true and
correct.

Section 2. This Resolution is adopted by the Board solely for purposes of establishing
compliance with the requirements of the Regulation. This Resolution does not bind the Board
or the City to make any expenditure, incur any indebtedness or proceed with any of the
Projects.

Section 3. The Board hereby declares its official intent under the Regulation to use
proceeds of the Bonds corresponding to one of the Projects described herein to reimburse all
future Expenditures incurred in connection with such Project prior to the issuance and sale of
such Bonds. The Board hereby further declares its intent to use proceeds of such Bonds to
reimburse the City and to pay third parties for actual Expenditures made on such Project. On the date hereof, the Board reasonably expects that it will reimburse the Expenditures with proceeds of the Bonds.

Section 4. Each Expenditure was and will be either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the applicable Bonds, (c) a nonrecurring item that is not customarily payable from current revenues of the City, or (d) a grant to a party that is not related to or an agent of the City so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the City.

Section 5. The City will make a reimbursement allocation, which is a written allocation by the City that evidences the City’s use of proceeds of Bonds to reimburse an Expenditure relating to the applicable Project, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid.

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By: ____________________________
MICHAEL J. MARTIN
Deputy City Attorney

MAYOR GAVIN NEWSOM
BOARD OF SUPERVISORS
Resolution declaring the intent of the City and County of San Francisco to reimburse certain expenditures relating to the San Francisco General Hospital replacement project, the Hall of Justice replacement project, the Mission Bay Fire and Police Facilities project, the Auxiliary Water Supply System reconstruction and renovation project and the Forensic Crime Laboratory replacement project from the proceeds of future indebtedness; and making related findings.

July 11, 2006  Board of Supervisors — ADOPTED

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval
I hereby certify that the foregoing Resolution was ADOPTED on July 11, 2006 by the Board of Supervisors of the City and County of San Francisco.

Date Approved

7/14/2006

Mayor Gavin Newsom