

1 [Issuance of General Obligation Bonds (Earthquake Safety and Emergency Response, 2020)
2 - Not to Exceed \$628,500,000]

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4 **Resolution providing for the issuance of not to exceed \$628,500,000 aggregate**
5 **principal amount of City and County of San Francisco General Obligation Bonds**
6 **(Earthquake Safety and Emergency Response, 2020); authorizing the issuance and sale**
7 **of such bonds; providing for the levy of a tax to pay the principal and interest thereof;**
8 **providing for the appointment of depositories and other agents for such bonds;**
9 **providing for the establishment of accounts related thereto; adopting findings under**
10 **the California Environmental Quality Act (“CEQA”), the CEQA Guidelines and San**
11 **Francisco Administrative Code Chapter 31; finding that the proposed project is in**
12 **conformity with the priority policies of Planning Code Section 101.1 and with the**
13 **general plan consistency requirement of Charter Section 4.105 and Administrative**
14 **Code Section 2A.53; ratifying certain actions previously taken; and granting general**
15 **authority to City officials to take necessary actions in connection with the issuance and**
16 **sale of such bonds.**

17 WHEREAS, By Resolution No. 280-19, adopted by the Board of Supervisors (the
18 “Board of Supervisors”) of the City and County of San Francisco (the “City”) on June 11, 2019,
19 and signed by the Mayor (the “Mayor”) on June 21, 2019, it was determined and declared that
20 public interest and necessity demand the construction, acquisition, improvement, renovation,
21 and seismic retrofitting of the Emergency Firefighting Water System, firefighting facilities and
22 infrastructure, police facilities and facilities and infrastructure, facilities for the Department of
23 Emergency Management’s 911 Call Center, and other disaster response facilities and

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1 infrastructure for earthquake and public safety, and related costs necessary or convenient for
2 the foregoing purposes (the “Project”); and,

3 WHEREAS, By Ordinance No. 159-19 passed by the Board of Supervisors on July 9,
4 2019, and signed by the Mayor on July 11, 2019 (the “Bond Ordinance”), the Board of
5 Supervisors duly called a special election to be held on March 3, 2020 (the “Bond Election”),
6 for the purpose of submitting to the qualified voters of the City such proposition to incur
7 bonded indebtedness of the City in the amount of \$628,500,000 to finance the Project, and
8 such proposition was approved by two-thirds of the qualified voters of the City voting on such
9 proposition; and

10 WHEREAS, A special election was held in the City on March 3, 2020, for the purpose
11 of submitting to the qualified voters of the City such proposition, denominated as Proposition
12 B (“Proposition B”), as follows:

13 “SAN FRANCISCO EARTHQUAKE SAFETY AND EMERGENCY RESPONSE BOND,
14 2020. To improve fire, earthquake, and emergency response by improving,
15 constructing, and/or replacing: deteriorating cisterns, pipes, and tunnels, and related
16 facilities to ensure firefighters a reliable water supply for fires and disasters;
17 neighborhood fire and police stations and supporting facilities; the City’s 911 Call
18 Center; and other disaster response and public safety facilities, and to pay related
19 costs, shall the City and County of San Francisco issue \$628,500,000 in general
20 obligation bonds, with a duration up to 30 years from the time of issuance, an
21 estimated average tax rate of \$0.015/\$100 of assessed property value, and projected
22 average annual revenues of \$40,000,000, subject to citizen oversight and regular
23 audits?”; and

24 WHEREAS, On April 7, 2020, by Resolution No. 150-20, which was approved by the
25 Mayor on April 17, 2020, the Board of Supervisors declared the results of the March 3, 2020

1 special election finding that, as certified by the Director of Elections of the City, the requisite
2 two-thirds of all voters voting on the proposition approved such proposition; and,

3 WHEREAS, This Board of Supervisors has determined, and does hereby declare, that
4 it is necessary and desirable that all of such bonds designated generally as “City and County
5 of San Francisco General Obligation Bonds (Earthquake Safety and Emergency Response,
6 2020)” (the “Bonds”) in the aggregate principal amount not to exceed \$628,500,000,
7 representing the total amount authorized, be issued and sold in one or more series or
8 subseries from time to time on a tax-exempt or taxable basis, for the purposes authorized and
9 on the conditions set forth in this Resolution; and,

10 WHEREAS, The Bonds will be payable from proceeds of the annual tax levy, as
11 provided herein; and,

12 WHEREAS, The Bonds are being issued pursuant to (i) this Resolution duly adopted
13 by the Board of Supervisors, (ii) Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the
14 California Government Code, (iii) the Charter of the City (the “Charter”), (iv) the Bond
15 Ordinances, and (v) a duly held election; and,

16 WHEREAS, There shall be delivered a certificate of a duly authorized officer of the
17 City, concurrently with the issuance of each series or subseries of Bonds, except for any
18 Bonds issued to refund any bond anticipation notes issued in anticipation of the issuance of
19 such Bonds, stating that the outstanding general obligation bond indebtedness of the City,
20 including all series or subseries of the Bonds issued and to be issued and outstanding on the
21 date of delivery of such series, will not exceed three percent of the assessed value of all
22 taxable real and personal property located within the City in compliance with Section 9.106 of
23 the Charter; now, therefore, be it

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

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

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

8 Section 3. Issuance of the Bonds. The Board of Supervisors hereby authorizes the
9 issuance and sale of \$628,500,000 aggregate principal amount of Bonds, designated
10 generally as “City and County of San Francisco General Obligation Bonds (Earthquake Safety
11 and Emergency Response, 2020).” The Director of Public Finance is hereby authorized to
12 modify the general designation of the Bonds if in her sole discretion a different designation is
13 in the best interest of the City for administrative, marketing or descriptive purposes. The
14 Bonds may be sold in one or more series or subseries on a tax-exempt or taxable basis as the
15 Board of Supervisors shall determine, and shall be sold in accordance with law, as such law
16 may from time to time be amended, supplemented or revised, and on the terms and
17 conditions approved by the Board of Supervisors in this Resolution, as supplemented by such
18 other resolution or resolutions relating to such Bonds and as provided in the resolution of the
19 Board of Supervisors authorizing and directing the sale of each series or subseries of Bonds
20 (each, a “Sale Resolution”). Each series of such Bonds may bear such additional or other
21 designation as may be necessary or appropriate to distinguish such series or subseries from
22 every other series or subseries and from other bonds issued by the City, or to identify the tax
23 treatment of interest, interest rate determination methodology or other characteristics of such
24 Bonds, in each case as set forth in the applicable Sale Resolution or as may be determined
25 by the Director of Public Finance in her sole discretion. The offering and sale of the Bonds

1 may be aggregated with the offering and sale of other general obligation bonds being issued
2 by the City, as authorized from time to time by the Board of Supervisors. The Bonds may
3 bear interest at fixed or variable rates, in each case as provided in the applicable Sale
4 Resolution.

5 Section 4. Authentication and Registration. The Sale Resolution for each series or
6 subseries of Bonds shall set forth the form of Bond for such series or subseries, with such
7 necessary or appropriate variations, omissions and insertions as may be permitted by
8 resolution. "CUSIP" identification numbers may be imprinted on Bonds, but such numbers
9 shall not constitute a part of the contract evidenced by the Bonds and any error or omission
10 with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery
11 of and to pay for the Bonds. In addition, failure on the part of the City to use such CUSIP
12 numbers in any notice to owners of the Bonds shall not constitute an event of default or any
13 violation of the City's contract with such owners and shall not impair the effectiveness of any
14 such notice.

15 The Bonds shall be signed by the Mayor of the City (the "Mayor") and countersigned by
16 the Clerk of the Board of Supervisors. The signature of the Mayor may be facsimile or manual.
17 The signature of the Clerk of the Board of Supervisors shall be manual. The Treasurer of the
18 City (the "City Treasurer") shall authenticate the Bonds by facsimile or manual signature and,
19 when so authenticated, shall deliver the Bonds to or for the account of the purchasers in
20 exchange for the purchase price thereof.

21 In case such officer(s) whose signature(s) or countersignature(s) appear(s) on a Bond
22 shall cease to be such officer(s) before the delivery of such Bond to the purchaser, such
23 signature(s) or countersignature(s) shall nevertheless be valid and sufficient for all purposes
24 as if the officer(s) had remained in office until the delivery of such Bond.

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1 Section 5. Transfer or Exchange and Registration of Bonds. Any Bond may be
2 transferred or exchanged in accordance with its terms and the applicable Sale Resolution.
3 Each Bond shall be registered in accordance with the applicable Sale Resolution.

4 Section 6. General Redemption Provisions. The terms of redemption (whether optional
5 or mandatory redemption), if any, of any Bonds and the manner prescribed for notice of any
6 redemption of Bonds shall be set forth in the applicable Sale Resolution.

7 Each Sale Resolution shall provide that the Controller of the City (the “Controller”) shall
8 establish a redemption account for such series or subseries of Bonds. The City Treasurer
9 shall provide for the deposit and application of moneys in such redemption account.

10 Section 7. Tax Levy; Pledge of Bond Account.

11 (a) Tax Levy. For the purpose of paying the principal of and interest on the Bonds,
12 the Board of Supervisors at the time of fixing the general tax levy shall fix, and in the manner
13 provided for such general tax levy, levy and collect annually until the Bonds are paid, or until
14 there shall be a sum set apart for that purpose in the treasury of the City sufficient to meet all
15 sums coming due for payment of principal of and interest on the Bonds, a tax sufficient to pay
16 the annual interest on the Bonds as the same becomes due and also such part of the principal
17 thereof as shall become due before the proceeds of a tax levied at the time for making the
18 next general tax levy can be made available for the payment of such interest or principal;
19 provided, however, that in fixing such tax levy for each fiscal year, the Board of Supervisors
20 shall take into account amounts then on deposit in the Tax Revenues Subaccount pursuant to
21 this subsection (a), if such amounts will be available to pay debt service on the Bonds.

22 Such tax shall be in addition to all other taxes levied for City purposes, shall be
23 collected at the time and in the same manner as other taxes of the City are collected, and
24 shall be used only for the payment of the Bonds and the interest thereon.

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1 All taxes collected pursuant to this Section 7(a) shall be deposited forthwith in a special
2 subaccount to be designated as the “Tax Revenues Subaccount,” which shall be a
3 subaccount within a special account to be designated as the “General Obligation Bonds
4 (Earthquake Safety and Emergency Response, 2020) Bond Account” (the “Bond Account”).
5 The Bond Account and all subaccounts therein shall be administered by the City Treasurer
6 with all disbursements of funds therefrom subject to authorization of the Controller. The Bond
7 Account shall be kept separate and apart from all other accounts, and each subaccount
8 therein shall be kept separate and apart from all other subaccounts. Pursuant to the
9 applicable Sale Resolution, the Controller may establish such additional accounts and
10 subaccounts within the Bond Account or with any agent, including but not limited to any
11 paying agent or fiscal agent, as may be necessary or convenient in connection with the
12 administration of any Bonds, to provide for the payment of principal and interest on such
13 Bonds.

14 The City Treasurer shall deposit in the Bond Account from the proceeds of sale of the
15 Bonds, any moneys received on account of original issue premium and interest accrued on
16 the Bonds to the date of payment of the purchase price thereof, and such other moneys, if
17 any, as may be specified in the applicable Sale Resolution. So long as any of the Bonds are
18 outstanding, moneys in the Bond Account shall be used and applied by the City Treasurer
19 solely for the purpose of paying the principal of and interest on the Bonds as such principal
20 and interest shall become due and payable, or for purchase of Bonds if permitted by the
21 applicable Sale Resolution; provided, however, that when all of the principal of and interest on
22 the Bonds have been paid, any moneys then remaining in such Bond Account shall be
23 transferred to the City for any legally permitted purpose. The Board of Supervisors shall take
24 such actions annually as are necessary or appropriate to cause the debt service on the Bonds
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1 due in any fiscal year to be included in the budget for such fiscal year and to make the
2 necessary appropriations therefor.

3 (b) Pledge. The Bond Account and all subaccounts and amounts on deposit therein
4 are hereby pledged for the payment of the principal of and interest on the Bonds when and as
5 the same become due, including the principal of any term Bonds required to be paid upon the
6 mandatory sinking fund redemption thereof. In addition, the payment of such principal and
7 interest shall be secured by the statutory lien of California Government Code Section 53515,
8 to the extent applicable to the amounts on deposit in the Bond Account. Each and every
9 Bond issued under this Resolution shall be equally and ratably secured by the pledge of this
10 subsection (c), the foregoing statutory lien, and the taxes collected pursuant to this Section 7.

11 Section 8. Administration and Disbursements From Bond Account.

12 (a) Interest. On or before June 15 and December 15 in each year that any of the
13 Bonds are outstanding (or, for any Bonds bearing interest at variable rates, on such other
14 dates as may be provided by the applicable Sale Resolution), the City Treasurer shall set
15 aside in the Bond Account and the appropriate subaccounts therein relating to each series or
16 subseries of the Bonds an amount which, when added to the amount contained in the Bond
17 Account and subaccounts therein on that date, if any, will be equal to the aggregate amount of
18 the interest becoming due and payable on each the Bonds outstanding on such interest
19 payment date.

20 (b) Principal. On or before June 15 in each year that any of the Bonds are
21 outstanding, the City Treasurer shall set aside in the Bond Account and the appropriate
22 subaccounts therein relating to each series or subseries of the Bonds an amount which will be
23 equal to the principal on each series or subseries of the Bonds outstanding that will become
24 due and payable on such June 15, including those Bonds subject to mandatory redemption on
25 such date pursuant to the provisions of the applicable Sale Resolution.

1 All moneys in the Bond Account shall be used and withdrawn by the City Treasurer
2 solely for the purpose of paying the principal of and interest on the Bonds as the same shall
3 become due and payable. On June 15 and December 15 in each year that any Bond is
4 outstanding, the City Treasurer shall allocate, transfer and apply to the various subaccounts in
5 the Bond Account created pursuant to the applicable Sale Resolution, on such date on which
6 payment of principal or interest on any Bonds is due, from moneys on deposit in the Bond
7 Account, an amount equal to the amount of principal of, premium, if any, or interest due on
8 such date with respect to each of the Bonds then outstanding. Unless other provision shall
9 have been made pursuant to this Resolution for the payment of any Bond, all amounts held in
10 the various subaccounts of the Bond Account created pursuant to a Sale Resolution shall be
11 used and applied by the City Treasurer to pay principal of, premium, if any, and interest due
12 on the Bonds to which such subaccount relates, as and when due.

13 Section 9. Appointment of Depositories and Other Agents. The City Treasurer is
14 hereby authorized and directed to appoint one or more depositories as he or she may deem
15 desirable and may authorize such depository to perform, under the supervision of the City
16 Treasurer, any of the City Treasurer's duties and responsibilities under this Resolution, to the
17 extent permitted by applicable law.

18 The City Treasurer is hereby also authorized and directed to appoint one or more
19 agents as he or she may deem necessary or desirable. To the extent permitted by applicable
20 law and under the supervision of the City Treasurer, such agents may serve as paying agent,
21 fiscal agent, escrow agent or registrar for the Bonds or may assist the City Treasurer in
22 performing any or all of such functions and such other duties as the City Treasurer shall
23 determine including such duties and responsibilities of the City Treasurer provided for in this
24 Resolution. Such agents shall serve under such terms and conditions as the City Treasurer
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1 shall determine. The City Treasurer may remove or replace agents appointed pursuant to this
2 paragraph at any time.

3 Section 10. Project Account. There is hereby established a project account to be
4 designated as the “General Obligation Bonds (Earthquake Safety and Emergency Response,
5 2020) Project Account” (the “Project Account”). The Project Account shall be maintained by
6 the City Treasurer, as a separate account, segregated and distinct from all other accounts.
7 The City Treasurer may establish such accounts and subaccounts within the Project Account
8 as may be necessary or convenient in connection with the administration of the Project or the
9 Bonds.

10 All of the proceeds of the sale of the Bonds (excluding any premium and accrued
11 interest received thereon, unless otherwise determined by the Director of Public Finance)
12 shall be deposited by the City Treasurer to the credit of the Project Account and shall be
13 applied exclusively to the objects and purposes of the Project. When such objects and
14 purposes have been accomplished, any moneys remaining in such account shall be
15 transferred to the Bond Account established pursuant to Section 7 hereof and applied to the
16 payment of the principal of and interest on any series or subseries of Bonds to which such
17 Bond Account relates. Amounts in the Project Account may be applied to the payment of
18 costs of issuance of the Bonds, including, without limitation, bond and financial printing
19 expenses, mailing and publication expenses, rating agency fees, and the fees and expenses
20 of paying agents, registrars, financial consultants, bond counsel and disclosure counsel.

21 Section 11. Defeasance Provisions. A Sale Resolution may provide for the
22 defeasance of such Bonds authorized therein. Any Bonds which have been deemed paid in
23 accordance with the defeasance provisions of the applicable Sale Resolution shall no longer
24 be deemed outstanding under this Resolution.

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1 Section 12. Tax Covenants. The Bonds may be issued as bonds the interest on which
2 is excluded from gross income for federal or state income tax purposes or as bonds the
3 interest on which is included in gross income for federal or state income tax purposes. With
4 respect to any Bonds the interest on which is excluded from gross income for federal or state
5 income tax purposes, the City may make such covenants and representations as are
6 necessary to comply with applicable laws and regulations.

7 Section 13. Other Terms and Provisions Relating To the Bonds. The Sale Resolution
8 for any series or subseries of Bonds may provide for (a) the purchase of bond insurance or
9 other credit enhancement relating to all or a portion of such Bonds and to the establishment of
10 such additional terms and procedures as may be necessary to provide for the application of
11 such bond insurance or other credit enhancement for the benefit of the bondholders; (b) the
12 investment of moneys held in any fund or account relating to the Bonds in specific categories
13 or types of investments, so long as such investments are legal investments for the City and in
14 compliance with any policy or guideline of the City applicable thereto; and (c) the adoption of
15 any supplemental resolutions relating solely to such series or subseries of Bonds.

16 Section 14. Supplemental Resolutions. For any one or more of the following purposes
17 and at any time or from time to time, a supplemental resolution of the City may be adopted,
18 which, without the requirement of consent of the owners of the Bonds, shall be fully effective
19 in accordance with its terms:

20 (a) To add to the covenants and agreements of the City in this Resolution or any
21 Sale Resolution, other covenants and agreements to be observed by the City which are not
22 contrary to or inconsistent with this Resolution or any Sale Resolution as theretofore in effect;

23 (b) To add to the limitations and restrictions in this Resolution or any Sale
24 Resolution, other limitations and restrictions to be observed by the City which are not contrary
25 to or inconsistent with this Resolution or any Sale Resolution as theretofore in effect;

1 (c) To confirm, as further assurance, any pledge under, and the subjection to any
2 lien or pledge created or to be created by this Resolution or any Sale Resolution as then in
3 effect, of any moneys, securities or funds, or to establish any additional funds or accounts to
4 be held under this Resolution or any Sale Resolution;

5 (d) To cure any ambiguity, supply any omission, or cure or correct any defect or
6 inconsistent provision in this Resolution or any Sale Resolution; or

7 (e) To make such additions, deletions or modifications as shall not be materially
8 adverse to the owners of the Bonds.

9 Any modification or amendment of this Resolution or any Sale Resolution and of the
10 rights and obligations of the City and of the owners of the Bonds, in any particular, may be
11 made by a supplemental resolution, with the written consent of the owners of at least a
12 majority in aggregate principal amount of the Bonds outstanding at the time such consent is
13 given (except as provided in the preceding paragraph). No such modification or amendment
14 shall permit a change in the terms or maturity of the principal of any outstanding Bonds or of
15 any interest payable thereon or a reduction in the principal amount thereof or in the rate of
16 interest thereon, or shall reduce the percentage of Bonds the consent of the owners of which
17 is required to effect any such modification or amendment, or shall reduce the amount of
18 moneys for the repayment of the Bonds, without the consent of all the owners of such affected
19 Bonds.

20 Section 15. Citizens' Oversight Committee. The Bonds are subject to, and incorporate
21 by reference, the applicable provisions of San Francisco Administrative Code Section 5.30 –
22 5.36 (the "Admin. Code"). Under Section 5.31 of the Admin. Code, to the extent permitted by
23 law, one-tenth of one percent (0.1%) of the gross proceeds of each series or subseries of the
24 Bonds shall be deposited in the fund established by the Controller's Office and appropriated
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1 by the Board of Supervisors at the direction of the Citizens' General Obligation Bond
2 Oversight Committee to cover the costs of such Committee.

3 Section 16. CEQA Determinations. The Board of Supervisors hereby reaffirms and
4 incorporates by reference the CEQA findings and determinations set forth in the Bond
5 Ordinances as if set forth in full herein. The use of bond proceeds to finance any identified
6 project or portion of any identified project with bond proceeds will be subject, as necessary, to
7 approval of the Board of Supervisors upon completion of any planning and any further
8 required environmental review under CEQA for the individual facilities and projects.

9 Section 18. Ratification. All actions heretofore taken by officials, employees and
10 agents of the City with respect to the sale and issuance of the Bonds consistent with any
11 documents presented and this Resolution are hereby approved, confirmed and ratified.

12 Section 19. General Authority. The Clerk of the Board of Supervisors, the Finance
13 Committee of the Board of Supervisors, the Mayor, the City Treasurer, the City Administrator,
14 the City Attorney, the Director of Public Finance and the Controller are each hereby
15 authorized and directed in the name and on behalf of the City to take any and all steps and to
16 issue and deliver any and all certificates, requisitions, agreements, notices, consents, and
17 other documents, including but not limited to, letters of representations to any depository or
18 depositories, which they or any of them might deem necessary or appropriate in order to
19 consummate the lawful issuance, sale and delivery of the Bonds and otherwise to give effect
20 to this Resolution. Any such actions are solely intended to further the purposes of this
21 Resolution, and are subject in all respects to the terms of this Resolution. No such actions
22 shall increase the risk to the City or require the City to spend any resources not otherwise
23 granted herein. Final versions of any such documents shall be provided to the Clerk of the

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1 Board of Supervisors for inclusion in the official file within 30 days (or as soon thereafter as is
2 practicable) of execution by all parties.

3 APPROVED AS TO FORM:

4 DENNIS J. HERRERA City Attorney

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6 By: /s/ KENNETH D. ROUX
7 KENNETH D. ROUX
8 Deputy City Attorney

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