

1 [Port Commission Revenue Bond Law.]

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3 **Ordinance amending the San Francisco Administrative Code by adding Chapter 43,**  
4 **Article XII, Sections 43.12.1 through 43.12.8, to authorize the issuance of revenue**  
5 **bonds by the Port Commission.**

6 NOTE: Additions are *single-underline italics Times New Roman*;  
7 deletions are ~~*strike-through italics Times New Roman*~~.  
8 Board amendment additions are double-underlined;  
9 Board amendment deletions are ~~strikethrough normal~~.

9 Be it ordained by the People of the City and County of San Francisco:

10 Section 1. The San Francisco Administrative Code is hereby amended by adding  
11 Chapter 43, Article XII, Sections 43.12.1 through 43.12.8, to read as follows:

12 ARTICLE XII: PORT COMMISSION OF THE CITY AND COUNTY OF SAN FRANCISCO REVENUE  
13 BOND LAW

14 SEC. 43.12.1. FINDINGS.

15 The City and County of San Francisco (the "City") is a municipal corporation and chartered  
16 city and county duly organized and existing under a charter pursuant to which the City has the right  
17 and power to make and enforce all laws and regulations in respect to municipal affairs and certain  
18 other matters in accordance with and as more particularly provided in Sections 3, 5 and 7 of Article XI  
19 of the Constitution of the State of California and Section 1.101 of the Charter of the City (the  
20 "Charter").

21 Pursuant to Section 4.102 of the Charter, the Port Commission is authorized to execute such  
22 powers and duties as shall be prescribed by the Board of Supervisors of the City (the "Board").

23 Section 9.107 of the Charter provides for the issuance of revenue bonds by the Port Commission  
24 of the City (the "Port Commission") for any Port-related purpose and secured solely by Port revenues  
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1 and also provides that such revenue bonds may be issued and sold in accordance with state law or any  
2 procedure provided for by ordinance.

3 Pursuant to Section 9.107 of the Charter, this Article sets forth a procedure by which the Port  
4 Commission may issue revenue bonds for any Port-related purpose and secured solely by Port  
5 revenues.

6 SEC. 43.12.2. TITLE.

7 This Article shall be known as the Port Commission of the City and County of San Francisco  
8 Revenue Bond Law.

9 SEC. 43.12.3. DEFINITIONS.

10 For purposes of this Article, the following terms shall have the meanings given below:

11 (a) The term "Board" shall mean the Board of Supervisors of the City.

12 (b) The term "Charter" shall mean the Charter of the City.

13 (c) The term "City" shall mean the City and County of San Francisco.

14 (d) The term "Port Commission" shall mean the Port Commission of the City.

15 (e) The term "Executive Director" shall mean the Executive Director of the Port, or his/her  
16 designee, or any successor to that Office.

17 SEC. 43.12.4. AUTHORITY FOR ACTIONS IN ADDITION TO SPECIAL PROVISIONS.

18 The general authority provided in this Article is intended to be in addition to, and not limited  
19 by, specific provisions authorizing the issuance of bonds, notes, lease financings, certificates of  
20 participation, commercial paper or other evidences of indebtedness and is separate and complete  
21 authority for the actions authorized in this Article.

22 SEC. 43.12.5. PROCEDURE

23 (a) Subject to the approval, amendment or rejection of the Board in each instance, the Port  
24 Commission shall have authority to issue revenue bonds for any Port-related purpose and secured  
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1 solely by revenues available to the Port and pledged by the Port to such bonds, under such terms and  
2 conditions as the Port Commission may authorize by resolution.

3 (b) Revenue bonds issued pursuant to this Article shall bear a rate of interest not to exceed  
4 that which may be fixed and prescribed by resolution of the Port Commission.

5 (c) Revenue bonds issued pursuant to this Article may be sold at either competitive or  
6 negotiated sale as the Port Commission may determine by resolution and such determination may be  
7 delegated by the Port Commission to the Executive Director.

8 (d) In connection with the issuance of any revenue bonds issued pursuant to this Article, the  
9 Port Commission may enter into credit enhancement or liquidity agreements.

10 (e) In connection with the issuance of any revenue bonds pursuant to this Article, the Port  
11 Commission may appoint such agents and other professionals as necessary or desirable.

12 SEC. 43.12.6. MISCELLANEOUS PROVISIONS

13 (a) Revenue bonds issued pursuant to this Article shall be special obligations of the Port  
14 Commission, payable as to principal and interest solely out of revenues of the Port Commission  
15 expressly pledged therefor. Neither the credit nor taxing power of the City, the State of California or  
16 any political subdivision thereof shall be pledged to the payment of the principal of or interest on the  
17 revenue bonds. No holder of a revenue bond shall have the right to compel the exercise of the taxing  
18 power of the City, the State of California or any political subdivision thereof to pay the revenue bonds  
19 or the interest thereon. The Port Commission has no taxing power whatsoever.

20 (b) Revenue bonds issued pursuant to this Article shall not be included in the bonded debt  
21 limit provided for in Section 9.106 of the Charter.

22 (c) Nothing in this Article shall prevent the City from using lease financings or issuing  
23 general obligation bonds for the purpose of acquiring, constructing, improving or developing port  
24 facilities, subject, in each instance, to the Charter provisions that govern lease financings and general  
25 obligations bonds.

1 SEC. 43.12.7. VALIDATION OF BONDS.

2 (a) Any action by the Port Commission or the City to determine, or any action by an  
3 interested person challenging, the validity of the Port's revenue bonds shall be brought pursuant to  
4 Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the California Code of Civil  
5 Procedure.

6 (b) For the purposes of Section 860 of the Code of Civil Procedure, any action initiated  
7 pursuant to this section shall be brought in the Superior Court of the City and County of San Francisco.

8 SEC. 43.12.8. LIBERAL CONSTRUCTION.

9 The powers and authority conferred by the provisions of this Article are in addition to and  
10 supplemental to the powers conferred by the Charter or any other ordinance or law.

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12 APPROVED AS TO FORM:

13 DENNIS J. HERRERA, City Attorney

14  
15 By: \_\_\_\_\_  
16 KENNETH DAVID ROUX  
17 Deputy City Attorney