

File No. 241118

Committee Item No. 4

Board Item No. 11

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date January 29, 2025

Board of Supervisors Meeting

Date February 4, 2025

Cmte Board

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
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| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
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OTHER (Use back side if additional space is needed)

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Completed by: Brent Jalipa

Date January 23, 2025

Completed by: Brent Jalipa

Date January 30, 2025

1 [Appropriation - \$28,386,685 Including \$25,000,000 COP Refunding Series 2025-R1 &
2 Series 2025-R2 Proceeds, \$2,478,500 of Series 2013B & 2013C Prior Debt Reserve
3 Proceeds - De-appropriation of \$908,185 - Series 2013B Project Funds - FY2024-2025]

3

4 **Ordinance appropriating \$28,386,685 consisting of \$5,000,000 of Refunding**
5 **Certificates of Participation Series 2025-R1 proceeds and \$20,000,000 of**
6 **Refunding Certificates of Participation (COP) Series 2025-R2 proceeds, \$483,000**
7 **of Series 2013B Prior Debt Service Reserve Proceeds, \$1,995,500 of 2013C Prior**
8 **Debt Service Reserve Proceeds, and De-appropriation of \$908,185 of Series**
9 **2013B Project Funds to the Port Commission (PRT) for \$6,391,185 to the**
10 **Refunding Certificates of Participation Series 2025-R1 and \$21,995,500 to the**
11 **Refunding Certificates of Participation Series 2025-R2; and placing these funds**
12 **on Controller’s Reserve pending the sale of the Certificates of Participation and**
13 **receipt of proceeds in Fiscal Year (FY) 2024-2025.**

14

Note: Additions are *single-underline italics Times New Roman*;
15 deletions are *strikethrough italics Times New Roman*.
16 Board amendment additions are double underlined.
17 Board amendment deletions are ~~strikethrough normal~~.

17

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

18

19 Section 1. The sources of funding outlined below are herein appropriated to
20 reflect the funding available in Fiscal Year 2024-2025.

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1 **SOURCES Appropriation**

2

3 **Fund / Project & Activity / Account Description Amount**
 4 **Department ID Authority**

5 23991 - PRT-2025-R1 10042034 - PO COP-13B 480121 Proceeds from \$5,000,000
 6 (NonAMT) COP Refundg Non-AMT & 0001 - PO Refunding of
 7 Refund/ 232116 - Port COP-13B Refundg Non-AMT/ Bonds
 8 Commission 22912 - PRT-COP-13B
 9 Refundg Non-AMT

10

11 23991 - PRT-2025-R1 10042034 - PO COP-13B 495028 ITI Fr 5P-Port \$483,000
 12 (NonAMT) COP Refundg Non-AMT & 0001 - PO San Francisco
 13 Refund/ 232116 - Port COP-13B Refundg Non-AMT/ Prior Debt
 14 Commission 22912 - PRT-COP-13B Service
 15 Refundg Non-AMT Reserve for
 16 2013B

17

18 24001 - PRT-2025- 10042035 - PO COP-13C 480121 Proceeds from \$20,000,000
 19 R2(AMT) COP13C Refundg -AMT & 0001 - PO Refunding of
 20 Refund/ 232116 - Port COP-13C Refundg -AMT/ Bonds
 21 Commission 22913 - PRT-COP-13C
 22 Refundg -AMT

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	Fund /	Project & Activity /	Account	Description	Amount
1	Department ID	Authority			
2	24001 - PRT-2025-	10042035 - PO COP-13C	495028	ITI Fr 5P-Port	\$1,995,500
3	R2(AMT) COP13C	Refundg -AMT & 0001 - PO		San Francisco	
4	Refund/ 232116 - Port	COP-13C Refundg -AMT/		Prior Debt	
5	Commission	22913 - PRT-COP-13C		Service	
6		Refundg -AMT		Reserve for	
7				2013C	
8					
9	Total SOURCES Appropriation				\$27,478,500

11 Section 2. The uses of funding outlined below are herein de-appropriated to
12 reflect the projected funding available in FY 2024-2025.

15 **USES De-appropriation**

	Fund /	Project & Activity /	Account	Description	Amount
18	Department ID	Authority			
20	23990 - PRT-CP	10031444 - PW Amador St	567000	Bldgs,Struct&I	(\$1,565.48)
21	COP-13B -NON-AMT/	Pump Stn & 0001 – Planning/		mprv Proj-	
22	232116 – Port	12669 - PO W-a Dpw		Budget	
23	Commission				

	Fund /	Project & Activity /	Account	Description	Amount
	Department ID	Authority			
3	23990 - PRT-CP	10039865 - PO 1270 2022	567000	Bldgs,Struct&l	(\$816,393.46)
4	COP-13B -NON-AMT/	East Bollards & 0001 PO		mprv Proj-	
5	232116 – Port	1270 2022 East Bollards/ 12693		Budget	
6	Commission	- PO Pier Structure Rpr Prjt Ph			
7					
8	23990 - PRT-CP	10011378 - PO AC34	585030	Capital Proj	(\$7,016.18)
9	COP-13B -NON-AMT/	Improvements & 0001 - PO		Budget -Cfwd	
10	109754 - PRT FA-	AC34 Improvements/ 12722 -		Only	
11	Administration	PO Ac34 Improvements			
12					
13	23990 - PRT-CP	10011396 -PO Public	567000	Bldgs,Struct&l	(\$83,209.88)
14	COP-13B -NON-AMT/	Restroom Improvement & 0001		mprv Proj-	
15	232116 – Port	- PO Public Restroom		Budget	
16	Commission	Improvement/ 12727 - PO			
17		Public Restroom Improvement			
18					
19	Total USES De-appropriation				(\$908,185.00)

21 Section 3. The uses of funding outlined below are herein appropriated to reflect
22 the projected uses of funding and placing the entire appropriation on Controller's
23 Reserve pending receipt of proceeds in FY 2024-2025.

24
25

1 **USES Appropriation**

2

3 **Fund / Project & Activity / Account Description Amount**

4 **Department ID Authority**

5 23991 - PRT-2025- 10042034 - PO COP-13B 508010 Pmt to Refund \$4,850,000

6 R1(NonAMT) COP Refundg Non-AMT & 0001 - PO Bond Escrow

7 Refund/ 232116 - Port COP-13B Refundg Non-AMT/ Agnt

8 Commission 22912 PRT-COP-13B

9 Refundg Non-AMT

10

11 23991 - PRT-2025- 10042034 - PO COP-13B 576110 Bond \$185,000

12 R1(NonAMT) COP Refundg Non-AMT & 0001 - PO Issuance

13 Refund/ 232116 - Port COP-13B Refundg Non-AMT/ Cost-Expense

14 Commission 22912 PRT-COP-13B

15 Refundg Non-AMT

16

17 23991 - PRT-2025- 10042034 - PO COP-13B 576110 Underwriter's \$45,000

18 R1(NonAMT) COP Refundg Non-AMT & 0001 - PO Discount

19 Refund/ 232116 - Port COP-13B Refundg Non-AMT/

20 Commission 22912 PRT-COP-13B

21 Refundg Non-AMT

	Fund /	Project & Activity /	Account	Description	Amount
	Department ID	Authority			
1					
2					
3	23991 - PRT-2025-	10042034 - PO COP-13B	573610	110960PRT20	\$450,000
4	R1(NonAMT) COP	Refundg Non-AMT & 0001 - PO		25R1Cop –	
5	Refund/ 232116 - Port	COP-13B Refundg Non-AMT/		Debt Service	
6	Commission	22912 PRT-COP-13B		Reserve	
7		Refundg Non-AMT			
8					
9	23991 - PRT-2025-	10042034 - PO COP-13B	576110	Reserve for	\$861,185
10	R1(NonAMT) COP	Refundg Non-AMT & 0001 - PO		Market	
11	Refund/ 232116 - Port	COP-13B Refundg Non-AMT/		Uncertainty	
12	Commission	22912 PRT-COP-13B			
13		Refundg Non-AMT			
14					
15	24001 - PRT-2025-	10042035 - PO COP-13C	508010	Pmt to Refund	\$18,500,000
16	R2(AMT) COP13C	Refundg -AMT & 0001 - PO		Bond Escrow	
17	Refund/ 232116 - Port	COP-13C Refundg -AMT/		Agnt	
18	Commission	22913 - PRT-COP-13C			
19		Refundg -AMT			
20					
21	24001 - PRT-2025-	10042035 - PO COP-13C	576110	Bond	\$815,000
22	R2(AMT) COP13C	Refundg -AMT & 0001 - PO		Issuance	
23	Refund/ 232116 - Port	COP-13C Refundg -AMT/		Cost-Expense	
24	Commission	22913 - PRT-COP-13C			
25		Refundg -AMT			

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	24001 - PRT-2025-	10042035 - PO COP-13C	576110	Underwriter's	\$190,000
4	R2(AMT) COP13C	Refundg -AMT & 0001 - PO		Discount	
5	Refund/ 232116 - Port	COP-13C Refundg -AMT/			
6	Commission	22913 - PRT-COP-13C			
7		Refundg -AMT			
8					
9	24001 - PRT-2025-	10042035 - PO COP-13C	573610	110960PRT20	\$1,600,000
10	R2(AMT) COP13C	Refundg -AMT & 0001 - PO		25R2Cop –	
11	Refund/ 232116 - Port	COP-13C Refundg -AMT/		Debt Service	
12	Commission	22913 - PRT-COP-13C		Reserve	
13		Refundg -AMT			
14					
15	24001 - PRT-2025-	10042035 - PO COP-13C	576110	Reserve for	\$890,500
16	R2(AMT) COP13C	Refundg -AMT & 0001 - PO		Market	
17	Refund/ 232116 - Port	COP-13C Refundg -AMT/		Uncertainty	
18	Commission	22913 - PRT-COP-13C			
19		Refundg -AMT			
20					
21	Total USES Appropriation				\$28,386,685
22					
23					
24					
25					

Items 3 & 4 Files 24-1120 & 24-1118	Department: Controller, Office of Public Finance
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EXECUTIVE SUMMARY

Legislative Objectives

- **File 24-1120** is an ordinance that would: (1) authorize refunding Certificates of Participation (COPs) in a principal amount not to exceed \$25 million, in one or more series to prepay certain series of COPs previously issued to finance Port facilities projects; (2) approve the forms of related documents; and (3) grant general authority to City officials to take necessary actions, approve modifications to documents, and ratify previous related actions.
- **File 24-1118** is an ordinance appropriating \$28,386,685. The spending would be sourced from the following: (1) \$5,000,000 of Refunding Certificates of Participation Series 2025-R1 proceeds, (2) \$20,000,000 of Refunding Certificates of Participation Series 2025-R2 proceeds, (3) \$483,000 of Series 2013B COPs prior debt service reserve proceeds and \$1,995,500 of 2013C COPs prior debt service reserve proceeds, and (4) de-appropriation of \$908,185 of Series 2013B Project Funds. The ordinance places these funds on Controller’s Reserve pending sale of the proposed new COPs.

Key Points

- In 2012, the Board of Supervisors approved the issuance of up to \$45,000,000 in COPs to finance various Port facilities. Individual issuances of COPs normally include an optional call date provision that allows the City to refinance the outstanding principal amount after a specified date if interest rates are more favorable and produce savings for the City. The City has two outstanding series of COPs with optional call dates that became exercisable in March 2023, including Series 2013B and Series 2013C.
- The Port has the authority to issue revenue bonds to finance capital projects; however, it was determined that the City would issue COPs as its higher credit ratings would allow it to borrow at lower interest rates than the Port’s revenue bonds. The subject COPs are secured by the City’s General Fund; however, debt service is paid from Port revenues.

Fiscal Impact

- The Office of Public Finance estimates that the COPs would have average annual principal and interest payments of \$1.8 million per year and an estimated true interest cost of 4.47 percent. Total debt service over the anticipated 17-year term is estimated to be \$29.9 million, which would continue to be paid by the Port. According to the City’s Debt Policy, refunding COPs may only be issued if the transaction produces debt service savings of at least three percent of the par value of the refunded COPs, on a net present value basis. The COPs would only be issued if the savings meet the three percent minimum savings threshold.

Recommendation

- Approve the proposed resolution.

MANDATE STATEMENT

City Administrative Code Section 10.62(b) states that the Board of Supervisors may authorize the issuance of Certificates of Participation (COPs) and other lease financing debt to fund capital projects provided the annual debt service cost of such outstanding indebtedness does not exceed 3.25% of discretionary revenue as determined by the Controller and Director of Public Finance. Administrative Code Section 10.62(c) states that the Director of Public Finance may issue tax-exempt and taxable commercial paper notes to provide interim funds to finance the acquisition, construction and rehabilitation of capital improvements and capital equipment, subject to the project’s and financing plan’s approval by the Board of Supervisors and Mayor.

City Charter Section 9.105 states that amendments to the Annual Appropriations Ordinance, after the Controller certifies the availability of funds, are subject to Board of Supervisors approval by ordinance.

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) any modification of such contracts of more than \$500,000 is subject to Board of Supervisors approval.

BACKGROUND

Port Facilities Projects and Certificates of Participation (COPs)

The City issues Certificates of Participation (COPs) to partially fund various aspects of its capital planning program. In 2012, the Board of Supervisors approved the issuance of not to exceed \$45,000,000 in COPs to finance the construction, design, acquisition, and capital improvement of various Port facilities (File 12-0380). These facilities included construction of a new cruise terminal at Pier 27 to replace the terminal at Pier 35, installation of a shoreside power project consisting of the construction of a 12-megawatt power system at Pier 70, and various infrastructure improvement projects to venues used for the 34th America’s Cup¹ event such as repairs to the south apron² for public access on Pier 19. Construction of the Pier 27 Cruise Terminal is now completed, and the terminal is fully operational.

Under the City Charter, the Port has the authority to issue revenue bonds to finance capital projects; however, it was determined at the time of approval in 2012 that the City would issue COPs as its higher credit ratings would allow it to borrow at lower interest rates than the Port’s revenue bonds. According to the Office of Public Finance, the COPs are secured by the City’s General Fund; however, annual base rental payments (in effect, debt service) are paid from Port revenues.

¹ This was a series of yacht races held in San Francisco in September 2013.
² This is the area immediately in front of or behind a wharf shed on which cargo is lifted.

Individual issuances of COPs normally include an optional call date provision that allows the City to refinance the outstanding principal amount after a specified date if interest rates are more favorable and produce savings for the City. The City has two outstanding series of COPs with optional call dates that became exercisable in March 2023, including:

- 1. Series 2013B (Port Facilities Project) COPs (2013B COPs)
- 2. Series 2013C (Port Facilities Project) COPs (2013C COPs)

The 2013B COPs financed improvements for the America’s Cup and were issued on a tax-exempt basis. The 2013C COPs financed facilities with various private uses, including the Pier 27 Cruise Terminal, and were issued as qualified private activity COPs, in which interest income on the 2013C COPs is not exempt from federal taxation under the Internal Revenue Code.³

Exhibit 1 below summarizes the two outstanding series of COPs that could be refinanced for savings.

Exhibit 1: Outstanding COPs Eligible for Refinancing

COPs 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	\$19,195,000	5.13%	3/1/2023	3/1/2043	\$1,580,000
Total	\$24,025,000	5.08%	3/1/2023	3/1/2043	\$1,993,000

Source: Office of Public Finance

DETAILS OF PROPOSED LEGISLATION

File 24-1118 is an ordinance appropriating \$28,386,685. The spending would be sourced from the following: (1) \$5,000,000 of Refunding Certificates of Participation Series 2025-R1 proceeds, (2) \$20,000,000 of Refunding Certificates of Participation Series 2025-R2 proceeds, (3) \$483,000 of Series 2013B COPs prior debt service reserve proceeds and \$1,995,500 of 2013C COPs prior debt service reserve proceeds, and (4) de-appropriation of \$908,185 of Series 2013B Project Funds. The ordinance places these funds on Controller’s Reserve pending sale of the COPs.

File 24-1120 is an ordinance that would: (1) authorize refunding Certificates of Participation in a principal amount not to exceed \$25 million, in one or more series to prepay certain series of COPs previously issued to finance Port facilities projects; (2) approve the forms of related documents, including a Supplement to Trust Agreement, a Supplement to Project Lease, an Escrow

³ Pursuant to Sections 141 and 142 of the Internal Revenue Code

Agreement,⁴ Official Notice of Sale and a Notice of Intention to Sell the Certificates, a Preliminary Official Statement and Official Statement, a Purchase Contract, and a Continuing Disclosure Certificate; and (3) grant general authority to City officials to take necessary actions, approve modifications to documents, and ratify previous related actions.

Certificates of Participation

OPF plans to refund the outstanding Series 2013B and 2013C COPs with the proposed Series 2025-R1 and Series 2025-R2 Refunding COPs together in one transaction. Under the proposed ordinance, the Series 2025-R1 and Series 2025-R2 Refunding COPs may be issued any time on or after the respective call dates for each outstanding series. The 2013B COPs will be refunded by the 2025-R1 COPs, a tax-exempt series. The 2013C COPs will be refunded by the 2025-R2 COPs, which is not tax-exempt. The Controller's Office of Public Finance estimates that the COPs would be paid over 17 years with an estimated true interest cost of 4.47 percent. However, according to the Office of Public Finance, interest rates and capital markets are currently volatile, so actual interest rates at the time of issuance are subject to change.

According to the City's Debt Policy, refunding COPs may only be issued if the transaction produces debt service savings of at least three percent of the par value of the refunded bonds on a net present value basis. The proposed ordinance authorizes the refunding of any outstanding series not refunded by the Series 2025-R1 and Series 2025-R2 at a later date. The Office of Public Finance anticipates the pricing and closing of the transaction in the Spring of 2025. According to the Port, the refunding COPs will not fund any new projects.

City Property Securing COPs

The COPs are structured as a lease-lease back, in which the City-owned Pier 27 Cruise Terminal serves as the leased property to a trustee to secure the City's outstanding COPs. The City's lease payments are equal to the debt service of the outstanding COPs and the properties are leased back to the City for its use. When the COPs are fully paid, the property lease is terminated. New COPs series are added to the structure through subsequent supplemental agreements between the City and a third-party trustee (currently U.S. Bank Trust Company, National Association).

Competitive or Negotiated Sale

The proposed ordinance permits the COPs to be sold through a negotiated or competitive sale. The Office of Public Finance will determine if a negotiated or competitive sale will be more advantageous based on market conditions closer to the sale of the COPS in consultation with its municipal advisor. If the COPs are sold via negotiated sale with an underwriter (or underwriters), terms, covenants, and conditions for the sale of the COPs will be detailed in the Purchase Contract. In line with City policies, for a negotiated sale the City would either select the top-

⁴ The proposed Escrow Agreement between the City and U.S. Bank Trust Company, National Association, as escrow agent, provides for the creation of escrow funds to pay the principal and interest due on the COPs to be refunded. The escrow agent will hold any escrow obligations in an irrevocable trust fund account for the benefit of the owners of the COPs to be refunded.

ranked underwriter from its pre-qualified Underwriter Pool or issue a Request for Proposals to that same established Underwriter Pool.

FISCAL IMPACT

The \$28,386,685 appropriation includes \$25,000,000 in Refunding COPs proceeds and \$2,478,500 of COP prior reserve funds, as well as \$908,185 in prior project funds that were unspent because projects were delivered under budget.

Proposed uses of the \$28,386,685 appropriation include \$23,350,000 to refund the selected COPs series, \$1,235,000 in financing costs (including issuance costs and the underwriter’s discount), \$2,050,000 for debt service reserves, and \$1,751,685 for market uncertainty pending the sale of the COPs.

Exhibit 2 below identifies the sources and uses for the proceeds from the sale of the COPs.

Exhibit 2: Sources and Uses for Refunding COPs

Sources and Uses	Amount
<u>Sources</u>	
Refunding COP Proceeds	\$25,000,000
Prior Reserve Funds	2,478,500
Prior Project Funds	908,185
Total Sources	\$28,386,685
<u>Uses</u>	
Refunding Escrow	\$23,350,000
Cost of Issuance*	1,000,000
Underwriter’s Discount	235,000
Debt Service Reserves	2,050,000
Reserve for Market Uncertainty	1,751,685
Total Uses	\$28,386,685

Source: Proposed Appropriation Ordinance

*Includes fees paid to rating agencies, bond and disclosure counsel, municipal advisor, title insurance, trustee fees, and reimbursement for City staff time

Debt Service

The Office of Public Finance estimates that the COPs would have average annual principal and interest payments of \$1.8 million per year and an estimated true interest cost of 4.47 percent. This is less than the debt service of outstanding COPs, which, as noted above, is \$1.993 million per year. Total debt service over the anticipated 17-year term is estimated to be \$29.9 million. Debt service on the refunding COPs would continue to be repaid by the Port, not the General Fund.

Based on market conditions as of November 2024 and an estimated true interest cost of 4.47 percent, the Office of Public Finance estimates that the refunding of the 2013B and 2013C COPs

will result in a total of approximately \$2.3 million of nominal savings over the term of the refunding COPs.

City's Debt Policy

According to the City's Debt Policy, refunding COPs may only be issued if the transaction produces debt service savings of at least three percent of the par value of the refunded COPs, on a net present value basis. Based on Good Faith Estimates from the Office of Public Finance's Municipal Advisor as of November 2024, the net present value of the debt service savings of the proposed refunding debt is estimated to be approximately \$670,000, which, at 2.89 percent, is slightly less than the three percent minimum savings threshold. According to the Office of Public Finance, the refunding COPs would only be issued if savings meet the three percent minimum savings threshold. In addition, the office states that Good Faith Estimates are conservative to reflect the potential for future changes in market conditions and interest rates. As mentioned above, the proposed ordinance authorizes the refunding of any outstanding series not refunded by the Series 2025-R1 and Series 2025-R2 at a later date.

RECOMMENDATION

Approve the proposed resolution and ordinance.



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 (AMT)	\$4,830,000	4.90%	3/1/2023	3/1/2038	\$413,000
2013C COPs	\$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

-
- | | |
|---|-------------------|
| • 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

From: [Trejo, Sara \(MYR\)](#)
To: [BOS Legislation, \(BOS\)](#)
Cc: [Paulino, Tom \(MYR\)](#); [BLAKE, MARK \(CAT\)](#); [Carson, Grant \(CON\)](#); [Van Degna, Anna \(CON\)](#); [Katz, Bridget \(CON\)](#); [Sevigny, Keith \(CON\)](#); [Trivedi, Vishal \(CON\)](#)
Subject: Mayor -- Ordinance -- Appropriation - \$28,386,685
Date: Tuesday, November 19, 2024 2:58:33 PM
Attachments: [Mayor Breed - Appropriation \\$28,386,685 - Series 2025-R1 and Series 2025-R2 COP Refunding CON&CAT Approval.pdf](#)
[Mayor Breed - Appropriation \\$28,386,685 - Series 2025-R1 and Series 2025-R2 COP Refunding.docx](#)
[Mayor Breed - Appropriation \\$28,386,685 - Series 2025-R1 and Series 2025-R2 COP Refunding.pdf](#)
[RE Mayor Breed - Appropriation \\$28386685 - Series 2025-R1 and Series 2025-R2 COP Refunding.msg](#)

Hello Clerks,

Attached is an Ordinance appropriating \$28,386,685 consisting of \$5,000,000 of Refunding Certificates of Participation Series 2025-R1 proceeds and \$20,000,000 of Refunding Certificates of Participation Series 2025-R2 proceeds, \$483,000 of Series 2013B Prior Debt Service Reserve Proceeds, \$1,995,500 of 2013C Prior Debt Service Reserve Proceeds, and De-appropriation of \$908,185 of Series 2013B Project Funds to the Port Commission (PRT) for \$6,391,185 to the Refunding Certificates of Participation Series 2025-R1 and \$21,995,500 to the Refunding Certificates of Participation Series 2025-R2; and placing these funds on Controller's Reserve pending the sale of the Certificates of Participation and receipt of proceeds in Fiscal Year (FY) 2024-2025.

Best regards,

Sara Trejo

Legislative Aide

Office of the Mayor

City and County of San Francisco