Resolution approving the issuance of up to an additional $4,358,694,227 aggregate principal amount of San Francisco International Airport Second Series Revenue Bonds to finance and refinance Airport Capital Plan projects; approving the issuance and re-issuance from time to time of up to an additional $100,000,000 aggregate principal amount of San Francisco International Airport Subordinate Commercial Paper Notes for any lawful Airport purpose; and ratifying and confirming certain Resolutions of the Board and the Airport Commission related to the foregoing.

WHEREAS, The Airport Commission of the City and County of San Francisco (the "Airport Commission"), by its Resolution No. 91-0210, adopted on December 3, 1991 (as supplemented and amended, the "1991 Resolution"), provided for the issuance of San Francisco International Airport Second Series Revenue Bonds (the "Bonds") for any lawful purpose of the Airport Commission; and

WHEREAS, The 1991 Resolution provides that the Airport Commission may issue Bonds from time to time as the issuance thereof is authorized by the Airport Commission; and

WHEREAS, The Airport Commission, by its Resolution No. 08-0035, adopted on February 19, 2008, as supplemented and amended, including by Resolution No. 10-0307, adopted on October 5, 2010, Resolution No. 12-0050, adopted on March 20, 2012, Resolution No. 14-0024, adopted on February 18, 2014, and Resolution No. 15-0182, duly adopted on September 22, 2015 (collectively, the "Prior Capital Plan Bond Resolutions"), authorized the issuance from time to time of up to $5,016,725,000 aggregate principal amount of Bonds (the "Capital Plan Bonds") for the purpose of financing and refinancing the development, construction, acquisition and equipping of certain capital projects undertaken by the Airport Commission;
(the "Capital Plan") which are approved by the Airport Commission, of which an aggregate principal amount of $2,727,605,000 remains to be issued; and

WHEREAS, The Airport Commission, by its Resolution No. 16-0274, adopted on November 1, 2016 (the "Nineteenth Supplemental Resolution"), authorized the issuance of up to an additional $2.775 billion aggregate principal amount of Capital Plan Bonds; and

WHEREAS, The Nineteenth Supplemental Resolution is intended to establish a financing mechanism for the Capital Plan and does not constitute approval of or a commitment to fund any particular project, which are approved by separate action of the Airport Commission and/or the Board of Supervisors (the "Board"); and

WHEREAS, Under the Nineteenth Supplemental Resolution, the Airport Commission may not authorize the sale of Capital Plan Bonds for construction costs of any project unless and until the required environmental review, if any, for such project has been completed and the Airport Commission has determined to proceed with such project and California Environmental Quality Act ("CEQA") findings have been adopted as required by law; provided, that Capital Plan Bonds may also be used to fund planning and development costs necessary to prepare other projects for environmental review and the necessary approvals; and

WHEREAS, This Board by its prior resolutions, including by Resolutions Nos. 1006-92, 583-98, 224-99, 811-00, 800-03, 174-06, 229-08, 50-11, 349-12, 125-14 and 433-15 (collectively, the "Prior Board Revenue Bond Resolutions"), approved, among other things, the 1991 Resolution, the Prior Capital Plan Bond Resolutions and the issuance of the Capital Plan Bonds in an aggregate principal amount of not to exceed $3,433,030,773, of which an aggregate principal amount of $1,143,910,773 remains to be issued; and

WHEREAS, The Airport Commission now seeks approval by this Board of (i) the remaining $1,583,694,227 aggregate principal amount of Capital Plan Bonds which the Airport Commission has previously authorized but which have not yet been approved by this Board,
and (ii) the additional $2.775 billion aggregate principal amount of Capital Plan Bonds authorized by the Airport Commission pursuant to the Nineteenth Supplemental Resolution, for a total requested approval by this Board of an additional $4,358,694,227 aggregate principal amount of Capital Plan Bonds; and

WHEREAS, The Airport Commission, by its Resolution No. 97-0147, adopted on May 20, 1997, as supplemented and amended, including by Resolution No. 97-0148, adopted on May 20, 1997, Resolution No. 99-0299, adopted on September 21, 1999, Resolution No. 09-0088, adopted on May 5, 2009, and Resolution No. 10-0307 adopted on October 5, 2010 (as supplemented and amended, collectively, the "Prior CP Resolutions"), authorized the issuance and re-issuance from time to time of up to $400,000,000 aggregate principal amount of San Francisco International Airport Subordinate Commercial Paper Notes ("Commercial Paper") to provide interim funding for any lawful purpose of the Airport Commission; and

WHEREAS, This Board by its prior resolutions, including by Resolutions Nos. 620-97 and 113-02 (collectively, the "Prior Board CP Resolutions"), approved the issuance and re-issuance from time to time by the Airport Commission of such Commercial Paper; and

WHEREAS, The Airport Commission, by its Resolution No. 16-0275, adopted on November 1, 2016, (the "2016 CP Resolution"), authorized the issuance and re-issuance from time to time of up to an additional $100,000,000 aggregate principal amount of Commercial Paper, for a new maximum authorized aggregate principal amount of $500,000,000 of Commercial Paper outstanding at any time; and

WHEREAS, Under the 2016 CP Resolution, proceeds of Commercial Paper shall not be used for construction costs of any project unless the required environmental review, if any, for such project has been completed and the Airport Commission has determined to proceed with such project and CEQA findings have been adopted as required by law; provided, that
Commercial Paper proceeds may also be used to fund planning and development costs necessary to prepare other projects for environmental review and the necessary approvals; and

WHEREAS, The Nineteenth Supplemental Resolution and the 2016 CP Resolution have been submitted to this Board and are on file with the Clerk of the Board of Supervisors in File No. 170211, which file is hereby declared to be a part of this resolution as if set forth fully herein; and

WHEREAS, This Board desires to ratify and confirm the Prior Board Revenue Bond Resolutions and the Prior Board CP Resolutions, each as modified and amended thereby and hereby; and

WHEREAS, This Board also desires to ratify and confirm the 1991 Resolution, including the Prior Capital Plan Bond Resolutions and the Prior CP Resolutions, as adopted by the Airport Commission, each as modified and amended; and

WHEREAS, Section 4.115 of the Charter provides that the Airport Commission has the exclusive authority to plan and issue Airport revenue bonds (collectively, including Bonds, Commercial Paper and Airport Special Facility Bonds, “Airport Bonds”) for Airport-related purposes, subject to the approval, amendment, or rejection of this Board of each issue; and

WHEREAS, The interest on certain of the Airport Bonds may qualify for exclusion from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended (the “Code”) only if such Airport Bonds are approved as set forth in this resolution in accordance with Section 147(f) of the Code; and

WHEREAS, This Board is the elected legislative body of the City and County of San Francisco (the “City”) and is the applicable elected representative authorized to approve the Airport Bonds for purposes of Section 147(f) of the Code; and
WHEREAS, A notice of public hearing with respect to the Airport Bonds to be issued by the Airport Commission in an aggregate principal amount not to exceed $8.02 billion (the "TEFRA Notice"), was published on November 21, 2016, not less than fourteen (14) days prior to the public hearing, in a newspaper of general circulation available to the residents of the City; and

WHEREAS, A public hearing was held on December 5, 2016, pursuant to such notice and an opportunity was provided for interested persons to present arguments for and against the issuance of such Airport Bonds and the nature and location of the projects to be financed and refinanced with the proceeds thereof; and

WHEREAS, A summary of such arguments, if any, has been presented to and is on file with the Clerk of the Board; now, therefore, be it

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

FURTHER RESOLVED, That capitalized terms used but not otherwise defined in this resolution shall have the meanings set forth in the 1991 Resolution; and, be it

FURTHER RESOLVED, That (i) the issuance by the Airport Commission of Capital Plan Bonds in an additional aggregate principal amount of up to $4,358,694,227, and (ii) the issuance and re-issuance from time to time of Commercial Paper in an additional aggregate principal amount of up to $100,000,000 for a new maximum authorized aggregate principal amount of $500,000,000 of Commercial Paper outstanding at any time, each are hereby approved in accordance with Section 4.115 of the Charter; and, be it

FURTHER RESOLVED, That the Nineteenth Supplemental Resolution and the 2016 CP Resolution, as adopted by the Airport Commission, are hereby approved; and, be it

FURTHER RESOLVED, That the Airport Commission shall not approve the sale of Capital Plan Bonds or use Commercial Paper proceeds to fund construction of any specific
Capital Plan project unless and until (1) the required environmental review, if any, for such project has been completed, (2) the Airport Commission has determined to proceed with such project, and (3) CEQA findings have been adopted as required by law; provided, that Capital Plan Bonds and Commercial Paper may also be used to fund planning and development costs necessary to prepare other projects for environmental review and the necessary approvals; and, be it

FURTHER RESOLVED, That the Capital Plan Bonds shall be sold prior to June 30, 2023; and, be it

FURTHER RESOLVED, That this Board, as an appropriate applicable elected representative, hereby approves the Airport Bonds described in the TEFRA Notice for purposes of, and in accordance with, Section 147(f) of the Code; and, be it

FURTHER RESOLVED, That the Prior Board Revenue Bond Resolutions and the Prior Board CP Resolutions, each as modified and amended, including by this resolution, are hereby ratified and confirmed; and, be it

FURTHER RESOLVED, That the 1991 Resolution, including the Prior Capital Plan Bond Resolutions and the Prior CP Resolutions, as adopted by the Airport Commission, each as modified and amended, are hereby ratified and confirmed; and, be it

FURTHER RESOLVED, That all actions heretofore taken by the officers, agents and employees of the Airport Commission and the City to carry out the intents and purposes of this resolution, as consistent with this resolution, are hereby ratified, approved and confirmed; and, be it

FURTHER RESOLVED, That the Airport Commission and its proper officers, agents and employees and those of the City are hereby authorized to execute and deliver such certificates, documents and agreements as are contemplated by or required under the 1991 Resolution, the Prior CP Resolutions, any existing Airport Bond-related agreement or contract,
the applicable bond purchase agreement and any other applicable Airport Bond-related agreement or contract authorized hereby (the "Contemplated Documents"), to carry out the intents and purposes of this resolution and the transactions contemplated hereby, and to take such other actions or execute such other certificates, documents and agreements, in consultation with the City Attorney, as may be necessary or desirable to carry out the intents and purposes of this resolution and the transactions contemplated hereby (the "Other Documents"); provided, that any such other actions or execution of any such Other Documents are intended solely to further the purposes of this resolution, and are subject in all respects to the terms of this resolution; and provided further, that no such actions or execution of such Other Documents shall increase the risk to the Airport Commission or the City or require the Airport Commission or the City to expend any resources not otherwise authorized hereby; and, be it

FURTHER RESOLVED, That the approvals contained in this resolution shall extend to any amendments to the 1991 Resolution, including the Prior Capital Plan Bond Resolutions, the Prior CP Resolutions, the Nineteenth Supplemental Resolution and the 2016 CP Resolution, and to all resolutions of the Airport Commission supplemental thereto, as well as to such additional resolutions that the Airport Commission may adopt for the purposes of implementing the issuance, sale and delivery of any Airport Bonds, provided, that in each case such amendment or additional resolution is consistent with the parameters set forth herein; and, be it

FURTHER RESOLVED, That should the application of any provision of this resolution to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this resolution shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intents and purposes of this resolution.
File Number: 170211  Date Passed: May 02, 2017

Resolution approving the issuance of up to an additional $4,358,694,227 aggregate principal amount of San Francisco International Airport Second Series Revenue Bonds to finance and refinance Airport Capital Plan projects; approving the issuance and re-issuance from time to time of up to an additional $100,000,000 aggregate principal amount of San Francisco International Airport Subordinate Commercial Paper Notes for any lawful Airport purpose; and ratifying and confirming certain Resolutions of the Board and the Airport Commission related to the foregoing.

April 20, 2017 Budget and Finance Sub-Committee - RECOMMENDED

May 02, 2017 Board of Supervisors - ADOPTED
    Ayes: 10 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy and Tang
    Excused: 1 - Yee

I hereby certify that the foregoing Resolution was ADOPTED on 5/2/2017 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

Date Approved