

1 [Issuance - Port Revenue Bonds - James R. Herman Cruise Terminal Project - Not to Exceed
2 \$25,300,000]

3 **Resolution authorizing the issuance of not to exceed \$25,300,000 aggregate principal**
4 **amount of Port Revenue Bonds for the purpose of financing capital improvements**
5 **related to Phase II of the James R. Herman Cruise Terminal Project located at Pier 27**
6 **and for improvements to Northern Waterfront Historic Piers; authorizing the Port to**
7 **cause the preparation of such documents necessary in connection with the issuance of**
8 **said Port revenue bonds; stating the official intent of the Port to reimburse itself with**
9 **tax-exempt bonds for expenditures made or to be made for the acquisition,**
10 **construction, or improvement of the project; authorizing the Port to borrow funds on**
11 **an interim basis from the City's commercial paper program; and related matters.**

12
13 WHEREAS, Pursuant to Section 9.107(4) of the Charter (the "Charter") of the City, the
14 Board of Supervisors of the City (the "Board") is authorized to provide for the issuance of
15 revenue bonds by the Port Commission of the City and County of San Francisco (the "Port
16 Commission") for any Port-related purpose and secured solely by Port revenues, such
17 revenue bonds to be issued and sold in accordance with State law or any procedure provided
18 for by ordinance; and

19 WHEREAS, Pursuant to the procedures outlined in a Ordinance No.258-09, adopted
20 by the Board of Supervisors on December 8, 2009, and signed by the Mayor on December 9,
21 2009 (the "Procedural Ordinance"), the Port Commission may issue its revenue bonds
22 authorized in accordance with the Charter; and

23 WHEREAS, The Port has undertaken a project at Pier 27 for the development of a
24 cruise terminal and public plaza (the "Cruise Terminal Project"); and in order to finance the
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1 costs of Phase II of the Project it is necessary for the Port to proceed with the issuance of its
2 revenue bonds (the "Port Revenue Bonds"); and

3 WHEREAS, On May 14, 2013, the Port Commission adopted Resolution No. 13-19 to
4 approve the issuance of the Port Revenue Bonds in an amount not to exceed \$25,300,000 for
5 the Cruise Terminal Project, and authorized the Port to borrow funds from the City's
6 commercial paper program in anticipation of the issuance of Port Revenue Bonds; and

7 WHEREAS, In order to pay for preliminary costs of the Project it may be necessary for
8 the Port to borrow funds on an interim basis from the City's commercial paper program in
9 anticipation of the issuance of Port Revenue Bonds; and

10 WHEREAS, The Port has paid, beginning on a date no earlier than 60 days prior to the
11 adoption of this Resolution, and will pay, on and after the date hereof, certain expenditures
12 (the "Expenditures") in connection with the acquisition, construction and/or equipping of the
13 Cruise Terminal Project; and

14 WHEREAS, The Port Commission has determined that those moneys previously
15 advanced no more than 60 days prior to the date hereof and to be advanced on and after the
16 date hereof to pay the Expenditures are available only for a temporary period and it is
17 necessary to reimburse the Port for the Expenditures from the proceeds of one or more issues
18 of tax exempt bonds (herein referred to as the Port Revenue Bonds);

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

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

22 Section 2. Approval and Authorization of Port Revenue Bonds. The Board hereby
23 approves the issuance by the Port of its Port Revenue Bonds for the purposes of paying the
24 costs of Phase II of the Cruise Terminal Project and Northern Waterfront Historic Pier
25 Structures Repair, as well as paying off any commercial paper issued in anticipation of the

1 Port Revenue Bonds and paying costs of issuance and other costs associated with the Port
2 Revenue Bonds is hereby approved as required by Section 43.12.5 of the Procedural
3 Ordinance. The total principal amount of the Port Revenue Bonds for the purposes herein
4 authorized shall not exceed \$25,300,000.

5 Section 3. Official Intent to Reimburse. The Board hereby declares, on behalf of the
6 Port, the intention to cause a reimbursement with the proceeds of the Port Revenue Bonds for
7 the Expenditures with respect to the Cruise Terminal Project made on and after March 20,
8 2013, which date is no more than 60 days prior to the date hereof. The Board reasonably
9 expects on the date hereof that the Port will reimburse the Expenditures with the proceeds of
10 the Port Revenue Bonds issued in accordance with Section 2 above. The Expenditure will be
11 either (a) of a type properly chargeable to a capital account under general federal income tax
12 principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance
13 with respect to the Port Revenue Bonds, (c) a nonrecurring item that is not customarily
14 payable from current revenues, or (d) a grant to a party that is not related to or an agent of the
15 Port so long as such grant does not impose any obligation or condition (directly or indirectly)
16 to repay any amount to or for the benefit of the Port.

17 Section 5. Port Revenue Bonds; Authorization to Issue City Commercial Paper In
18 Anticipation of Port Revenue Bonds. The Port is hereby authorized to cause such documents
19 to be prepared in connection with the issuance of the Port Revenue Bonds; provided however,
20 such documents shall not conflict with the provisions of the Procedural Ordinance and the
21 Executive Director of the Port shall receive final approval from the Port Commission of the
22 form of said documents, including the approval of any Official Statement, prior to the sale of
23 the Port Revenue Bonds. In order to expedite work on the Cruise Terminal Project, the Port is
24 also hereby authorized to borrow funds, on an interim basis, from the City's existing
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1 commercial paper program in an amount not to exceed \$19,500,000, such amount to be
2 repaid with the proceeds of the Port Revenue Bonds authorized hereby.

3 Section 6. CEQA Findings. A Final Environmental Impact Report ("Final EIR") was
4 prepared for the Cruise Terminal Project and this Board upheld the certification of the Final
5 EIR on January 24, 2012 by its Motion No. M12-011 (which is on file with the Clerk of this
6 Board in File No. 111359), and the Port Commission adopted Environmental Findings under
7 the California Environmental Quality Act ("CEQA Findings") when it approved the Cruise
8 Terminal Project by Port Commission Resolution No. 11-75 on December 16, 2011 (effective
9 January 24, 2012), finding the Mitigation Measures in the Final EIR to be feasible and
10 adopting the CEQA Findings and Mitigation Monitoring and Reporting Program for the Project,
11 including the Statement of Overriding Considerations, which the Board of Supervisors
12 incorporates herein by reference. The Port Commission hereby agrees to complete any
13 additional findings required under CEQA for the Northern Waterfront Historic Pier Structures
14 Repair prior to the expenditure of Port Bonds therefor.

15 Section 7. General Authority. The Mayor, the City Attorney, the Controller, the City
16 Administrator, the Director of Public Finance, the Clerk of the Board and other officers of the
17 City and their duly authorized deputies and agents are hereby authorized and directed, jointly
18 and severally, to take such actions and to execute and deliver such certificates, agreements,
19 requests or other documents as they may deem necessary or desirable to facilitate the
20 execution and delivery of the Port Bonds and otherwise to carry out the provisions of this
21 Resolution in accordance with its terms.

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1 Section 8. Ratification of Actions. All actions heretofore taken by officials, employees
2 and agents of the City with respect to the sale and issuance of the Port Revenue Bonds are
3 hereby approved, confirmed and ratified.

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5 APPROVED AS TO FORM:
6 DENNIS J. HERRERA, City Attorney

7 By: _____
8 Mark D. Blake
9 Deputy City Attorney
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