[Bond Sale of San Francisco General Hospital Improvement Bonds.]

Resolution Authorizing and Directing the Sale of Not To Exceed $136,000,000 General Obligation Bonds (San Francisco General Hospital Improvement Bonds, 2008), Series 2009A; 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; Providing For the Manner of Sale of Said Bonds, Whether by Competitive Sale or Negotiated Sale; 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 Bond Purchase Agreement Relating Thereto; Approving the Form and Execution of the Official Statement Relating To the Sale of Said Bonds; 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.

WHEREAS, By Resolution No. 528-08 (the "Authorizing Resolution"), adopted by the Board of Supervisors (the "Board") of the City and County of San Francisco (the "City") on December 16, 2008, and signed by the Mayor of the City (the "Mayor") on 12/19/08, 2008, the City authorized the issuance of its General Obligation Bonds (San Francisco General Hospital Improvement Bonds, 2008) (the "Bonds"); and,

WHEREAS, It is necessary and desirable to issue an amount not to exceed of $136,000,000 General Obligation Bonds (San Francisco General Hospital Improvement Bonds, 2008), Series 2009A (the "Series 2009A Bonds"); and,
WHEREAS, The Series 2009A Bonds are being issued pursuant to the Authorizing Resolution and Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the California Government Code (the "Act"), the Charter of the City and a duly held election; and,

WHEREAS, The City has paid and expects to pay certain expenditures in connection with the projects to be financed by the Series 2009A Bonds prior to the issuance and sale of the Series 2009A Bonds, and the City intends to reimburse itself and to pay third parties for such prior expenditures from the proceeds of the Series 2009A Bonds; and,

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

WHEREAS, The Treasury Regulations require that any reimbursement allocation of proceeds of the Series 2009A Bonds to be made with respect to expenditures incurred prior to the issuance of the Series 2009A Bonds will occur not later than eighteen (18) months after the later of (i) the date on which the expenditure is paid or (ii) the date on which the facilities are placed in service, but in no event later than three (3) years after the expenditure is paid; and,

WHEREAS, The adoption of this Resolution shall constitute authorization of the Series 2009A Bonds within the meaning of Section 864 of the California Code of Civil Procedure; now, therefore, be it

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

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

Section 2. Conditions Precedent. Subject to certification to the Board by the Registrar of Voters of the City that more than two-thirds of the votes cast on Proposition A at the special
election held on November 4, 2008 favored the incurring of such bonded indebtedness, all
conditions, things and acts required by law to exist, to happen and to be performed precedent to
and in the issuance of the Series 2009A Bonds exist, have happened and have been performed
in due time, form and manner in accordance with applicable law, and the City is now authorized
pursuant to its Charter and applicable law to incur indebtedness in the manner and form
provided in this Resolution.

Section 3. Documents. The documents presented to this Board and on file with the Clerk
of the Board of Supervisors, or his or her designee (the "Clerk of the Board of Supervisors") are
contained in File No. 081521.

Section 4. Issuance and Sale of Series 2009A Bonds. The Board hereby authorizes the
issuance and sale of not to exceed $136,000,000 principal amount of bonds to be designated as
"City and County of San Francisco General Obligation Bonds (San Francisco General Hospital
Improvement Bonds, 2008), Series 2009A" for the purposes set forth in Proposition A approved
by the voters on November 4, 2008. The Director of Public Finance of the City or his or her
designee (the "Director of Public Finance") is hereby authorized to determine the manner of sale
of the Series 2009A Bonds, whether by competitive sale or negotiated sale; the sale date, the
interest rate or rates, the definitive principal amount thereof (not to exceed $136,000,000); the
maturity date or dates thereof; the terms of any optional or mandatory redemption of the Series
2009A Bonds and the redemption dates, if any, of the Series 2009A Bonds; all of such
determinations being subject to the other specific provisions of this Resolution, including the
following terms and conditions: (i) the Series 2009A Bonds shall not have a true interest cost in
excess of 12% (as such term is defined in the Official Notice of Sale); and (ii) the Series 2009A
Bonds shall not have a final maturity date after June 15, 2039. The Director of Public Finance is
further authorized to give the Series 2009A Bonds such additional or other series designation, or
to modify such series designation, as may be necessary or appropriate to distinguish such series from every other Series 2009A and from other bonds issued by the City.

Section 5. Execution, Authentication and Registration of the Series 2009A Bonds. The Series 2009A Bonds shall be in fully registered form without coupons in denominations of $5,000 or any integral multiple thereof. The officers of the City are hereby directed to cause the Series 2009A Bonds to be prepared in sufficient quantity for delivery to or for the account of the purchaser thereof and the Clerk of the Board of Supervisors is hereby directed to cause the blanks therein to be completed in accordance with the Authorizing Resolution, to procure their execution by the proper officers of the City (including by facsimile signature if necessary or convenient), and to deliver the Series 2009A Bonds when so executed to said purchaser in exchange for the purchase price thereof, all in accordance with the Authorizing Resolution.

The Series 2009A Bonds and the certificate of authentication and registration, manually executed by the Treasurer of the City or his or her designee (the "City Treasurer") and the form of assignment to appear thereon shall be substantially in the form attached hereto as Exhibit A (a copy of which is on file with the Clerk of the Board of Supervisors and which is hereby declared to be a part of this Resolution as if fully set forth herein) with necessary or appropriate variations, omissions and insertions as permitted or required by this Resolution.

Only such of the Series 2009A Bonds as shall bear thereon a certificate of authentication and registration in the form herein recited, executed by the City Treasurer, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the City Treasurer, executed as herein provided, shall be conclusive evidence that the Series 2009A Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Resolution.
The City Treasurer shall assign a distinctive letter, or number, or letter and number to each Series 2009A Bond authenticated and registered by him or her and shall maintain a record thereof which shall be available for inspection.

Section 6. Registration Books. The City Treasurer shall keep or cause to be kept, at the office of the City Treasurer, or at the designated office of any registrar appointed by the City Treasurer, sufficient books for the registration and transfer of the Series 2009A Bonds, which shall at all times be open to inspection, and upon presentation for such purpose, the City Treasurer shall, under such reasonable regulations as he or she may prescribe, register or transfer or cause to be registered or transferred, on said books, Series 2009A Bonds as herein provided. The City and the City Treasurer may treat the registered owners of the Series 2009A Bonds hereof as the absolute owners hereof for all purposes, and the City and the City Treasurer shall not be affected by any notice to the contrary.

Section 7. Transfer or Exchange of Bonds. Any Series 2009A Bond may, in accordance with its terms, be transferred upon the books required to be kept pursuant to the provisions of Section 6 hereof, by the person in whose name it is registered, in person or by the duly authorized attorney of such person in writing, upon surrender of such Series 2009A Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the City Treasurer.

Any Series 2009A Bonds may be exchanged at the office of the City Treasurer for a like aggregate principal amount of other authorized denominations of the same interest rate and maturity.

Whenever any Series 2009A Bond shall be surrendered for transfer or exchange, the designated City officials shall execute (as provided in Section 5 hereof) and the City Treasurer shall authenticate and deliver a new Series 2009A Bond or Series 2009A Bonds of the same interest rate and maturity in a like aggregate principal amount. The City Treasurer shall require
the payment by any bond owner requesting any such transfer of any tax or other governmental
charge required to be paid with respect to such transfer or exchange.

No transfer or exchange of Series 2009A Bonds shall be required to be made by the City
Treasurer during the period from the Record Date (as defined herein) next preceding each
interest payment date to such interest payment date or after a notice of redemption shall have
been mailed with respect to such Series 2009A Bond.

Section 8. Terms of the Bonds; General Redemption Provisions. The Series 2009A
Bonds shall each be dated the date of their delivery or such other date (the “Dated Date”) as
specified in the award to be made pursuant to Section 13 hereof (the “Bond Award”) or in the
Bond Purchase Agreement or investment agreement defined and described in Section 15 hereof
(collectively, such agreements being referred to as the “Bond Purchase Agreement”). The
Series 2009A Bonds shall bear interest from the Dated Date until the principal is paid in full at
rates to be determined upon the sale of the Series 2009A Bonds, calculated on the basis of a
360-day year comprised of twelve 30-day months, payable semiannually on June 15 and
December 15 of each year that such Bonds are outstanding, such specific interest payment
dates to be designated in the Final Official Notice of Sale and conclusively determined in the
Bond Award or the Bond Purchase Agreement.

The principal of the Series 2009A Bonds shall be payable in lawful money of the United
States of America to the owner thereof, upon the surrender thereof at maturity or earlier
redemption at the office of the City Treasurer. The interest on the Series 2009A Bonds shall be
payable in like lawful money to the person whose name appears on the bond registration books
of the City Treasurer as the owner thereof as of the close of business on the last day of the
month immediately preceding an interest payment date (the "Record Date"), whether or not such
day is a Business Day (as herein defined).
Each Series 2009A Bond shall bear interest from the interest payment date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the Record Date next preceding any interest payment date to the interest payment date, inclusive, in which event it shall bear interest from such interest payment date, or unless it is authenticated on or before the first interest payment date, in which event it shall bear interest from the Dated Date; provided, however, that if, at the time of authentication of any Series 2009A Bond, interest is in default on the Series 2009A Bonds, such Series 2009A Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on the Series 2009A Bonds or from the Dated Date if the first interest payment is not made. Except as may be otherwise provided in connection with any book-entry only system applicable to the Series 2009A Bonds, payment of the interest on any Series 2009A Bond shall be made by check mailed on the interest payment date to such owner at such owner's address as it appears on the registration books as of the Record Date; provided, however, if any interest payment date occurs on a day that banks in California or New York are closed for business or the New York Stock Exchange is closed for business, then such payment shall be made on the next succeeding day that banks in both California and New York are open for business and the New York Stock Exchange is open for business (a "Business Day"); and provided, further, that the registered owner of an aggregate principal amount of at least $1,000,000 of the Series 2009A Bonds may submit a written request to the City Treasurer on or before a Record Date preceding an interest payment date for payment of interest by wire transfer to a commercial bank located within the United States. For so long as the Series 2009A Bonds are held in book-entry form by a securities depository selected by the City pursuant to Section 11 hereof, payment may be made to the registered owner of the Series 2009A Bonds designated by such securities depository by wire transfer of immediately available funds.
The Series 2009A Bonds maturing on or before a certain date designated in the Final Official Notice of Sale and conclusively determined in the Bond Award or the Bond Purchase Agreement may be determined to be not subject to optional redemption prior to maturity. The Series 2009A Bonds maturing on or after the date specified in the Final Official Notice of Sale and conclusively determined in the Bond Award or the Bond Purchase Agreement may be determined to be subject to optional redemption prior to their respective stated maturities, at the option of the City, from any source of available funds, as a whole or in part on any date (with the maturities to be redeemed to be determined by the City and by lot within a maturity) on or after June 15 of the year or years designated in the Final Official Notice of Sale and conclusively determined in the Bond Award or the Bond Purchase Agreement, at redemption prices equal to 102% of the principal amount redeemed in the first year the Series 2009A Bonds are subject to optional redemption (with such redemption price declining to 100% at the rate of 1.0% annually), together with accrued interest to the date of redemption, or at such other redemption prices as may be designated in the Final Official Notice of Sale and conclusively determined in the Bond Award or the Bond Purchase Agreement.

The Series 2009A Bonds shall be subject to mandatory redemption at par, by lot, in any year for which the purchaser thereof has designated that the principal amount payable with respect to that year shall constitute a mandatory sinking fund payment as permitted by the Official Notice of Sale (as more fully described in Section 13 hereof). Any Series 2009A Bonds subject to mandatory redemption shall be designated as such in the Final Official Notice of Sale and conclusively determined in the Bond Award or the Bond Purchase Agreement. The principal and interest on the Series 2009A Bonds subject to mandatory redemption shall be paid from the Series 2009A Bond Account, pursuant to Section 9 hereof. In lieu of any such mandatory redemption for the Series 2009A Bonds, at any time prior to the selection of the Series 2009A Bonds for redemption, the City may apply such amounts on deposit in the Series 2009A Bond Account.
Account (as defined in Section 9 hereof) to make such payment to the purchase of Series 2009A Bonds subject to such redemption at public or private sale, as and when and at such prices not in excess of the principal amount thereof (including sales commission and other charges but excluding accrued interest), as the City may determine.

Whenever less than all the outstanding Series 2009A Bonds maturing on any one date are called for redemption on any one date, the City Treasurer will select the Series 2009A Bonds or portions thereof, in denominations of $5,000 or any integral multiple thereof, to be redeemed from the outstanding Series 2009A Bonds maturing on such date not previously selected for redemption, by lot, in any manner which the City Treasurer deems fair. The date on which the Series 2009A Bonds which are called for redemption are to be presented for redemption is herein sometimes called the "Redemption Date." The City Treasurer shall mail, or cause to be mailed, notice of any redemption of Series 2009A Bonds, postage prepaid, to the respective registered owners thereof at the addresses appearing on the bond registration books not less than thirty (30) nor more than sixty (60) days prior to the Redemption Date. The notice of redemption shall (a) state the Redemption Date; (b) state the redemption price; (c) state the maturity dates of the Series 2009A Bonds and, if less than all of any such maturity is called for redemption, the distinctive numbers of the Series 2009A Bonds of such maturity to be redeemed, and in the case of Series 2009A Bonds redeemed in part only, the respective portions of the principal amount thereof to be redeemed; (d) state the CUSIP number, if any, of each Series 2009A Bond to be redeemed; (e) require that such Series 2009A Bonds be surrendered by the owners at the office of the City Treasurer or his or her agent; and (f) give notice that interest on such Series 2009A Bonds will cease to accrue after the designated Redemption Date. Such notice of redemption may be conditional upon receipt of funds or other event specified in the notice of redemption.
The actual receipt by the owner of any Series 2009A Bond of notice of such redemption shall not be a condition precedent to redemption, and failure to receive such notice, or any defect in such notice so mailed, shall not affect the validity of the proceedings for the redemption of such Series 2009A Bonds or the cessation of accrual of interest on such Series 2009A Bonds on the Redemption Date.

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

The notice or notices required for redemption shall be given by the City Treasurer, or any agent appointed by the City. A certificate of the City Treasurer or such other appointed agent of the City that notice of redemption has been given to the owner of any Series 2009A Bond in accordance with this Resolution shall be conclusive against all parties.

At the time the City Treasurer or the Controller of the City or his or her designee (the "Controller") determines to optionally call and redeem any of the Series 2009A Bonds, the City Treasurer or his or her agent shall establish a redemption account to be described or known as the "General Obligation Bonds (San Francisco General Hospital Improvement Bonds, 2008), Series 2009A Redemption Account" (the "Series 2009A Redemption Account") and prior to or on the Redemption Date there must be set aside in said Series 2009A Redemption Account moneys available for the purpose and sufficient to redeem as provided in this Resolution, the Series 2009A Bonds designated in said notice of redemption, subject to rescission as hereinafter provided. Said moneys must be set aside in the Series 2009A Redemption Account solely for the purpose of, and shall be applied on or after the Redemption Date to, payment of the
redemption price of the Series 2009A Bonds to be redeemed upon presentation and surrender
of such Series 2009A Bonds. Any interest due on or prior to the Redemption Date may be paid
from the Series 2009A Bond Account as provided in Section 9 hereof or from the Series 2009A
Redemption Account. Moneys held from time to time in the Series 2009A Redemption Account
shall be invested by the City Treasurer pursuant to the City's policies and guidelines for
investment of General Fund moneys. If, after all of the Series 2009A Bonds have been
redeemed and canceled or paid and canceled, there are moneys remaining in said Series 2009A
Redemption Account, said moneys shall be transferred to the General Fund of the City or to
such other fund or account as required by applicable law; provided, however, that if said moneys
are part of the proceeds of refunding bonds, said moneys shall be transferred pursuant to the
resolution authorizing such refunding bonds.

When notice of optional redemption has been given, substantially as provided herein, and
when the amount necessary for the redemption of the Series 2009A Bonds called for redemption
(principal, premium, if any and accrued interest to the Redemption Date) is set aside for that
purpose in said Series 2009A Redemption Account, as provided herein, the Series 2009A Bonds
designated for redemption shall become due and payable on the Redemption Date therefor, and
upon presentation and surrender of said Series 2009A Bonds at the place specified in the notice
of redemption, such Series 2009A Bonds shall be redeemed and paid at said redemption price
out of said Series 2009A Redemption Account. No interest will accrue on such Series 2009A
Bonds called for redemption after the Redemption Date and the registered owners of such
Series 2009A Bonds shall look for payment of such Series 2009A Bonds only to said Series
2009A Redemption Account. All Series 2009A Bonds redeemed shall be canceled forthwith by
the City Treasurer and shall not be reissued.

The City may rescind any optional redemption and notice thereof for any reason on any
date prior to the Redemption Date therefor by causing written notice of the rescission to be given
to the owners of all Series 2009A Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the Redemption Date funds are not or will not be available in the Series 2009A Redemption Account in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Series 2009A Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner notice of redemption was originally given. The actual receipt by the owner of any Series 2009A Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice so mailed shall not affect the validity of the rescission.

Section 9. Series 2009A Bond Account. There is hereby established with the City Treasurer a special subaccount in the General Obligation Bonds (San Francisco General Hospital Improvement Bonds, 2008) Bond Account (the "Bond Account") created pursuant to the Authorizing Resolution, to be designated the "General Obligation Bonds (San Francisco General Hospital Improvement Bonds, 2008), Series 2009A Bond Account (the "Series 2009A Bond Account")," to be held separate and apart from all other accounts of the City. All interest earned on amounts on deposit in the Series 2009A Bond Account shall be retained in the Series 2009A Bond Account.

On or prior to the date on which any payment of principal or interest on the Series 2009A Bonds is due, including any Series 2009A Bonds subject to mandatory redemption on said date, the City Treasurer shall allocate to and deposit in the Series 2009A Bond Account, from amounts held in the Bond Account, an amount which, when added to any available moneys contained in the Series 2009A Bond Account, is sufficient to pay principal and interest on the Series 2009A Bonds on such date.

On or prior to the date on which any Series 2009A Bonds are to be redeemed at the option of the City pursuant to this Resolution, the City Treasurer may allocate to and deposit in the Series 2009A Redemption Account, from amounts held in the Bond Account pursuant to
Section 8 of the Authorizing Resolution, an amount which, when added to any available moneys contained in the Series 2009A Redemption Account, is sufficient to pay principal, interest and premium, if any, on such Series 2009A Bonds on such date. The City Treasurer may make such other provision for the payment of principal and interest and any redemption premium on the Series 2009A Bonds as is necessary or convenient to permit the optional redemption of the Series 2009A Bonds.

Amounts in the Series 2009A Bond Account may be invested in any investment of the City in which moneys in the General Fund of the City are invested. The City Treasurer may commingle any of the moneys held in the Series 2009A Bond Account with other City moneys or deposit amounts credited to the Series 2009A Bond Account into a separate fund or funds for investment purposes only; provided, however, that all of the moneys held in the Series 2009A Bond Account hereunder shall be accounted for separately notwithstanding any such commingling or separate deposit by the City Treasurer. Any bid premium or accrued interest received upon the sale of the Series 2009A Bonds shall be deposited into the Series 2009A Bond Account.

Section 10. Project Account. There is hereby established with the City Treasurer a special subaccount in the General Obligation Bonds (San Francisco General Hospital Improvement Bonds, 2008) Project Account (the "Project Account") created pursuant to the Authorizing Resolution, to be designated the "General Obligation Bonds (San Francisco General Hospital Improvement Bonds, 2008), Series 2009A Project Account" (the "Series 2009A Project Account"), to be held separate and apart from all other accounts of the City. All interest earned on amounts on deposit in the Series 2009A Project Account shall be retained in the Series 2009A Project Account. Amounts in the Series 2009A Project Account shall be expended in accordance with the provisions of the Authorizing Resolution for the Project (as defined in the Authorizing Resolution) or portions thereof.
Amounts in the Series 2009A Project Account may be invested in any investment of the City in which moneys in the General Fund of the City are invested. The City Treasurer may commingle any of the moneys held in the Series 2009A Project Account with other City moneys or deposit amounts credited to the Series 2009A Project Account into a separate fund or funds for investment purposes only; provided, however, that all of the moneys held in the Series 2009A Project Account (including interest earnings) hereunder shall be accounted for separately notwithstanding any such commingling or separate deposit by the City Treasurer.

The City Treasurer is hereby authorized to pay or cause to be paid from the proceeds of the Series 2009A Bonds, on behalf of the City, the costs of issuance associated with the Series 2009A Bonds. Costs of issuance of the Series 2009A Bonds shall include, without limitation, bond and financial printing expenses, mailing and publication expenses, rating agency fees, the fees and expenses of paying agents, registrars, financial consultants, bond counsel and disclosure counsel and the reimbursement of departmental expenses in connection with the issuance of the Series 2009A Bonds.

Section 11. Appointment of Depositories and Other Agents. The City Treasurer is hereby authorized and directed to appoint one or more depositories as he or she may deem desirable and the procedures set forth in Section 8 hereof relating to registration of ownership of the Series 2009A Bonds, and payments and redemption notices to owners of the Series 2009A Bonds may be modified to comply with the policies and procedures of such depository. The City will not have any responsibility or obligation to any purchaser of a beneficial ownership interest in any Series 2009A Bonds or to any participants in such a depository with respect to (i) the accuracy of any records maintained by such securities depository or any participant therein; (ii) any notice that is permitted or required to be given to the owners of the Series 2009A Bonds under this Resolution; (iii) the selection by such securities depository or any participant therein of any person to receive payment in the event of a partial redemption of the Series 2009A Bonds;
(iv) the payment by such securities depository or any participant therein of any amount with respect to the principal or redemption premium, if any, or interest due with respect to the Series 2009A Bonds; (v) any consent given or other action taken by such securities depository as the owner of the Series 2009A Bonds; or (vi) any other matter.

The City Treasurer is hereby also authorized and directed to appoint one or more agents as he or she may deem necessary or desirable. To the extent permitted by applicable law and under the supervision of the City Treasurer, such agents may serve as paying agent, fiscal agent, rebate calculation agent or escrow agent or registrar for the Series 2009A Bonds or may assist the City Treasurer in performing any or all of such functions and such other duties as the City Treasurer shall determine. Such agents shall serve under such terms and conditions as the City Treasurer shall determine. The City Treasurer may remove or replace agents appointed pursuant to this paragraph at any time.

Section 12. Defeasance Provisions. Payment of all or any portion of the Series 2009A Bonds may be provided for prior to such Series 2009A Bonds' respective stated maturities by irrevocably depositing with the City Treasurer (or any commercial bank or trust company designated by the City Treasurer to act as escrow agent with respect thereto):

(a) An amount of cash equal to the principal amount of all of such Series 2009A Bonds or a portion thereof, and all unpaid interest thereon to maturity, except that in the case of Series 2009A Bonds which are to be redeemed prior to such Series 2009A Bonds' respective stated maturities and in respect of which notice of such redemption shall have been given as provided in Section 8 hereof or an irrevocable election to give such notice shall have been made by the City, the amount to be deposited shall be the principal amount thereof, all unpaid interest thereon to the Redemption Date, and premium, if any, due on such Redemption Date; or
(b) Defeasance Securities (as herein defined) not subject to call, except as provided below in the definition thereof, maturing and paying interest at such times and in such amounts, together with interest earnings and cash, if required, as will, without reinvestment, as certified by an independent certified public accountant, be fully sufficient to pay the principal and all unpaid interest to maturity, or to the Redemption Date, as the case may be, and any premium due on the Series 2009A Bonds to be paid or redeemed, as such principal and interest come due; provided, that, in the case of the Series 2009A Bonds which are to be redeemed prior to maturity, notice of such redemption shall be given as provided in Section 8 hereof or an irrevocable election to give such notice shall have been made by the City; then, all obligations of the City with respect to said outstanding Series 2009A Bonds shall cease and terminate, except only the obligation of the City to pay or cause to be paid from the funds deposited pursuant to paragraphs (a) or (b) of this Section 12, to the owners of said Series 2009A Bonds all sums due with respect thereto and the obligations of the City pursuant to Section 17 hereof; provided, that the City shall have received an opinion of nationally recognized bond counsel, that provision for the payment of said Series 2009A Bonds has been made in accordance with this Section 12.

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

1. United States Obligations (as herein defined); and
2. Pre-refunded fixed interest rate municipal obligations meeting the following conditions: (a) the municipal obligations are not subject to redemption prior to maturity, or the trustee has been given irrevocable instructions concerning their calling and redemption and the issuer has covenanted not to redeem such obligations other than as set forth in such instructions; (b) the municipal obligations are secured by cash and/or United States Obligations; (c) the principal of and interest on the United States Obligations (plus any cash in the escrow
fund or the Series 2009A Redemption Account) are sufficient to meet the liabilities of the
municipal obligations; (d) the United States Obligations serving as security for the municipal
obligations are held by the City Treasurer or, if appointed by the City Treasurer pursuant to
Section 11 hereof, an escrow agent or trustee; (e) the United States Obligations are not available
to satisfy any other claims, including those against the trustee or escrow agent; and (f) the
municipal obligations are rated, at the time of original deposit to the escrow fund, "AAA" by S&P
and "Aaa" by Moody's.

For purposes of this Section 12, "United States Obligations" shall mean (i) direct and
general obligations of the United States of America, or obligations that are unconditionally
guaranteed as to principal and interest by the United States of America, including without
limitation, the interest component of Resolution Funding Corporation (REFCORP) bonds which
have been stripped by request to the Federal Reserve Bank of New York in book-entry form or
(ii) any security issued by an agency or instrumentality of the United States of America which is
selected by the Director of Public Finance that results in the escrow fund being rated in the
highest ratings category by any two Rating Agencies at the time of the initial deposit to the
escrow fund and upon any substitution or subsequent deposit to the escrow fund.

For purposes of this Section 12, "Rating Agencies" shall mean Moody's Investors
Service, Inc., Fitch Ratings, and Standard and Poor's Rating Services, a division of The
McGraw-Hill Companies, Inc., or any other nationally-recognized bond rating agency which is
the successor to any of the foregoing rating agencies or which is otherwise established after
the date hereof.

Section 13. Official Notice of Sale. The form of proposed Official Notice of Sale inviting
bids for the Series 2009A Bonds (the "Official Notice of Sale") submitted to the Board is hereby
approved and adopted as the Official Notice of Sale inviting bids for the Series 2009A Bonds
with such changes, additions and modifications as may be made in accordance with Section 19 hereof.

Proposals shall be received on the date designated by the Director of Public Finance pursuant to Section 4 hereof. The Director of Public Finance is hereby authorized and directed to cause to be mailed or otherwise circulated to prospective bidders for the Series 2009A Bonds copies of said Official Notice of Sale, subject to such corrections, revisions or additions as may be acceptable to the Director of Public Finance.

The Controller is hereby authorized to award the Series 2009A Bonds to the bidder whose bid represents the lowest true interest cost to the City, all in accordance with the procedures described in the Official Notice of Sale, which award shall be set forth in a certificate signed by the Controller setting forth the terms of the Series 2009A Bonds and the original purchasers thereof (herein referred to as the "Bond Award"). The Controller shall provide a copy of the Bond Award as soon as practicable to the Clerk of the Board of Supervisors and the Director of Public Finance; provided, however, that failure to provide such copies shall not affect the validity of the Bond Award.

Section 14. Publication of Notice of Intention to Sell Bonds. The form of proposed Notice of Intention to Sell Bonds (the "Notice of Intention to Sell Bonds") submitted to the Board is hereby approved and adopted as the Notice of Intention to Sell Bonds for the Series 2009A Bonds, and the Director of Public Finance is hereby authorized and directed to cause the Notice of Intention to Sell Bonds, subject to such corrections, revisions or additions as may be made in accordance with Section 19 hereof, to be published once in The Bond Buyer or another financial publication generally circulated throughout the State of California.

Section 15. Sale of Bonds; Solicitation of Competitive Bids; Negotiated Sale. This Board hereby authorizes the sale of the Bonds by solicitation of competitive bids for the purchase of the Series 2009A Bonds on the date and at the place determined in accordance with the Official
Notice of Sale herein referenced, by negotiated sale to underwriters or by private placement with qualified institutional investors, the form and manner of such sale to be determined by the Director of Public Finance, if such form of sale is determined by the Director of Public Finance to be in the best interests of the City, and the Director of Public Finance is hereby authorized and directed to determine the terms and conditions thereof and, in connection therewith, to enter into the Bond Purchase Agreement, pursuant to which the Series 2009A Bonds will be sold to the underwriter(s) named therein (collectively, together with the investment agreement referred to below, the "Bond Purchase Agreement"). The Bond Purchase Agreement is hereby approved substantially in the form presented to this meeting, with such additions and changes therein as the Director shall approve as being in the best interests of the City. The underwriters' discount under the Bond Purchase Agreement shall not exceed 2.00% of the principal amount of the Series 2009A Bonds, the interest rate on the Series 2009A Bonds shall not exceed 12.00% per annum, and the final maturity of the Series 2009A Bonds shall not be later than the date specified in Section 4 hereof. This Board hereby authorizes the sale and purchase of the Series 2009A Bonds by private placement with one or more qualified institutional investors as the Director shall approve and the Director of Public Finance is hereby authorized and directed to determine the terms and conditions thereof and, in connection therewith, to enter into an investment agreement, pursuant to which the Series 2009A Bonds will be sold to the purchasers named therein, such investment agreement to be subject to the same limitations, terms and provisions as herein specified for the Bond Purchase Agreement referred to in the first sentence of this Section 15.

Section 16. Official Statement. The form of proposed Official Statement describing the Series 2009A Bonds (the "Official Statement") submitted to the Board is hereby approved and adopted as the Official Statement describing the Series A Bonds, with such additions, corrections and revisions as may be determined to be necessary or desirable made in
accordance with Section 19 hereof. The Controller or Director of Public Finance is each hereby authorized and directed to revise the Official Statement to conform it to the City's Comprehensive Annual Fiscal Report for the fiscal year ended June 30, 2008, subject to review and approval by the City Attorney of the City (the "City Attorney"). The Controller is hereby authorized to cause the distribution of a Preliminary Official Statement deemed final for purposes of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, and to sign a certificate to that effect. The Controller is hereby further authorized and directed to sign the final Official Statement. The Director of Public Finance is hereby authorized and directed to cause to be printed and mailed or electronically distributed to prospective bidders for the Series 2009A Bonds copies of the Official Statement in substantially the form of the Preliminary Official Statement approved and adopted hereby, as completed, supplemented, corrected or revised.

Section 17. Tax Covenants. (a) General. The City hereby covenants with the holders of the Series 2009A Bonds that, notwithstanding any other provisions of this Resolution, it shall not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of interest on the Series 2009A Bonds under Section 103 of the Internal Revenue Code of 1986 (the "Code"), and the regulations issued thereunder, as the same may be amended from time to time, and any successor provisions of law. Reference to a particular section of the Code shall be deemed to be a reference to any successor to any such section. The City shall not, directly or indirectly, use or permit the use of proceeds of the Series 2009A Bonds or any of the property financed or refinanced with proceeds of the Series 2009A Bonds, or any portion thereof, by any person other than a governmental unit (as such term is used in Section 141 of the Code), in such manner or to such extent as would result in the loss of exclusion of interest on the Series 2009A Bonds from gross income for federal income tax purposes.
(b) **Use of Proceeds.** The City shall not take any action, or fail to take any action, if any such action or failure to take action would cause the Series 2009A Bonds to be "private activity bonds" within the meaning of Section 141 of the Code, and in furtherance thereof, shall not make any use of the proceeds of the Series 2009A Bonds or any of the property financed or refinanced with proceeds of the Series 2009A Bonds, or any portion thereof, or any other funds of the City, that would cause the Series 2009A Bonds to be "private activity bonds" within the meaning of Section 141 of the Code. To that end, so long as any Series 2009A Bonds are outstanding, the City, with respect to such proceeds and property and such other funds, will comply with applicable requirements of the Code and all regulations of the United States Department of the Treasury issued thereunder and under Section 103 of the Internal Revenue Code of 1954, as amended (the "1954 Code"), to the extent such requirements are, at the time, applicable and in effect. The City shall establish reasonable procedures necessary to ensure continued compliance with Section 141 of the Code (or, if applicable, the 1954 Code) and the continued qualification of the Series 2009A Bonds as "governmental bonds."

(c) **Arbitrage.** The City shall not, directly or indirectly, use or permit the use of any proceeds of any Series 2009A Bonds, or of any property financed or refinanced thereby, or other funds of the City, or take or omit to take any action, that would cause the Series 2009A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. To that end, the City shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of the Treasury issued thereunder to the extent such requirements are, at the time, in effect and applicable to the Series 2009A Bonds.

(d) **Federal Guarantee.** The City shall not make any use of the proceeds of the Series 2009A Bonds or any other funds of the City, or take or omit to take any other
action, that would cause the Series 2009A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(e) Compliance with Tax Certificate. In furtherance of the foregoing tax covenants of this Section 17, the City covenants that it will comply with the provisions of the Tax Certificate to be executed by the City, dated the date of issuance of the Series 2009A Bonds, as it may be amended from time to time (herein called the "Tax Certificate"). This covenant shall survive payment in full or defeasance of the Series 2009A Bonds.

Section 18. Continuing Disclosure Certificate. The form of Continuing Disclosure Certificate issued by the City to permit the original purchasers of the Series 2009A Bonds to comply with Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended, submitted to the Board is hereby approved and adopted as the Continuing Disclosure Certificate, with such additions, corrections and revisions as may be determined to be necessary or desirable made in accordance with Section 19 hereof. The Controller is hereby authorized and directed to execute the Continuing Disclosure Certificate on behalf of the City and deliver the Continuing Disclosure Certificate to the original purchasers of the Series 2009A Bonds.

Section 19. Modification to Documents. Any City official authorized by this Resolution to execute any document is hereby further authorized, in consultation with the City Attorney and Co-Bond Counsel, to approve and make such changes, additions, amendments or modifications to the document or documents such official is authorized to execute as may be necessary or advisable (provided that such changes, additions, amendments or modifications shall not authorize an aggregate principal amount of Series 2009A Bonds in excess of $136,000,000 or conflict with the provisions of Section 4 hereof). The approval of any change, addition, amendment or modification to any of the aforementioned documents shall be evidenced conclusively by the execution and delivery of the document in question.
Section 20. **Ratification.** All actions heretofore taken by officials, employees and agents of the City with respect to the sale and issuance of the Series 2009A Bonds are hereby approved, confirmed and ratified.

Section 21. **Relationship to Authorizing Resolution.** In the event of any conflict between this Resolution and the Authorizing Resolution, the terms of this Resolution shall control. Without limiting the foregoing and notwithstanding the provisions of the Authorizing Resolution, the City is not obligated to transfer money from the General Fund of the City to the Bond Account to pay for principal and/or interest on the Series 2009A Bonds.

Section 22. **Reimbursement.** The City hereby declares its official intent to reimburse prior expenditures of the City incurred prior to the issuance and sale of the Series 2009A Bonds in connection with the Project or portions thereof to be financed by the Series 2009A Bonds. The Board hereby declares the City’s intent to reimburse the City with the proceeds of the Series 2009A Bonds for the expenditures with respect to the Project (the “Expenditures” and each, an “Expenditure”) made on and after that date that is no more than 60 days prior to adoption of this Resolution. The City reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Series 2009A Bonds.

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 Series 2009A Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, 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. The maximum principal amount of the Series 2009A Bonds expected to be issued for the Project is $136,000,000. The City shall make a reimbursement allocation, which is a written allocation by the City that evidences the City’s use of proceeds of the Series 2009A Bonds to reimburse an
Expenditure, 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. The City recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers" (based on the year of issuance and not the year of expenditure) and expenditures for construction projects of at least 5 years.

Section 23. Accountability Reports. The Series 2009A Bonds are subject to Article V of Chapter 5 of the City’s Administrative Code. Accountability report(s) with respect to the Series 2009A Bonds shall be submitted at the time(s) and in the manner required by said Article V.

Section 24. General Authority. The Clerk of the Board of Supervisors, the Mayor, the City Treasurer, the Director of Public Finance, the City Attorney and the Controller are each hereby authorized and directed in the name and on behalf of the City to take any and all steps and to issue, deliver or enter into any and all certificates, requisitions, agreements, notices, consents, and other documents as may be necessary to give effect to the provisions of this resolution, including but not limited to letters of representations to any depository or depositories which they or any of them might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Series 2009A Bonds.

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By: Kenneth Roux
Deputy City Attorney
EXHIBIT A

[FORM OF BOND]

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

CITY AND COUNTY OF SAN FRANCISCO
GENERAL OBLIGATION BONDS
(SAN FRANCISCO GENERAL HOSPITAL IMPROVEMENT BONDS, 2008), SERIES 2009A

Interest Rate Maturity Date Dated CUSIP Number

June 15, _____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ________________ DOLLARS

THE CITY AND COUNTY OF SAN FRANCISCO, State of California (herein called the "City"), acknowledges itself indebted to and promises to pay to CEDE & Co. or registered assigns, on the maturity date set forth above the principal sum of ________________ Dollars ($______________) in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this bond (unless this bond is authenticated as of the day during the period from the last day of the month next preceding any interest payment date (the "Record Date") to such interest payment date, inclusive, in which event it shall bear interest from such interest payment date, or unless this bond is authenticated on or before November 30, 20__, in which event it shall bear interest from its dated date until payment of such principal sum, at the interest rate per annum stated herein above calculated on the basis of a 360-day year comprised of twelve 30-day

Mayor Gavin Newsom
BOARD OF SUPERVISORS
months, payable on December 15, 20__ and semiannually thereafter on June 15 and December 15 in each year; provided, however, if any interest payment date occurs on a day that banks in California or New York are closed for business or the New York Stock Exchange is closed, then such payment shall be made on the next succeeding day that banks in both California and New York are open for business and the New York Stock Exchange is open for business (a "Business Day"). The principal hereof is payable to the registered owner hereof upon the surrender hereof at the office of the Treasurer of the City in San Francisco, California (the "City Treasurer"). The interest hereon is payable to the person whose name appears on the bond registration books of the City Treasurer as the registered owner hereof as of the close of business on the Record Date immediately preceding an interest payment date, whether or not such day is a Business Day, such interest to be paid by check mailed on the interest payment date to such registered owner at the owner's address as it appears on such registration books; provided, however, that the registered owner of Series 2009A Bonds in an aggregate principal amount of at least $1,000,000 may submit a written request to the Treasurer on or before the Record Date preceding any interest payment date for payment of interest hereon by wire transfer to a commercial bank located in the United States.

This bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying numbers, denominations, interest rates and maturities), in the aggregate principal amount of $136,000,000, and is one of a duly authorized series of said issue, which series is part of a bond authorization in the aggregate principal amount of $887,400,000 and is authorized by votes of more than two-thirds of the voters voting at an election duly and legally called, held and conducted, in said City on November 4, 2008 and is issued and sold by the City pursuant to and in strict conformity with the provisions of the Constitution and laws of the State of California, and Charter of the City and of

Mayor Gavin Newsom
BOARD OF SUPERVISORS
resolutions (the "Resolutions") adopted by the Board of Supervisors of the City (the "Board of Supervisors") on ____________, 2008, and ____________, 2008.

The bonds are issuable as fully registered bonds without coupons in the denominations of $5,000 or any integral multiple thereof, provided that no bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Resolutions, bonds may be exchanged for a like aggregate principal amount of bonds or other authorized denominations of the same series, interest rate and maturity.

This bond is transferable by the registered owner hereof, in person or by attorney duly authorized in writing, at said office of the Treasurer, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolutions, and upon surrender and cancellation of this bond. Upon such transfer, a new bond or bonds of authorized denomination or denominations for the same interest rate and same aggregate principal amount will be issued to the transferee in exchange herefor.

Series 2009A Bonds maturing on or before June 15, 20___ are not subject to redemption prior to maturity. Series 2009A Bonds maturing on or after June 15, 20___ are subject to optional redemption prior to their respective maturities, at the option of the City from any source of available funds, as a whole or in part on any date (with the maturities to be redeemed to be determined by the City and by lot within a maturity), on and after June 15, 20___, at the following redemption prices expressed as a percentage of the principal amount thereof, together with accrued interest to the date fixed for redemption:

<table>
<thead>
<tr>
<th>Redemption Dates</th>
<th>Redemption Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 15, 20___ through June 14, 20__</td>
<td>102%</td>
</tr>
<tr>
<td>June 15, 20___ through June 14, 20__</td>
<td>101%</td>
</tr>
<tr>
<td>June 15, 20___ and thereafter</td>
<td>100%</td>
</tr>
</tbody>
</table>
The bonds are further subject to mandatory sinking fund redemption prior to their respective stated maturities on June 15 of each year specified below, by lot within the maturity if less than all of the bonds of such maturity are to be redeemed, upon payment of the principal amount thereof and accrued interest thereon to the date fixed for redemption, without premium, but only in amounts equal to and in accordance with the schedule shown below.

<table>
<thead>
<tr>
<th>Mandatory Sinking Fund Payment</th>
<th>Mandatory Sinking Fund Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date (June 15)</td>
<td>$__________________</td>
</tr>
<tr>
<td>20__</td>
<td>$__________________</td>
</tr>
<tr>
<td>20__ (final maturity)</td>
<td>$__________________</td>
</tr>
</tbody>
</table>

Notice of redemption shall be given by mail not less than thirty (30) nor more than sixty (60) days prior to the Redemption Date to the registered owner thereof, but neither failure to receive any such notice or any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption. Such notice may be conditional.

The City may rescind any optional redemption by written notice to the owner of any Series 2009A Bond previously called for redemption prior to the date fixed for redemption. Any notice of optional redemption shall be rescinded if for any reason funds are not or will not be available on the date fixed for redemption or the payment in full of the Series 2009A Bonds then called for redemption. Notice of rescission of redemption shall be given in the same manner notice of redemption was originally provided. The actual receipt by the owner of any Series 2009A Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice so mailed shall not affect the validity of the rescission.
If this bond is called for redemption and payment is duly provided therefore, interest shall cease to accrue hereon from and after the date fixed for redemption.

The City and the City Treasurer may treat the registered owner of the Series 2009A Bonds hereof as the absolute owner hereof for all purposes, and the City and the City Treasurer shall not be affected by any notice to the contrary.

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

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

This bond shall not be entitled to any benefit under the Resolutions, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the City Treasurer.

IN WITNESS WHEREOF the Board of Supervisors of the City and County of San Francisco (the "Board") has caused this bond to be executed by the Mayor of the City and County of San Francisco, and to be countersigned by the Clerk of said Board, all as of __________, 2009.

Mayor of the City and
County of San Francisco
Resolution Authorizing and Directing the Sale of Not To Exceed $136,000,000 General Obligation Bonds (San Francisco General Hospital Improvement Bonds, 2008), Series 2009A; 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; Providing For the Manner of Sale of Said Bonds, Whether by Competitive Sale or Negotiated Sale; 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 Bond Purchase Agreement Relating Thereto; Approving the Form and Execution of the Official Statement Relating To the Sale of Said Bonds; 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.

December 16, 2008 Board of Supervisors — ADOPTED
Ayes: 11 - Alioto-Pier, Campos, Chu, Daly, Dufty, Elsbernd, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval
I hereby certify that the foregoing Resolution was ADOPTED on December 16, 2008 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor Gavin Newsom

12/19/2008
Date Approved