



Refunding Certificates of Participation Series 2025-R1

- Ordinance authorizing the execution and delivery of refunding Certificates of Participation to prepay certain certificates of participation that financed certain capital improvement projects of the Port Commission
- Supplemental ordinance appropriating the proceeds of the 2025-R1 Refunding COPs



**Budget & Finance
Committee**

January 29, 2025

Proposed Refunding Certificates of Participation

- The City has identified the Series 2013B and 2013C COPs as potential refunding candidates:

Outstanding Series	Par Amount Outstanding	Average Interest Rate	First Optional Call Date	Final Maturity	Average Annual Debt Service
2013B COPs	\$4,830,000	4.90%	3/1/2023	3/1/2038	\$413,000
2013C COPs (AMT)	\$19,195,000	5.13%	3/1/2023	3/1/2043	\$1,580,000
Total	\$24,025,000	5.08%		3/1/2043	\$1,993,000

- The Series 2013B & 2013C COPs were originally issued to finance various capital improvements for the Port of San Francisco, including infrastructure improvements for the 34th America’s Cup and the construction of a new primary cruise terminal at Pier 27.

Proposed Refunding Certificates of Participation

Current Plan of Finance

- Not to exceed par amount of \$25.0M
- Final Maturity of March 1, 2042*
- True Interest Cost: 4.47%*
- Average Annual Debt Service: \$1.8M*

Lease-Lease Back Structure

- COPs are structured as a lease-lease back agreement, in which the City leases City-owned property to a Trustee and then pays to lease back the property
- The Pier 27 Cruise Terminal, which currently serves as the leased asset for the outstanding 2013B and 2013C COPs, will also serve as the leased asset for the proposed Refunding COPs
 - Assets can be substituted as needed

**Preliminary estimates, subject to change.*

Sources and Uses (Supplemental Appropriation)

Sources:	Series A	Series B	Total
COP Proceeds	\$5,000,000	\$20,000,000	\$25,000,000
Prior Reserve Funds	483,000	1,995,500	2,478,500
Prior Unspent Proceeds	908,185	-	908,185
Total Sources	\$6,391,185	\$21,995,500	\$28,386,685
Uses:			
Refunding Escrow	\$4,850,000	\$18,500,000	\$23,343,111
Delivery Date Expenses, Reserve Funds, and Market Reserve	1,541,185	3,495,500	5,036,685
Total Uses	\$6,391,85	\$21,995,500	\$28,386,685

Anticipated Financing Timeline

Milestones

Dates

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- | | |
|---|-------------------|
| • Introduction of Legislation to Board of Supervisors | November 19, 2024 |
| • Budget and Finance Committee | January 29, 2025 |
| • Board of Supervisors Considers Ordinances (1 st Hearing) | February 4, 2025 |
| • Board of Supervisors Considers Ordinances (2 nd Hearing) | February 11, 2025 |
| • Sale and Closing of COPs | Spring 2025* |

**Anticipated, timing may vary based on market conditions.*

Thank you
