city and county of san francisco resolution no. 23-0230

AUTHORIZATION TO SELL AN ADDITIONAL \$1,057,245,000 AGGREGATE PRINCIPAL AMOUNT OF PREVIOUSLY APPROVED SAN FRANCISCO INTERNATIONAL AIRPORT SECOND SERIES REVENUE REFUNDING BONDS

- WHEREAS, on December 3, 1991, by Resolution No. 91-0210 (as previously supplemented and amended, the 1991 Resolution), the Airport Commission of the City and County of San Francisco (Commission) provided for the issuance of San Francisco International Airport Second Series Revenue Bonds; and
- WHEREAS, the 1991 Resolution provides for the issuance by the Commission from time to time of its San Francisco International Airport Second Series Revenue Bonds for any lawful purpose of the Commission (1991 Resolution Bonds); and
- WHEREAS, by Resolution Nos. 98-0114, 02-0010, 03-0220, 04-0220, 05-0181, 08-0152, 10-0307, 16-0025, 18-0109, 23-0083, adopted on May 19, 1998, January 8, 2002, October 21, 2003, November 2, 2004, October 11, 2005, August 19, 2008, October 5, 2010, January 19, 2016, April 24, 2018, and April 4, 2023, respectively (collectively, Refunding Bond Resolutions), the Commission has previously authorized the issuance of up to \$17,120,195,000 aggregate principal amount of Second Series Revenue Refunding Bonds (Refunding Bonds) for the purpose of refunding outstanding 1991 Resolution Bonds and Subordinate Bonds and related obligations; and
- WHEREAS, the Board, by its Resolution Nos. 583-98, 113-02, 800-03, 733-04, 235-07, 471-08, 50-11, 305-18, and 342-23, has approved the issuance of up to \$17,120,195,000 aggregate principal amount of Refunding Bonds; and
- WHEREAS, by Resolution Nos. 16-0025, 17-0237, 19-0172, 20-0120, 21-0049, 21-0228 and 22-0180 adopted on January 19, 2016, October 3, 2017, July 16, 2019, July 7, 2020, March 16, 2021, December 7, 2021, and December 6, 2022 respectively (collectively, Prior Refunding Bond Sale Resolutions), the Commission authorized the sale of \$3,981,610,000 aggregate principal amount of the Refunding Bonds, of which \$2,892,895,000 aggregate principal amount has been sold to date and \$1,088,715,000 remains unsold; and
- WHEREAS, the Commission now desires to amend the Prior Refunding Bond Sale Resolutions to approve the sale of an additional \$1,057,245,000 aggregate principal amount of the Refunding Bonds; and

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 23-0230

WHEREAS,	on May 31, 2023, after a Request for Qualifications process, the City Controller's
	Office established the Transportation Investment Banking Services pool of 15
	banks that are pre-qualified to provide bond underwriting to City Departments in
	the transportation sector, and established the Remarketing Agent and/or
	Commercial Paper Dealer Services pool of 17 banks that are pre-qualified to
	provide variable rate bond remarketing and commercial paper dealer services to
	all City Departments (collectively, Citywide Investment Banking Pool); and

- WHEREAS, the Commission wishes to confirm and continue its action taken on June 1, 2021, by Resolution No. 21-0131, giving authority to the Airport Director to sell Refunding Bonds to any bank in the Citywide Investment Banking Pool or any successor pools of pre-qualified investment banks established by the City Controller's Office in a negotiated sale; and
- WHEREAS, in Resolution No. 50-11, the Board provided, among other things, that the Commission may only sell Refunding Bonds if the expected net present value savings from the issuance of the Refunding Bonds is at least equal to three percent of the principal amount of the bonds to be refunded, except as otherwise provided in the Debt Policy of the Commission; and
- WHEREAS, the Debt Policy, as amended on October 6, 2020 by Resolution No. 20-0182 (Debt Policy), provides that the Commission may issue bonds subject to the right or obligation of the holder to tender the bonds back to the Commission for purchase; and
- WHEREAS, by Resolution No. 23-0083, the Commission authorized the issuance of Refunding Bonds for the purpose of providing the purchase price for a tender or exchange of any of the Commission's 1991 Resolution Bonds; and
- WHEREAS, by Resolution Nos. 09-0087 and 10-0307, the Commission previously authorized the selection of agents and the entering into of agreements necessary to accomplish a sale of bonds tendered or exchanged pursuant to the Refunding Bond Resolutions; and

city and county of san francisco resolution no. 23-0230

WHEREAS, the Commission has determined that it is in its best interests to authorize: (1) the sale of a portion of the aggregate principal amount of the Refunding Bonds to restructure scheduled debt service by (a) refunding the Commission's outstanding Series 2013A Bonds; and (b) purchasing, or providing Refunding Bonds in exchange for, certain 1991 Resolution Bonds tendered by the holders thereof; and (2) sell the remainder of the Refunding Bonds to refund other outstanding 1991 Resolution Bonds; now, therefore, be it

RESOLVED, that this Commission authorizes the following:

- Section 1. <u>Defined Terms</u>. All capitalized terms used but not defined in this Resolution shall have the meanings assigned to them in the 1991 Resolution.
- <u>Section 2.</u> <u>Commission Findings</u>. The Commission finds and determines as follows:
 - (a) The above recitals are true and correct.
 - (b) Sufficient unencumbered balances are expected to be available in the proper funds and accounts of the Airport to meet all payments due under the Refunding Bonds as they become due.
 - (c) In accordance with Section 2.02 of the 1991 Resolution, it is desirable to authorize the negotiated sale of Refunding Bonds in accordance with Section 3 hereof in order to accomplish the timely sale of the Refunding Bonds in accordance with the Commission's Debt Policy.
- Section 3. Amendment of Prior Refunding Bond Sale Resolutions. The Prior Refunding Bond Sale Resolutions are amended and supplemented as follows:
 - (a) The aggregate principal amount of Refunding Bonds authorized by the Prior Refunding Bond Sale Resolutions (\$3,981,610,000) is amended and increased by \$1,057,245,000, which increases the total amount of Refunding Bonds authorized to be sold under the 1991 Resolution to \$2,145,960,000;
 - (b) The Airport Director is hereby authorized to sell Refunding Bonds to: (1) any member of the Citywide Investment Banking Pool in a negotiated sale, or (2) any member of the Pool of Banks or their affiliates in a Direct Purchase Transaction; and

RESOLUTION NO. 23-0230

- (c) All other terms of the Refunding Bonds in the Prior Refunding Bond Sale Resolutions, as previously amended, including maximum maturity, minimum savings requirements and provisions of the Debt Policy relating to Refunding Bonds, are confirmed.
- Section 4. Ratification of Prior Acts. The actions of the officers, agents, and employees of the Commission to carry out the purposes and intents of this resolution taken prior to the adoption of this resolution, including without limitation the Airport Director's selection of underwriters for the Refunding Bonds from the Citywide Investment Banking Pool, are ratified, approved, and confirmed.
- Section 5. Disclosure Documents. The Airport Director and the other officers, agents, and employees of the Commission are authorized and directed to prepare and revise one or more preliminary, final and supplemental Official Statements, Private Placement Memoranda, tender offer letter(s), or other disclosure documents and amendments and supplements thereto (collectively, Disclosure Documents), with respect to the issuance and sale, from time to time, of the 1991 Resolution Bonds in accordance with the Commission's Disclosure Policies and Procedures adopted by Resolution No. 20-0182, as they may be amended from time to time (Disclosure Policies and Procedures); provided however that the Airport Director shall not authorize distribution of any pre-sale, preliminary Official Statement, or Private Placement Memorandum, as applicable, without having first circulated a substantially final preliminary Official Statement or Private Placement Memorandum to the Commissioners for their review and comment (if any), such review period being not less than 10 business days prior to the proposed distribution date.
- Section 6. General Authorization. The Airport Director and the other officers, agents, and employees of the Commission are authorized and directed to execute and deliver such documents, agreements, and certificates, including without limitation the Disclosure Documents, prepared in accordance with the Disclosure Policies and Procedures, and to take such other actions, upon consultation with the City Attorney, as may be necessary or desirable and in the best interests of the Airport to carry out the purposes and intents of this resolution and the transactions contemplated by this resolution. The Airport Director, upon consultation with the City Attorney, may designate one or more of such certificates to be deemed to constitute a part of this resolution.
- <u>Section 7.</u> <u>Effectiveness.</u> This resolution shall become effective on and as of the date of its adoption except as otherwise stated in this resolution.

RESOLUTION NO. 23-0230

- Section 8. Ratification of the 1991 Resolution and the Prior Refunding Bond Sale
 Resolutions. The 1991 Resolution and the Prior Refunding Bond Sale Resolutions are ratified and confirmed and shall continue in full force and effect in accordance with their terms and provisions, as amended and supplemented, including as amended and supplemented by this resolution.
- Section 9. Further Amendments to the 1991 Resolution. The approvals contained in this resolution shall extend to any amendments to the 1991 Resolution and to all resolutions of the Commission supplemental to the 1991 Resolution, as well as to such additional resolutions that this Commission may adopt for the purposes of implementing the issuance, sale, and delivery of any Refunding Bonds, provided that in each case such amendment or additional resolution is consistent with the parameters set forth in this resolution and in the 1991 Resolution.

resolution no. 23-0230

ADOPTED by the Airport Commission of the City and County of San Francisco the day of September, 2023, by the following vote:	is 19 th
Yes:	Ÿ

No: 0
Absent: 0

Approved as to Form:

DAVID CHIU City Attorney

> Monica Baranovsky Deputy City Attorney

Page 6 of 6

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of____

= SEP 1 9 202

Far Gerretary