

1 [Approval of Official Statement for Certificates of Participation - Port Facilities Project]

2

3 **Resolution providing for the sale of certificates of participation (Certificates)**

4 **evidencing undivided, proportionate interests in the right to receive certain rental**

5 **payments to be made by the City under a Project Lease to finance capital projects at**

6 **the Port of San Francisco; providing for the sale of the Certificates by competitive sale;**

7 **approving the form and publication of an Official Notice of Sale and a Notice of**

8 **Intention to Sell the Certificates; approving the form of a Preliminary Official Statement**

9 **and the form and execution of an Official Statement relating to the sale of the**

10 **Certificates; approving the form of a Continuing Disclosure Certificate; granting**

11 **general authority to City officials to take necessary actions in connection with the**

12 **execution, sale and delivery of the Certificates; approving modifications to documents;**

13 **and ratifying previous actions taken in connection therewith.**

14

15 WHEREAS, By Resolution No. 152-12 (the "Authorizing Resolution") adopted by the

16 Board of Supervisors (the "Board of Supervisors") of the City and County of San Francisco

17 (the "City") on May 1, 2012 and signed by the Mayor of the City on May 8, 2012, it was

18 determined to authorize the execution and delivery of the Certificates in an amount not to

19 exceed \$45,000,000 and, in connection therewith, the form of a Property Lease, a Project

20 Lease and a Trust Agreement to be entered into by the City; and

21 WHEREAS, The Resolution authorized the execution and delivery of the Certificates to

22 partially finance the costs of various improvements to Port facilities, including: (i) Pier 27,

23 located along The Embarcadero, San Francisco 94111, which is planned to be used as a

24 cruise terminal and special events facilities, together with related and subordinate facilities (in

25 addition to a plaza/park at the front of the terminal), (ii) a shoreside power facility to be

1 installed at Pier 70, located along 20th Street, San Francisco 94117, including the removal of
2 seven PCB containing transformers, (iii) Piers 30 and 32, located along The Embarcadero,
3 San Francisco 94105, which facility is planned to be used as a team base for the 34th
4 America's Cup, a secondary cruise terminal and other vessel birth, public parking, and a
5 facility for special events, together with related and subordinate facilities, (iv) Pier 19, 23 and
6 29, located along The Embarcadero, San Francisco 94111, including handrail, apron and
7 storm water improvements, and (v) various capital improvements to these and other Piers
8 located along The Embarcadero (collectively, the "Project"); and

9 WHEREAS, The Project is located wholly within the City; and

10 WHEREAS, The interest evidenced and represented by the Certificates may qualify for
11 tax exemption under Section 103 of the Internal Revenue Code of 1986, as amended (the
12 "Code") only if the Certificates are approved in accordance with Section 147(f) of the Code;
13 and

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

17 WHEREAS, On April 11, 2012 and April 15, 2013, the City caused notices to appear in
18 the San Francisco Chronicle, which is a newspaper of general circulation in the City, stating
19 that a public hearing with respect to the issuance of the Certificates and the Project would be
20 held by the City's Office of Public Finance on April 25, 2012 and April 30, 2013, respectively;
21 and

22 WHEREAS, The Office of Public Finance held the respective public hearings described
23 above on April 25, 2012, and April 30, 2013, and an opportunity was provided for persons to
24 comment on the issuance of the Certificates and the plan of financing for the Project, and the
25

1 Office of Public Finance has forwarded to this Board any written comments received on or
2 prior to the date of such hearings; and

3 WHEREAS, That it is the purpose and intent of this Board that this Resolution
4 constitute approval of the issuance of the Certificates by the applicable elected representative
5 of the governmental unit having jurisdiction over the area in which the Project is located for
6 the purposes of and in accordance with Section 147(f) of the Code; and

7 WHEREAS, In connection with the execution and delivery of the Certificates, the City
8 will enter into a Property Lease and a Project Lease, each under such terms and conditions
9 as described in the Authorizing Resolution and herein; and

10 WHEREAS, In connection with the sale of the Certificates, the City will cause to be
11 prepared and distributed a Notice of Intention to Sell, a Notice of Sale, a Preliminary Official
12 Statement and an Official Statement relating to the Certificates and the form of such
13 documents are on file with the Clerk of this Board of Supervisors; and

14 NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the City and
15 County of San Francisco, as follows:

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

17 Section 2. Conditions Precedent. All conditions, things and acts required by law to
18 exist, to happen and to be performed precedent to and in the sale, execution and delivery of
19 the Certificates exist, have happened and have been performed in due time, form and manner
20 in accordance with applicable law, and the City is authorized pursuant to its Charter and
21 applicable law to execute and deliver the Certificates and related documents in the manner
22 and form established in the Authorizing Resolution. The documents presented to this Board
23 and on file with the Clerk of the Board or her designee (the "Clerk") are contained in File No.
24 120380.

25

1 Section 3. Sale of the Certificates; Use of Proceeds. This Board hereby approves the
2 execution, delivery and sale of the Certificates in accordance with the terms of the Trust
3 Agreement referred to in Section 5 of the Authorizing Resolution, as the same is finally
4 executed and delivered. The proceeds of the Certificates shall be used to fund costs of the
5 Project and for other purposes described in the Authorizing Resolution, which purposes the
6 Board hereby determines include (i) reimbursing the City for payment of such costs of the
7 Project and (ii) repaying the principal amount of commercial paper issued by the City the
8 proceeds of which were used by the City to pay a portion of such costs, including the costs of
9 issuance, fees, accrued interest and other costs of the City related to the principal amount of
10 commercial paper so used.

11 The Director of Public Finance of the City or her designee (collective, the "Director of
12 Public Finance") is authorized to approve the terms of the Certificates, subject to the
13 parameters established in the Authorizing Resolution. The approval of the Certificates shall
14 also be approval by the applicable elected representative of the issuance of the Certificates
15 pursuant to Section 147(f) of the Code.

16 Section 4. Sale and Award of Certificates by Competitive Sale. The Director of Public
17 Finance, on behalf of the Controller, is hereby authorized and directed to receive bids for the
18 purchase of the Certificates, and the Controller is hereby authorized and directed to award the
19 Certificates to the bidder whose bid represents the lowest true interest cost to the City, all in
20 accordance with the procedures described in the Notice of Sale (as defined herein).

21 Section 5. Approval of Form of Official Notice of Sale. The form of an Official Notice of
22 Sale relating to the Certificates (the "Official Notice of Sale"), as presented to this Board, a
23 copy of which is on file with the Clerk of the Board, is hereby approved. The Director of Public
24 Finance is hereby authorized to approve the distribution of an Official Notice of Sale for the
25 Certificates, with such changes, additions modifications or deletions as the Director of Public

1 Finance may approve upon consultation with the City Attorney; such approval to be
2 conclusively evidenced by the distribution of the Official Notice of Sale to potential purchasers
3 of the Certificates.

4 Section 6. Approval of Notice of Intention to Sell relating to the Certificates. The form
5 of a notice of intention to sell relating to the Certificates (the "Notice of Intention to Sell"), as
6 presented to this Board, a copy of which is on file with the Clerk of the Board, is hereby
7 approved. The Director of Public Finance is hereby authorized to approve the publication of
8 the Notice of Intention to Sell relating to the Certificates, with such changes, additions,
9 modifications or deletions as the Director of Public Finance may approve upon consultation
10 with the City Attorney; such approval to be conclusively evidenced by the publication of the
11 Notice of Intention to Sell relating to the Certificates.

12 Section 7. Approval of the Official Statement in Preliminary and Final Form. The form
13 of an official statement relating to the Certificates (the "Official Statement"), as presented to
14 this Board, a copy of which is on file in preliminary form with the Clerk, is hereby approved.
15 The Director of Public Finance is hereby authorized to approve the distribution of the
16 preliminary Official Statement (the "Preliminary Official Statement") in substantially said form,
17 with such changes, additions, modifications or deletions as the Director of Public Finance may
18 approve upon consultation with the City Attorney; such approval to be conclusively evidenced
19 by the distribution of the Preliminary Official Statement to potential purchasers of the
20 Certificates. The Controller of the City or his designee (collectively, the "Controller") is hereby
21 authorized to cause the distribution of the Preliminary Official Statement, deemed final for
22 purposes of Rule 15c2-12 of the Securities and Exchange Act of 1934, as amended, and to
23 sign a certificate to that effect. The Controller is hereby further authorized and directed to sign
24 the Official Statement in final form. The Co-Financial Advisors retained by the City in
25 connection with the Certificates are hereby authorized and directed to cause to be printed and

1 mailed, or distributed electronically, to prospective bidders copies of the Preliminary Official
2 Statement and the final Official Statement.

3 Section 8. Approval of the Form of Continuing Disclosure Certificate. The form of a
4 Continuing Disclosure Certificate of the City, as presented to this Board, a copy of which is on
5 file with the Clerk of the Board, is hereby approved. The Controller is hereby authorized to
6 execute the Continuing Disclosure Certificate, with such changes, additions, modifications or
7 deletions as the Controller may approve upon consultation with the City Attorney; such
8 approval to be conclusively evidenced by the execution and delivery of the Continuing
9 Disclosure Certificate.

10 Section 9. General Authority. The Mayor, the City Attorney, the Controller, the City
11 Administrator, the Director of Public Finance, the Clerk of the Board and other officers of the
12 City and their duly authorized deputies and agents are hereby authorized and directed, jointly
13 and severally, to take such actions and to execute and deliver such certificates, agreements,
14 requests or other documents as they may deem necessary or desirable to facilitate the
15 execution and delivery of the Certificates and otherwise to carry out the provisions of this
16 Resolution.

17 Section 10. Ratification of Prior Actions. All actions heretofore taken by officials,
18 employees and agents of the City with respect to the sale and issuance of the Bonds are
19 hereby approved, confirmed and ratified.

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21 APPROVED AS TO FORM:
22 DENNIS J. HERRERA, City Attorney

23
24 By: _____
25 MARK D. BLAKE
Deputy City Attorney
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