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MAIL: P.O. BOX 13187
AUSTIN, TEXAS 78711-3187

State Securities Board

200 E. 10th Street, 5th Floor
Austin, Texas 78701
Phone (512) 305-8300
FAX (512) 305-8310

DAN R. WALLER
MEMBER

July 1, 1994

Mr. Martin R. Miller
Orrick, Herrington & Sutcliffe
599 Lexington Avenue
New York, New York 10022

RE: Port of San Francisco, California Revenue
Refunding Bonds, Series 1994A, 1994B, and 1994C

Dear Mr. Miller:

This is in response to your letter dated June 10, 1994, and received by this Agency on June 14, 1994. Your letter was supplemented by a June 21, 1994 telephone conversation and a facsimile dated June 23, 1994.

Your letter and supplemental materials describe the above-referenced proposed bond offering (the "Bonds"). The Bonds will be issued by the Port Commission of the City and County of San Francisco (the "Issuer"), an instrumentality constituted and established in 1969 pursuant to the City Charter and in conformity with California Statutes 1968, Chapter 1333 (the "Burton Act") to govern the Port of San Francisco (the "Port"). The Port is a natural harbor with commercial, parking and maritime facilities. Proceeds of the Bonds will be used to refund certain outstanding revenue bonds issued to construct and complete a container shipping facility and to fund other projects involving the Port's maritime facilities. In addition, a portion of the proceeds will be used to pay the cost of issuance of the Series 1994 Bonds.

Payment of principal of, premium, if any, and interest when due, on the Bonds will be secured by a first lien on and security interest in the net revenue of the Issuer. Net revenue includes certain revenues earned by the Issuer from or with respect to its possession, management, supervision, operation and control of the Port area, less operation and maintenance expenses and payments of outstanding prior lien bonds. You have represented that if this offering were to be done in Texas, it would be made pursuant to Texas Revised Civil Statutes, article 1187b or article 1187f, and not under the Development Corporation Act of 1979 (TEX. REV. CIV. STAT., art. 5190.6 (Vernon 1987 and Supp. 1994)).

Mr. Martin Miller
June 30, 1994
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Based on the foregoing understanding, the staff of the State Securities Board will recommend no-action to require registration of the Bonds when offered and sold as described above.

Please note that this Agency has not made an independent investigation of the facts, but has relied solely on the information you have provided. If this information is incorrect or changes substantially, the staff would reconsider the matter and the no-action position stated above would be void.

I trust this letter answers your inquiry. Please feel free to write us if you need further information.

Very truly yours,

DENISE VOIGT CRAWFORD
Securities Commissioner

Rada Lynn Potts
General Counsel

RLP/rmf