

FILE NO. 010932

RESOLUTION NO. 462-01

1 [Approving the execution and delivery of refunding certificates of participation.]

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3 **Resolution approving the execution and delivery of refunding certificates of**

4 **participation, in one or more series, to refinance, in part and/or in whole, certificates of**

5 **participation previously executed and delivered by the City and County of San**

6 **Francisco (the "City"); approving the form of the property and facility lease between**

7 **the City and a trustee; approving the form of the project lease between the City and a**

8 **trustee (including certain indemnities contained therein); authorizing the selection of a**

9 **trustee; approving the form of the trust agreement between the City and a trustee**

10 **(including certain indemnities contained therein); authorizing the selection of an**

11 **escrow agent; approving the form of the escrow agreement between the City and an**

12 **escrow agent; approving the form of the official notice of sale and the notice of**

13 **intention to sell for the refunding certificates of participation; directing the publication**

14 **of the notice of intention to sell for the refunding certificates of participation; approving**

15 **the form of the official statement in preliminary and final form; approving the form of a**

16 **continuing disclosure certificate; authorizing reimbursement of certain expenditures;**

17 **authorizing the payment of costs of issuance; and ratifying previous actions taken in**

18 **connection therewith.**

19

20 WHEREAS, The City has heretofore executed and delivered (i) its Certificates of

21 Participation (25 Van Ness Avenue Project) Series 1991A (the "Series 1991A Certificates")

22 and its Taxable Certificates of Participation (25 Van Ness Avenue Project) Series 1991B (the

23 "Taxable Series 1991B Certificates" and, together with the Series 1991A Certificates, the

24 "Series 1991 Certificates") to finance the purchase of real property and improvements located

25 at 25 Van Ness Avenue, San Francisco, California, and (ii) its Certificates of Participation

1 (San Francisco Courthouse Project) Series 1995 (the "Series 1995 Certificates," and together
2 with the Series 1991 Certificates, the "Prior Certificates") to finance the construction,
3 furnishing and equipping of a courthouse building located in the City; and,

4 WHEREAS, The Prior Certificates were secured primarily by base rental payments
5 from the City for its use of the projects financed in connection therewith; and,

6 WHEREAS, The Board of Supervisors of the City (the "Board") now intends to reduce
7 the aggregate base rental payments by refinancing, in part and/or in whole, the Prior
8 Certificates through the execution and delivery of refunding certificates of participation, *in one*
9 *or more series*, in an aggregate principal amount not to exceed \$60,800,000 (the "Certificates");
10 and,

11 WHEREAS, Said Certificates will be secured primarily by base rental payments to be
12 paid by the City from the City's general fund pursuant to a Project Lease (as defined herein);
13 and,

14 WHEREAS, It is expected that the refinancing of the Prior Certificates will result in net
15 savings in aggregate base rental payments to the City on a present value basis calculated as
16 provided in Section 43.8.4 of the Administrative Code of the City and County of San
17 Francisco; and,

18 WHEREAS, In connection with the execution and delivery of the Certificates, the City
19 shall enter into a Property Lease (as defined herein), a Project Lease, a Trust Agreement (as
20 defined herein) and an Escrow Agreement (as defined herein), and certain other related
21 documents (as set forth herein); and,

22 WHEREAS, It is anticipated that the Certificates will be sold by competitive sale
23 pursuant to an Official Notice of Sale (as defined herein); and,

1 WHEREAS, The City reasonably expects to reimburse certain expenditures incurred
2 prior to the execution and delivery of the Certificates from the proceeds of such Certificates;
3 now, therefore, be it

4 RESOLVED, BY THIS BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF
5 SAN FRANCISCO AS FOLLOWS:

6 Section 1. Approval of the Certificates. The Board hereby approves the execution
7 and delivery of the Certificates, in one or more series, which shall be executed and delivered in
8 accordance with the Trust Agreement. The Certificates shall be comprised of, and designated
9 as, the “City and County of San Francisco Refunding Certificates of Participation, Series
10 2001-1 (San Francisco Courthouse and 25 Van Ness Avenue Project)” (the “Series 2001-1
11 Certificates”) and the “City and County of San Francisco Refunding Certificates of
12 Participation, Taxable Series 2001-2 (San Francisco Courthouse and 25 Van Ness Avenue
13 Project)” (the “Taxable Series 2001-2 Certificates”) or such other designations as determined
14 by the Director of Public Finance or her designee (together with the Director of Public
15 Finance, the “Director of Public Finance”). The Series 2001-1 Certificates shall have an
16 aggregate principal amount not to exceed \$60,000,000, with an interest rate not to exceed
17 twelve percent (12%) per annum. The Taxable Series 2001-2 Certificates shall have an
18 aggregate principal amount not to exceed \$800,000 with an interest rate not to exceed twelve
19 percent (12%) per annum. To the extent deemed necessary by the Director of Public
20 Finance, this Board authorizes the procurement of credit enhancement for the Certificates,
21 including, but not limited to, municipal bond insurance or a debt service reserve fund surety
22 bond. Notwithstanding Section 13 hereof, the documents authorized herein may be modified
23 or amended to permit the procurement of credit enhancement for the Certificates, to the
24 extent deemed necessary by the Director of Public Finance, upon consultation with the City
25 Attorney.

1 Section 2. Approval of the Trust Agreement and Authorization of Selection of the
2 Trustee. The form of the Trust Agreement between the City and a trustee (the "Trust
3 Agreement"), as presented to this Board, a copy of which is on file with the Clerk of the Board,
4 is hereby approved. The Mayor, or his designee (together with the Mayor, the "Mayor"), is
5 hereby authorized to execute the Trust Agreement, and the Clerk of the Board, or her
6 designee (together with the Clerk of the Board, the "Clerk of the Board"), is hereby authorized
7 to attest to and affix the seal of the City on the Trust Agreement, with such changes,
8 additions, modifications or deletions as the Mayor may make or approve in accordance with
9 Section 13 hereof. The Director of Public Finance is hereby authorized to select a trustee to
10 serve as trustee under the Trust Agreement (the "Trustee").

11 Section 3. Approval of the Property and Facility Lease. The form of the Property
12 and Facility Lease between the City and the Trustee (the "Property Lease"), as presented to
13 this Board, a copy of which is on file with the Clerk of the Board, is hereby approved. The
14 Mayor is hereby authorized to execute the Property Lease, and the Clerk of the Board is
15 hereby authorized to attest and to affix the seal of the City on the Property Lease with such
16 changes, additions, modifications or deletions as the Mayor may make or approve in
17 accordance with Section 13 hereof.

18 Section 4. Approval of the Project Lease. The form of the Project Lease between
19 the City and the Trustee (the "Project Lease"), as presented to this Board, a copy of which is
20 on file with the Clerk of the Board, is hereby approved. The Mayor is hereby authorized to
21 execute the Project Lease, and the Clerk of the Board is hereby authorized to attest and to
22 affix the seal of the City on the Project Lease with such changes, additions, modifications or
23 deletions as the Mayor may make or approve in accordance with Section 13 hereof, provided
24 however, that the maximum Base Rental (as defined in the Project Lease) scheduled to be
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1 paid under the Project Lease in any fiscal year shall not exceed \$5,800,000 and the term of
2 the Project Lease shall not extend beyond 2031.

3 Section 5. Approval of the Escrow Agreement and Authorization of Selection of the
4 Escrow Agent. The form of the Escrow Agreement between the City and an escrow agent
5 (the "Escrow Agreement"), as presented to this Board, a copy of which is on file with the Clerk
6 of the Board, is hereby approved. The Mayor is hereby authorized to execute the Escrow
7 Agreement, and the Clerk of the Board is hereby authorized to attest to and affix the seal of
8 the City on the Escrow Agreement, with such changes, additions, modifications or deletions
9 as the Mayor may make or approve in accordance with Section 13 hereof. The Director of
10 Public Finance is hereby authorized to select an escrow agent to serve as escrow agent
11 under the Escrow Agreement.

12 Section 6. Approval of Form of Official Notice of Sale. The form of the Official
13 Notice of Sale relating to the Certificates (the "Official Notice of Sale"), as presented to this
14 Board, a copy of which is on file with the Clerk of the Board, is hereby approved. The Director
15 of Public Finance is hereby authorized to approve the distribution of an Official Notice of Sale,
16 with such changes, additions, modifications or deletions as the Director of Public Finance may
17 approve upon consultation with the City Attorney; such approval to be conclusively evidenced
18 by the distribution of the Official Notice of Sale to potential purchasers of the Certificates.

19 Section 7. Approval of Notice of Intention to Sell relating to the Certificates. The
20 form of the Notice of Intention to Sell relating to the Certificates (the "Notice of Intention to
21 Sell"), as presented to this Board, a copy of which is on file with the Clerk of the Board, is
22 hereby approved. The Director of Public Finance is hereby authorized to approve the
23 publication of the Notice of Intention to Sell, with such changes, additions, modifications or
24 deletions as the Director of Public Finance may approve upon consultation with the City
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1 Attorney; such approval to be conclusively evidenced by the publication of the Notice of
2 Intention to Sell.

3 Section 8. Approval of the Official Statement in Preliminary and Final Form. The
4 form of the Official Statement relating to the Certificates (the "Official Statement"), as
5 presented to this Board, a copy of which is on file in preliminary form with the Clerk of the
6 Board, is hereby approved. The Director of Public Finance is hereby authorized to approve
7 the distribution of the preliminary Official Statement, with such changes, additions,
8 modifications or deletions as the Director of Public Finance may approve upon consultation
9 with the City Attorney; such approval to be conclusively evidenced by the distribution of the
10 preliminary Official Statement to potential purchasers of the Certificates. The Controller of the
11 City, or his designee (together with the Controller of the City, the "Controller"), is hereby
12 authorized to execute, and the Director of Public Finance is hereby further authorized to
13 approve the distribution of, the Official Statement in final form.

14 Section 9. Approval of the Continuing Disclosure Certificate. The form of the
15 Continuing Disclosure Certificate of the City (the "Continuing Disclosure Certificate"), as
16 presented to this Board, a copy of which is on file with the Clerk of the Board, is hereby
17 approved. The Controller is hereby authorized to execute the Continuing Disclosure
18 Certificate, with such changes, additions, modifications or deletions as the Controller may
19 approve upon consultation with the City Attorney; such approval to be conclusively evidenced
20 by the execution and delivery of the Continuing Disclosure Certificate.

21 Section 10. Approval of Reimbursement. Pursuant to Treasury Regulation Section
22 1.150-2, the City hereby declares its intent to reimburse, from proceeds of the sale of the
23 Certificates, certain capital expenditures of the project paid within sixty (60) days prior to the
24 date of adoption of this Resolution, costs of issuance of the Certificates and other
25 expenditures permitted to be reimbursed pursuant to Treasury Regulation Section 1.150-2.

1 Any reimbursement allocation of proceeds of the Certificates to be made with respect to
2 expenditures incurred prior to the execution and delivery of the Certificates (excluding certain
3 de minimis expenditures and preliminary expenditures in an amount not to exceed twenty
4 percent (20%) of the issue price of the Certificates) will occur not later than eighteen (18)
5 months after the later of (i) the date on which the expenditure is paid, or (ii) the date on which
6 the facilities are placed in service, but in no event more than three (3) years after the
7 expenditure is paid.

8 Section 11. Payment of Costs of Issuance. The Board hereby authorizes the
9 expenditure of a portion of the proceeds of the Certificates, not to exceed \$300,000 (or such
10 higher amount deemed reasonable by the Director of Public Finance), for the payment of
11 certain costs of issuance incurred in connection with the execution and delivery of the
12 Certificates.

13 Section 12. General Authority. The Mayor, the City Attorney, the Controller, the City
14 Administrator, the Director of Public Finance, the Clerk of the Board and other officers of the
15 City and their duly authorized deputies and agents are hereby authorized and directed, jointly
16 and severally, to take such actions and to execute and deliver such certificates, agreements,
17 requests or other documents as they may deem necessary or desirable to facilitate the
18 execution and delivery of the Certificates and, to obtain bond insurance or other credit
19 enhancements with respect to the Certificates and otherwise to carry out the provisions of this
20 Resolution.

21 Section 13. Modifications, Changes, Additions or Deletions. The Mayor is hereby
22 authorized to approve and make such modifications, changes, additions or deletions to the
23 Property Lease, the Project Lease, the Trust Agreement or the Escrow Agreement, upon
24 consultation with the City Attorney, as may be necessary or desirable in the interests of the
25 City, and which changes do not materially increase the obligations of the City under the

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Property Lease, the Project Lease, the Trust Agreement or the Escrow Agreement. The Mayor's approval of such modifications, changes, additions or deletions shall be conclusively evidenced by the execution and delivery by the Mayor and the Clerk of the Board of the Property Lease, the Project Lease, the Trust Agreement and the Escrow Agreement.

Section 14. Ratification of Prior Actions. All actions authorized and directed by this Resolution and heretofore taken are hereby ratified, approved and confirmed by this Board.

Section 15. File Documents. All documents referred to as on file with the Clerk of the Board are in File No. 010932.

APPROVED AS TO FORM:

LOUISE H. RENNE
City Attorney

By: *Theresa Alvarez*
THERESA ALVAREZ
Deputy City Attorney



City and County of San Francisco

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

Tails Resolution

File Number: 010932

Date Passed:

Resolution approving the execution and delivery of refunding certificates of participation, in one or more series, to refinance, in part and/or in whole, certificates of participation previously executed and delivered by the City and County of San Francisco (the "City"); approving the form of the property and facility lease between the City and a trustee; approving the form of the project lease between the City and a trustee (including certain indemnities contained therein); authorizing the selection of a trustee; approving the form of the trust agreement between the City and a trustee (including certain indemnities contained therein); authorizing the selection of an escrow agent; approving the form of the escrow agreement between the City and an escrow agent; approving the form of the official notice of sale and the notice of intention to sell for the refunding certificates of participation; directing the publication of the notice of intention to sell for the refunding certificates of participation; approving the form of the official statement in preliminary and final form; approving the form of a continuing disclosure certificate; authorizing reimbursement of certain expenditures; authorizing the payment of costs of issuance; and ratifying previous actions taken in connection therewith.

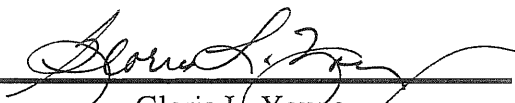
June 4, 2001 Board of Supervisors — ADOPTED

Ayes: 10 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, Newsom, Peskin,
Sandoval, Yee

Absent: 1 - McGoldrick

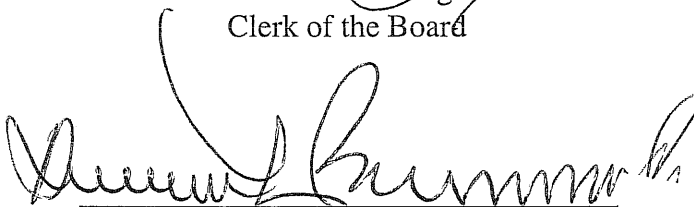
File No. 010932

I hereby certify that the foregoing Resolution was ADOPTED on June 4, 2001 by the Board of Supervisors of the City and County of San Francisco.


Gloria L. Young
Clerk of the Board

JUN 15 2001

Date Approved


Mayor Willie L. Brown Jr.