

FILE NO. 001191

RESOLUTION NO. 811-00

1 [Airport Revenue Bonds]

2 APPROVING THE ISSUANCE OF UP TO \$671,165,000 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 ISSUANCE OF AIRPORT COMMISSION DEBT OBLIGATIONS PURSUANT  
7 TO THE INTERNAL REVENUE CODE OF 1986, APPROVING THE NINTH SUPPLEMENTAL  
8 RESOLUTION OF THE AIRPORT COMMISSION AND APPROVING CERTAIN RELATED  
9 CONTRACTS

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

14 WHEREAS, The Airport Commission, by its Resolution No. 97-0104, adopted  
15 on April 15, 1997 (the "Sixth Supplemental Resolution"), supplemented and amended the  
16 Master Bond Resolution to authorize and approve the issuance by the Airport Commission of  
17 up to \$220,000,000 aggregate principal amount of its San Francisco International Airport  
18 Second Series Revenue Bonds (the "Infrastructure Bonds") for the purpose of financing and  
19 refinancing the acquisition, construction, equipping and development of certain additional  
20 capital projects at the Airport other than the Near- Term Master Plan Projects, as well as  
21 funding a debt service reserve fund and paying costs of issuance and other incidental costs;  
22 and,

23 WHEREAS, This Board of Supervisors, by its Resolution No. 621-97, adopted  
24 on June 23, 1997, and signed by the Mayor on June 27, 1997, approved the issuance by  
25 the Airport Commission of the Infrastructure Bonds in a total principal amount not to exceed

1 \$220,000,000; and

2 WHEREAS, The Airport Commission, by its Resolution No. 98-0284, adopted  
3 on November 17, 1998 (the "Eighth Supplemental Resolution"), supplemented and amended  
4 the Master Bond Resolution, including the Sixth Supplemental Resolution to authorize and  
5 approve the issuance by the Airport Commission of up to \$385,000,000 aggregate principal  
6 amount of its Infrastructure Bonds, consisting of \$165,000,000 aggregate principal amount  
7 of additional authorization, together with the \$220,000,000 aggregate principal amount of  
8 Infrastructure Bonds originally authorized pursuant to the Sixth Supplemental Resolution, for  
9 the purpose of financing and refinancing the acquisition, construction, equipping and  
10 development of certain additional capital projects at the Airport other than the Near-Term  
11 Master Plan Projects, as well as funding a debt service reserve fund and paying costs of  
12 issuance and other incidental costs; and,

13 WHEREAS, This Board of Supervisors, by its Resolution No. 224-99, adopted  
14 on March 15, 1999, and signed by the Mayor on March 26, 1999, approved the issuance  
15 by the Airport Commission of the Infrastructure Bonds in a total principal amount not to  
16 exceed \$385,000,000; and

17 WHEREAS, The Airport Commission, by its Resolution No. 00-0154, adopted on  
18 September 19, 2000 (the "Ninth Supplemental Resolution"), supplemented and amended the  
19 Master Bond Resolution, including the Sixth Supplemental Resolution and the Eighth  
20 Supplemental Resolution, to authorize and approve the issuance by the Airport Commission  
21 of up to \$1,056,165,000 aggregate principal amount of its Infrastructure Bonds, consisting  
22 of \$671,165,000 aggregate principal amount of additional authorization, together with the  
23 \$220,000,000 aggregate principal amount of Infrastructure Bonds originally authorized  
24 pursuant to the Sixth Supplemental Resolution and the \$165,000,000 aggregate principal  
25 amount of Infrastructure Bonds originally authorized pursuant to the Eighth Supplemental

1 Resolution, for the purpose of financing and refinancing the acquisition, construction,  
2 equipping and development of certain additional capital projects at the Airport other than  
3 the Near-Term Master Plan Projects, as well as funding a debt service reserve fund and  
4 paying costs of issuance and other incidental costs; and,

5 WHEREAS, Section 4.115 of the Charter provides that the Airport Commission  
6 has the exclusive authority to plan and issue airport revenue bonds for airport-related  
7 purposes, subject to the approval, amendment or rejection of this Board of Supervisors of  
8 each issue; and,

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

13 WHEREAS, The Infrastructure Bonds are not Master Plan Bonds; and,

14 WHEREAS, The interest on the Infrastructure Bonds and other debt obligations  
15 issued by the Commission (collectively, the "Obligations"), including, but not limited to, other  
16 Bonds issued pursuant to the Master Bond Resolution, commercial paper issued pursuant to  
17 Resolution No. 97-0146 adopted by the Commission on May 17, 1997, as supplemented by  
18 Resolution No. 97-0147, adopted by the Commission on May 17, 1997, as previously  
19 amended and as amended and restated by Resolution No. 99-0299 adopted by the  
20 Commission on September 21, 1999, special facilities bonds issued by the Commission, and  
21 debt obligations of the Commission issued to refund any debt obligations, may qualify for  
22 exclusion from gross income for federal income tax purposes under Section 103(a) of the  
23 Internal Revenue Code of 1986, as amended (the "Code") only if such Obligations are  
24 approved in accordance with Section 147(f) of the Code; and,

25 WHEREAS, This Board of Supervisors is the elected legislative body of the City

1 and is the applicable elected representative required to approve the Obligations for  
2 purposes of Section 147(f) of the Code; and,

3 WHEREAS, Notice of a public hearing with respect to the Obligations to be  
4 issued by the Airport Commission was published not less than fourteen (14) days prior to  
5 said public hearing, in the official newspaper of the City, being a newspaper of general  
6 circulation available to the residents of the City; and,

7 WHEREAS, On June 27, 2000, a public hearing was held pursuant to such  
8 notice before the Assistant Deputy Airport Director for Finance, and an opportunity was  
9 provided for interested persons to present arguments for and against the issuance of such  
10 Obligations and the nature and location of the projects to be financed or refinanced with the  
11 proceeds thereof; and,

12 WHEREAS, Pursuant to the Ninth Supplemental Resolution the Commission has  
13 authorized the substitution of one or more bond insurance surety policies for all or any  
14 portion of any cash funded reserve funds or accounts held in connection with revenue bonds  
15 issued by the Commission and has approved the forms of guaranty agreements presented to  
16 this meeting and on file with the Clerk of the Board of Supervisors and the execution and  
17 delivery thereof as is necessary to effectuate such substitutions; and,

18 WHEREAS, Section 9.118 of the Charter provides that certain contracts or  
19 agreements entered into by a department, board or commission having a term in excess of  
20 ten years shall be subject to the approval of this Board of Supervisors; and

21 WHEREAS, The Ninth Supplemental Resolution has been submitted to this  
22 Board of Supervisors; now, therefore, be it

23 RESOLVED, That the Board of Supervisors hereby declares that each of the  
24 foregoing recitals is true and correct and is a representation of the Board of Supervisors; and  
25 be it further

1                   RESOLVED, That the issuance by the Airport Commission of the Infrastructure  
2 Bonds for the purposes of financing and refinancing the costs of the acquisition,  
3 construction, equipping and development of certain additional capital projects at the Airport  
4 other than the Near-Term Master Plan Projects, as well as funding a debt service reserve  
5 fund and paying costs of issuance and other incidental costs, is hereby approved in  
6 accordance with Section 4.115 of the Charter. The total principal amount of the  
7 Infrastructure Bonds, including the \$220,000,000 aggregate principal amount of  
8 Infrastructure Bonds previously approved pursuant to Resolution No. 621-97 and the  
9 \$165,000,000 of additional Infrastructure Bonds previously approved pursuant to  
10 Resolution No. 224-99, shall not exceed \$1,056,165,000; and be it further

11                   RESOLVED, That the Ninth Supplemental Resolution, as adopted by the Airport  
12 Commission, is hereby approved; and be it further

13                   RESOLVED, That the Infrastructure Bonds shall be issued pursuant to the  
14 Master Bond Resolution and the Sixth Supplemental Resolution, as supplemented and  
15 amended by the Eighth Supplemental Resolution and the Ninth Supplemental Resolution and  
16 such additional Supplemental Resolutions of the Airport Commission as the Airport  
17 Commission shall deem necessary or desirable and as shall be approved by the City  
18 Attorney, which approval shall be conclusively evidenced by the signature of the City Attorney  
19 on each such Supplemental Resolution; and be it further

20                   RESOLVED, That twelve percent (12%) per annum is hereby approved as the  
21 maximum interest rate for the Infrastructure Bonds (excluding Infrastructure Bonds  
22 designated as taxable pursuant to the Sixth Supplemental Resolution as amended and  
23 supplemented by the Eighth Supplemental Resolution and the Ninth Supplemental  
24 Resolution). Fifteen percent (15%) per annum is hereby approved as the maximum interest  
25 rate on any Infrastructure Bonds designated as taxable pursuant to the Sixth Supplemental

1 Resolution as amended and supplemented by the Eighth Supplemental Resolution and the  
2 Ninth Supplemental Resolution; and be it further

3           RESOLVED, That it is the purpose and intent of the Board of Supervisors that  
4 this Resolution constitute the approval of the Obligations by the appropriate applicable  
5 elected representative for purposes of, and in accordance with, Section 147(f) of the Code;  
6 and be it further

7           RESOLVED, That the entering into by the Commission of guaranty agreements  
8 substantially in the forms presented to this meeting, upon consultation with and approval of  
9 any changes thereto, and specific terms by, the City Attorney, including, without limitation,  
10 the incorporation of such additional provisions as may be required by applicable ordinances  
11 of the City, such approval to be evidenced conclusively by the execution and delivery of such  
12 document or documents is hereby approved in accordance with Charter Section 9.118; and  
13 be it further

14           RESOLVED, That the approvals contained in this Resolution shall extend to any  
15 amendments to the Master Bond Resolution and the Ninth Supplemental Resolution and all  
16 resolutions of the Airport Commission supplemental thereto, as well as to such additional  
17 resolutions as the Airport Commission may adopt for the purpose of implementing the  
18 issuance, sale and delivery of the Infrastructure Bonds. The approvals contained in this  
19 Resolution shall continue to apply to the Infrastructure Bonds in the event such Bonds are  
20 renamed or renumbered by the Commission pursuant to the Sixth Supplemental Resolution,  
21 as supplemented and amended by the Eighth Supplemental Resolution and the Ninth

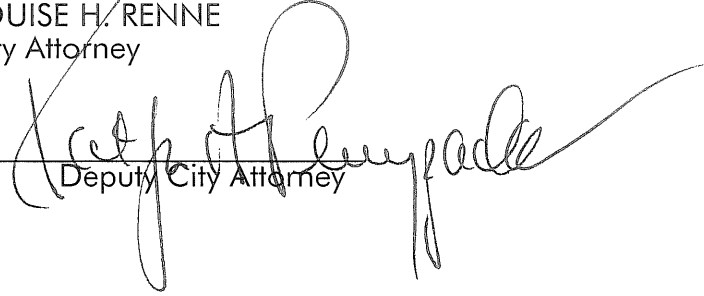
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Supplemental Resolution.

APPROVED AS TO FORM:

LOUISE H. RENNE  
City Attorney

By   
Deputy City Attorney



# City and County of San Francisco

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

## Tails

### Resolution

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**File Number:** 001191

**Date Passed:**

Resolution approving the issuance of up to \$671,165,000 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 issuance of Airport Commission debt obligations pursuant to the Internal Revenue Code of 1986, approving the Ninth Supplemental Resolution of the Airport Commission and approving certain related contracts.

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September 25, 2000 Board of Supervisors — ADOPTED

Ayes: 9 - Ammiano, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yee

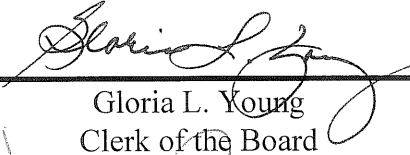
Absent: 1 - Yaki

Excused: 1 - Becerril



File No. 001191

I hereby certify that the foregoing Resolution was ADOPTED on September 25, 2000 by the Board of Supervisors of the City and County of San Francisco.



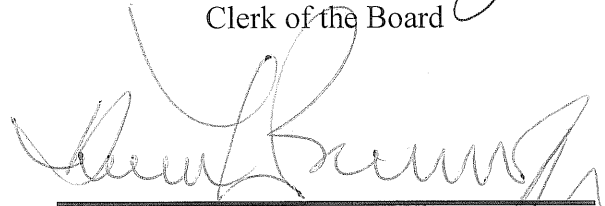
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Gloria L. Young  
Clerk of the Board

OCT - 6 2000

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Date Approved



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Mayor Willie L. Brown Jr.