

1 [Revenue Bonds Issuance - Port Commission - Certain Capital Improvements - Up to
2 \$30,000,000]

3 **Resolution authorizing the issuance of up to \$30,000,000 aggregate principal amount of**
4 **Port Revenue Bonds for the purpose of financing or refinancing certain capital**
5 **improvements related to the Port; approving the forms of documents relating thereto;**
6 **approving maximum interest thereon; approving the issuance of Tax-Exempt Bonds**
7 **(as defined herein) in accordance with Internal Revenue Code, Section 147(f), following**
8 **a public hearing held on December 18, 2013, with the Director of Public Finance; and**
9 **related matters.**

10
11 WHEREAS, Pursuant to City and County of San Francisco (the "City") Charter, Section
12 9.107(4), (the "Charter"), the Board of Supervisors (the "Board") of the City is authorized to
13 provide for the issuance of revenue bonds by the Port Commission of the City and County of
14 San Francisco (the "Port Commission") for any Port-related purpose and secured solely by
15 Port revenues, such revenue bonds to be issued and sold in accordance with State law or the
16 Port Commission of the City and County of San Francisco Revenue Bond Law, being San
17 Francisco Administrative Code, Chapter 43, Article XII, (the "Port Bond Ordinance"); and

18 WHEREAS, Pursuant to Resolution No. 173-13 adopted by this Board on June 4,
19 2013, and signed by the Mayor of the City on June 13, 2013, (the "Initial Board Resolution"),
20 this Board gave initial approval for the issuance of the Bonds described herein and the
21 issuance by the City of its commercial paper (the "Commercial Paper") in anticipation of the
22 repayment thereof from the proceeds of such Bonds; and

23 WHEREAS, The Port Commission, pursuant to the terms of Resolution No. 13-53,
24 adopted by the Port Commission on December 12, 2013, (the "Port Bond Resolution"), has
25 authorized the issuance of up to \$30,000,000 aggregate principal amount of its revenue

1 bonds (the “Bonds” or the “Port Revenue Bonds”), for the purpose of financing certain capital
2 improvements to properties and facilities under the jurisdiction of the Port as well as for the
3 payment of costs of issuance and other incidental costs therefor and has approved the forms
4 of various documents relating to the issuance, sale, and delivery of the Bonds (collectively,
5 the “Financing Documents,” as further defined in Section 10 below); and

6 WHEREAS, The Port Commission, pursuant to the terms of Resolution No. 14-18,
7 adopted by the Port Commission on March 25, 2014, (the “Port Official Statement
8 Resolution”), has approved the form of an official statement and a continuing disclosure
9 certificate; and

10 WHEREAS, Interest on the portion of the Bonds (the “Tax-Exempt Bonds”) financing
11 certain portions of the Project (the “Tax-Exempt Project”) may qualify for tax exemption under
12 Internal Revenue Code of 1986, Section 103, as amended (the “Code”) provided such Tax-
13 Exempt Bonds are approved in accordance with Section 147(f) of the Code; and

14 WHEREAS, The Tax-Exempt Project is located wholly within the City; and

15 WHEREAS, The Board of the City is the elected legislative body of the City and is one
16 of the applicable elected representatives required to approve the issue within the meaning of
17 Section 147(f) of the Code; and

18 WHEREAS, The Director of Public Finance of the City (the “Director of Public Finance”)
19 held a public hearing at 9:00 a.m. on Wednesday, December 18, 2013, notice of which
20 hearing was published in a newspaper of general circulation in the City in accordance with
21 Section 147(f) of the Code, and an opportunity was provided for persons to comment on the
22 issuance of the Tax-Exempt Bonds and the plan of finance for the Tax-Exempt Project copy of
23 which is on file with the Clerk of the Board under File No. 104342; and

1 WHEREAS, The provisions of the Port Bond Resolution, the Port Official Statement
2 Resolution, and the Financing Documents do not conflict with the requirements of the Port
3 Bond Ordinance; now therefore, be it

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

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

7 Section 2. Approval and Authorization of Revenue Bonds. The issuance by the Port
8 Commission of the Port Revenue Bonds for the purpose of financing or refinancing certain
9 capital improvements to properties and facilities under the jurisdiction of the Port as well as for
10 the payment of costs of issuance and other incidental costs therefor, is hereby approved as
11 required by Port Bond Ordinance, Section 43.12.5. The total principal amount of the Port
12 Revenue Bonds shall not exceed \$30,000,000.

13 The approval of the issuance of the Bonds contained herein shall also constitute
14 approval of the issuance of the Tax-Exempt Bonds pursuant to Section 147(f) of the Code.

15 Section 3. No Conflict with Port Bond Ordinance. The Port Revenue Bonds shall be
16 issued pursuant to the terms of the Financing Documents as each shall be approved by the
17 City Attorney, which approval shall be conclusively evidenced by the signature of the City
18 Attorney on each such agreement; provided, that the terms of the Financing Documents shall
19 not conflict with the requirements of the Port Bond Ordinance.

20 Section 4. Maximum Interest Rate. Pursuant to Port Bond Ordinance, Section
21 43.12.5(b), the maximum interest rate for the Port Revenue Bonds shall not exceed 12% per
22 annum.

23 Section 5. Approval of the Second Supplement to Indenture. The form of a second
24 supplement to indenture of trust (the "Second Supplement to Indenture") between the Port
25 Commission and U.S. Bank National Association, as trustee (collectively, the "Indenture"),

1 copies of which are on file with the Clerk of the Board under File No. 104342, is hereby
2 approved, with such changes, additions, and modifications as the Executive Director of the
3 Port Commission (the “Executive Director”) may make or approve in accordance with Section
4 10 hereof.

5 Section 6. Approval of Bond Purchase Contract relating to the Bonds. The form of a
6 bond purchase contract (the “Bond Purchase Contract”) between the Port Commission and
7 the underwriting firm or firms selected by the Port Commission, a copy of which is on file with
8 the Clerk of the Board under File No. 104342, is hereby approved, with such changes,
9 additions, and modifications as the Executive Director may make or approve in accordance
10 with Section 10 hereof.

11 Section 7. Approval of the Official Statement in Preliminary and Final Form. The form
12 of an official statement relating to the Bonds (the “Official Statement”), a copy of which is on
13 file in preliminary form with the Clerk of the Board under File No. 104342, is hereby approved,
14 with such changes, additions, and modifications as the Executive Director may make or
15 approve in accordance with Section 10 hereof.

16 Section 8. Approval of the Continuing Disclosure Certificate. The form of a continuing
17 disclosure certificate of the City (the “Continuing Disclosure Certificate”), a copy of which is on
18 file with the Clerk of the Board under File No. 104342, is hereby approved, with such changes,
19 additions, and modifications as the Executive Director may make or approve in accordance
20 with Section 10 hereof.

21 Section 9. Approval of Payment Instructions. The form of Payment Instructions of
22 the City providing for repayment of the Commercial Paper, a copy of which is on file with the
23 Clerk of the Board under File No. 104342, is hereby approved, and the Controller and the
24 Director of Public Finance of the City are each hereby authorized and directed to execute
25 such Payment Instructions, with such changes, additions, and modifications as the officer of

1 the City executing the same may make or approve, upon consultation with the City Attorney,
2 which approval shall be conclusively evidenced by the execution and delivery thereof.

3 Section 10. Modifications, Changes and Additions; Additional Agreements. The
4 approvals contained herein shall extend to any amendments to the Second Supplement to
5 Indenture, the Bond Purchase Contract, the Official Statement and the Continuing Disclosure
6 Certificate (collectively, the "Financing Documents") and all agreements of the Port
7 Commission supplemental thereto, as well as to such additional agreements as the Port
8 Commission may adopt or execute for the purpose of implementing the issuance, sale and
9 delivery of the Port Revenue Bonds. The Executive Director's approval of such modifications,
10 changes or additions, made upon consultation with the City Attorney, shall be conclusively
11 evidenced by the execution and delivery by the Executive Director of the Financing
12 Documents.

13 Section 11. General Authority. The Controller, the Director of Public Finance, the City
14 Attorney, and all other appropriate officers, employees, representatives and agents of the City
15 are hereby authorized and directed to do everything necessary or desirable to provide for the
16 issuance of the Port Revenue Bonds.

17
18 APPROVED AS TO FORM:
19 DENNIS J. HERRERA
20 City Attorney

21 By: _____
22 Mark D. Blake
23 Deputy City Attorney

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