

1 [Airport Revenue Bonds]

2 APPROVING THE ISSUANCE OF UP TO \$165,000,000 ADDITIONAL AGGREGATE  
3 PRINCIPAL AMOUNT OF SAN FRANCISCO INTERNATIONAL AIRPORT SECOND SERIES  
4 REVENUE BONDS FOR THE PURPOSE OF FINANCING OR REFINANCING CERTAIN  
5 INFRASTRUCTURE IMPROVEMENTS AT SAN FRANCISCO INTERNATIONAL AIRPORT,  
6 APPROVING THE SUBSTITUTION OF A LETTER OF CREDIT FOR THE SAN  
7 FRANCISCO INTERNATIONAL AIRPORT COMMERCIAL PAPER PROGRAM, AND  
8 APPROVING THE EXTENSION OF THE AIRPORT'S REFUNDING BOND AUTHORIZATION  
9 TO APRIL 30, 2003.

10 WHEREAS, the Airport Commission, by its Resolution No. 91-0210,  
11 adopted on December 3, 1991 (as supplemented and amended, the "Master  
12 Bond Resolution"), has authorized the issuance of San Francisco  
13 International Airport Second Series Revenue Bonds (the "1991  
14 Resolution Bonds") for any lawful purpose of the Airport Commission;  
15 and,

16 WHEREAS, the Airport Commission, by its Resolution No. 97-0104,  
17 adopted on April 15, 1997 (the "Sixth Supplemental Resolution"),  
18 supplemented the Master Bond Resolution to authorize and approve the  
19 issuance by the Airport Commission of up to \$220,000,000 aggregate  
20 principal amount of its San Francisco International Airport Second  
21 Series Revenue Bonds, in one or more series (the "Infrastructure  
22 Bonds") for the purpose of financing the construction, acquisition,  
23 equipping and development of infrastructure projects of the Airport  
24 other than Master Plan Projects (the "Infrastructure Projects"); and,

25 WHEREAS, this Board of Supervisors, by its Resolution No. 621-  
97, adopted on June 23, 1997 and signed by the Mayor on June 27,  
1997, approved the issuance by the Airport Commission of the

1 Infrastructure Bonds in a total principal amount not to exceed  
2 \$220,000,000; and,

3 WHEREAS, the Airport Commission, by its Resolution No. 98-0284,  
4 adopted on November 17, 1998 (the "Eighth Supplemental Resolution"),  
5 supplemented and amended, among other resolutions, the Sixth  
6 Supplemental Resolution, to authorize and approve the issuance by the  
7 Airport Commission of additional series of Infrastructure Bonds in  
8 the aggregate principal amount of \$165,000,000 for a total of up to  
9 \$385,000,000 aggregate principal amount of Infrastructure Bonds for  
10 the purpose of financing and refinancing the Infrastructure Projects,  
11 as well as funding debt service reserves and paying costs of  
12 issuance, including redemption premiums, and other incidental costs,  
13 and to make certain other amendments to the Master Bond Resolution in  
14 connection therewith; and,

15 WHEREAS, Section 4.115 of the Charter provides that the Airport  
16 Commission has the exclusive authority to plan and issue airport  
17 revenue bonds for airport-related purposes, subject to the approval,  
18 amendment or rejection of this Board of Supervisors of each issue;  
19 and,

20 WHEREAS, Section 2.62 of the Administrative Code of the City and  
21 County of San Francisco provides that such revenue bonds shall bear a  
22 rate of interest not to exceed that which may be fixed and prescribed  
23 by the Airport Commission, subject to the approval or rejection of  
24 this Board of Supervisors; and,  
25

1       WHEREAS, the Airport Commission by its Resolution No. 97-0146,  
2       adopted on May 20, 1997 (as supplemented and amended, the "Master  
3       Subordinate Bond Resolution"), has authorized the issuance of San  
4       Francisco International Airport Subordinate Revenue Bonds (the  
5       "Subordinate Bonds") for any lawful purpose of the Airport  
6       Commission; and,

7       WHEREAS, the Airport Commission by its Resolution No. 97-0147,  
8       adopted on May 20, 1997 has authorized the issuance of its San  
9       Francisco International Airport Subordinate Commercial Paper in the  
10      aggregate principal amount of not to exceed \$400,000,000 (the  
11      "Commercial Paper") to finance capital projects at the Airport; and,

12      WHEREAS, this Board of Supervisors, by its Resolution No.620-97,  
13      adopted on June 23, 1997, and signed by the Mayor on June 27, 1997,  
14      approved the issuance of the Commercial Paper from time to time and  
15      certain other matters in connection therewith; and,

16      WHEREAS, the Airport Commission, in connection with its  
17      Commercial Paper, obtained an irrevocable direct-pay letter of credit  
18      in May, 1997, necessary to support the payment when due of the  
19      principal of and interest on the Commercial Paper, and such letter of  
20      credit will expire by its terms on April 30, 1999; and,

21      WHEREAS, the Airport Commission has requested and received  
22      competitive bids from banking institutions to provide the substitute  
23      irrevocable direct-pay letter of credit necessary with respect to its  
24      Commercial Paper; and,

1       WHEREAS, the Airport Commission has determined that the bid from  
2 Societe Generale, New York Branch (the "Bank") to issue its  
3 irrevocable direct-pay letter of credit (the "Letter of Credit") to  
4 be effective on or before April 30, 1999 is the lowest and best bid;  
5 and,

6       WHEREAS, in connection with the Letter of Credit, the Airport  
7 Commission will enter into a Letter of Credit and Reimbursement  
8 Agreement (the "Reimbursement Agreement") with the Bank where the  
9 Airport Commission will agree, among other things, to reimburse the  
10 Bank for any drawings under the Letter of Credit and to pay certain  
11 fees in connection therewith; and,

12       WHEREAS, the Board has been advised by the Airport Commission  
13 that a waiver under Section 12B.5-1(d) of the Administrative Code of  
14 the City is proposed to be granted in connection with the  
15 Reimbursement Agreement; and,

16       WHEREAS, this Board of Supervisors by its Resolution No. 583-98,  
17 adopted on July 20, 1998, and signed by the Mayor on July 31, 1998,  
18 approved the issuance by the Airport Commission from time to time on  
19 or before December 31, 2001, of its San Francisco International  
20 Airport Second Series Revenue Bonds (the "Refunding Bonds") pursuant  
21 to Resolution No. 98-0114, adopted by the Airport Commission on May  
22 19, 1998, for the purposes of refunding outstanding revenue bonds;  
23 and,

24       WHEREAS, as a condition to the issuance of the Letter of Credit,  
25 the Bank has requested that the Airport Commission extend the

1 authorized period for the issuance of the Refunding Bonds to April  
2 30, 2003 for the purposes of providing for the refunding of  
3 Commercial Paper on or prior to such date; and

4 WHEREAS, by Resolution No. 99-0024, adopted on February 2, 1999,  
5 the Airport Commission has amended its Resolution No. 98-0114 to  
6 provide for such extension; and,

7 WHEREAS, the Eighth Supplemental Resolution and the form of the  
8 Reimbursement Agreement have been submitted to this Board of  
9 Supervisors and are on file with the Clerk of the Board; now,  
10 therefore, be it

11 RESOLVED, That the Board of Supervisors hereby declares that  
12 each of the foregoing recitals is true and correct and is a  
13 representation of the Board of Supervisors; and be it

14 FURTHER RESOLVED, That the issuance by the Airport Commission of  
15 the Infrastructure Bonds for the purposes of financing and  
16 refinancing the Infrastructure Projects, as well as funding debt  
17 service reserve funds and paying costs of issuance and other  
18 incidental costs, is hereby approved in accordance with Section 4.115  
19 of the Charter. The total principal amount of the Infrastructure  
20 Bonds shall not exceed \$385,000,000; and be it

21 FURTHER RESOLVED, That the Eighth Supplemental Resolution, as  
22 adopted by the Airport Commission, is hereby approved; and be it

23 FURTHER RESOLVED, That the Infrastructure Bonds shall be issued  
24 pursuant to the Master Bond Resolution, the Sixth Supplemental  
25 Resolution and the Eighth Supplemental Resolution and such additional

1 Supplemental Resolutions of the Airport Commission as the Airport  
2 Commission shall deem necessary or desirable and as shall be approved  
3 by the City Attorney, which approval shall be conclusively evidenced  
4 by the signature of the City Attorney on each such Supplemental  
5 Resolution; and be it

6       FURTHER RESOLVED, That twelve percent (12%) per annum is hereby  
7 approved as the maximum interest rate for the Infrastructure Bonds  
8 (excluding Infrastructure Bonds designated as taxable pursuant to the  
9 Sixth Supplemental Resolution as amended by the Eighth Supplemental  
10 Resolution). Fifteen percent (15%) per annum is hereby approved as  
11 the maximum interest rate on any Infrastructure Bonds designated as  
12 taxable pursuant to the Sixth Supplemental Resolution as amended by  
13 the Eighth Supplemental Resolution; and be it

14       FURTHER RESOLVED, That the execution and delivery of the  
15 Reimbursement Agreement by the Airport Commission, with such  
16 amendments thereto as shall be deemed necessary or advisable by the  
17 Airport Commission in consultation with the City Attorney, and the  
18 performance by the Airport Commission of its obligations thereunder  
19 is hereby approved by this Board of Supervisors; and be it

20       FURTHER RESOLVED, That Section 7 of Resolution No. 583-98 of  
21 this Board of Supervisors is hereby amended to substitute "April 30,  
22 2003" for "December 31, 2001."; and be it

23       FURTHER RESOLVED, That the approvals contained in this  
24 Resolution shall extend to any amendments to the Master Bond  
25 Resolution, the Sixth Supplemental Resolution and the Eighth

1 Supplemental Resolution and all resolutions of the Airport Commission  
2 supplemental thereto, as well as to such additional resolutions as  
3 the Airport Commission may adopt for the purpose of implementing the  
4 issuance, sale and delivery of the Infrastructure Bonds.



# City and County of San Francisco

## Tails

### Resolution

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

**File Number:** 990206

**Date Passed:**

Resolution approving the issuance of up to \$165,000,000 additional aggregate principal amount of San Francisco International Airport Second Series Revenue Bonds for the purpose of financing or refinancing certain infrastructure improvements at San Francisco International Airport, approving the substitution of a Letter of Credit for the San Francisco International Airport Commercial Paper Program, and approving the extension of the Airport's Refunding Bond authorization to April 30, 2003.

March 15, 1999 Board of Supervisors — ADOPTED

Ayes: 6 - Ammiano, Brown, Leno, Newsom, Teng, Yee

Absent: 5 - Becerril, Bierman, Katz, Kaufman, Yaki



File No. 990206

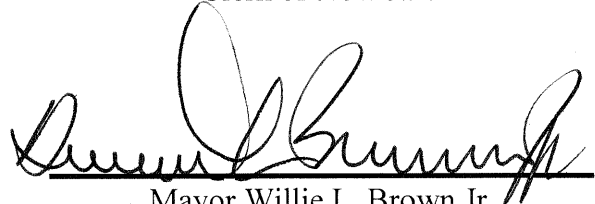
I hereby certify that the foregoing Resolution  
was ADOPTED on March 15, 1999 by the  
Board of Supervisors of the City and County  
of San Francisco.



Gloria L. Young  
Clerk of the Board

MAR 26 1999

Date Approved



Mayor Willie L. Brown Jr.

File No. 990206 continued...