

1 [Determining Necessity to Incur Bonded Indebtedness - Community Facilities District
2 No. 2016-1 (Treasure Island) - \$5,000,000,000]

3 **Resolution determining necessity to incur bonded indebtedness and other debt in an**
4 **amount not to exceed \$5,000,000,000 for the City and County of San Francisco**
5 **Community Facilities District No. 2016-1 (Treasure Island); and determining other**
6 **matters in connection therewith.**

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8 WHEREAS, On December 6, 2016, pursuant to the Mello-Roos Community Facilities
9 Act of 1982, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with
10 Section 53311, of the California Government Code (“Mello-Roos Act”), this Board of
11 Supervisors (“Board of Supervisors”) of the City and County of San Francisco (“City”), State of
12 California, adopted a resolution entitled “Resolution of intention to establish City and County
13 of San Francisco Community Facilities District No. 2016-1 (Treasure Island), Improvement
14 Area No. 1 and a Future Annexation Area, and determining other matters in connection
15 therewith” (“Resolution of Intention”), on file with the Clerk of the Board of Supervisors in File
16 No. 161038, stating its intention to form (i) “City and County of San Francisco Community
17 Facilities District No. 2016-1 (Treasure Island)” (“CFD”), (ii) “Improvement Area No. 1 of the
18 City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)”
19 (“Improvement Area No. 1”) and (iii) a future annexation area for the CFD (“Future Annexation
20 Area”); and

21 WHEREAS, Also in the Resolution of Intention, this Board of Supervisors determined
22 that it may be necessary to designate additional improvement areas in the CFD as a result of
23 the annexation of territory from the Future Annexation Area (each, a “Future Improvement
24 Area” and together with Improvement Area No. 1, the “Improvement Areas”); and

1 WHEREAS, On December 6, 2016, this Board of Supervisors also adopted a resolution
2 entitled “Resolution of intention to incur bonded indebtedness and other debt in an amount not
3 to exceed \$5.0 billion for the City and County of San Francisco Community Facilities District
4 No. 2016-1 (Treasure Island) and determining other matters in connection therewith”
5 (“Resolution of Intention to Incur Indebtedness”), on file with the Clerk of the Board of
6 Supervisors in File No. 161039, stating its intention to incur bonded indebtedness and other
7 debt (as defined in the Mello-Roos Act) within the boundaries of the CFD and the
8 Improvement Areas for the purpose of financing the costs of certain facilities specified in the
9 Resolution of Intention (“Facilities”); and

10 WHEREAS, This Board of Supervisors has held a noticed public hearing as required by
11 the Mello-Roos Act about the determination to proceed with the formation of the CFD,
12 Improvement Area No. 1 and the Future Annexation Area, the provision of the Facilities and
13 certain public services by the CFD and the rate and method of apportionment of the special
14 tax to be levied within Improvement Area No. 1 to pay the cost of the Facilities and the
15 services, the principal and interest on the proposed bonded indebtedness in the Improvement
16 Areas and the administrative costs of the City relative to the CFD; and

17 WHEREAS, Subsequent to the public hearing, this Board of Supervisors adopted a
18 resolution entitled “Resolution of formation of City and County of San Francisco Community
19 Facilities District No. 2016-1 (Treasure Island), Improvement Area No. 1 and a Future
20 Annexation Area, and determining other matters in connection therewith” (“Resolution of
21 Formation”), on file with the Clerk of the Board of Supervisors in File No. 161122; and

22 WHEREAS, This Board of Supervisors has also held a noticed public hearing as
23 required by the Mello-Roos Act relative to the matters material to the questions set forth in the
24 Resolution of Intention to Incur Indebtedness; and

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1 WHEREAS, No written protests with respect to the matters material to the questions
2 set forth in the Resolution of Intention to Incur Indebtedness have been filed with the Clerk of
3 the Board of Supervisors; now, therefore, be it

4 RESOLVED, That the foregoing recitals are true and correct; and, be it

5 FURTHER RESOLVED, That in order to finance the costs of the Facilities, including,
6 but not limited to, the costs of issuing and selling bonds and incurring other debt to finance all
7 or a portion of the Facilities and the costs of the City in establishing and administering the
8 CFD, it is necessary for the City to incur bonded indebtedness and other debt (as defined in
9 the Mello-Roos Act) in the following amounts:

10 (i) For Improvement Area No. 1, a not to exceed principal amount of \$250 million
11 (“Improvement Area No. 1 Indebtedness Limit”); and

12 (ii) For the portion of the CFD that is not in Improvement Area No. 1, a not to
13 exceed principal amount of \$4.75 billion (“Non-Improvement Area No. 1 Indebtedness Limit”).

14 However, in the event all or a portion of the Future Annexation Area is annexed as one
15 or more Future Improvement Areas, the maximum indebtedness of each such Future
16 Improvement Area shall be identified and approved in the unanimous approval executed by
17 property owners in connection with their annexation to the CFD at the time of the annexation
18 (each, a “Unanimous Approval”) and in accordance with the Annexation Approval Procedures
19 described in the Resolution of Formation, and the amount of the maximum indebtedness for
20 the Future Improvement Area shall be subtracted from the Non-Improvement Area No. 1
21 Indebtedness Limit, which shall result in a corresponding reduction in the Non-Improvement
22 Area No. 1 Indebtedness Limit; and, be it

23 FURTHER RESOLVED, That the whole of Improvement Area No. 1 shall pay for the
24 bonded indebtedness and other debt issued by the City for Improvement Area No. 1 through
25 the levy of the special tax; and, be it

1 FURTHER RESOLVED, The tax shall be apportioned in accordance with the formula
2 set forth in Exhibit B to the Resolution of Formation; and, be it

3 FURTHER RESOLVED, That the whole of each Future Improvement Area shall pay for
4 the bonded indebtedness and other debt issued by the City for such Future Improvement Area
5 through the levy of the special tax for such Future Improvement Area; and, be it

6 FURTHER RESOLVED, The special tax to be levied in a Future Improvement Area
7 shall be apportioned in accordance with the rate and method of apportionment of special tax
8 for such Future Improvement Area identified and approved in the Unanimous Approval
9 executed by property owners in connection with the annexation of such Future Improvement
10 Area to the CFD, and in accordance with the Annexation Approval Procedures described in
11 the Resolution of Formation; and, be it

12 FURTHER RESOLVED, That, subject to voter approval, this Board of Supervisors,
13 acting as legislative body for the CFD, is hereby authorized to issue and sell bonds and other
14 debt (as defined in the Mello-Roos Act) for Improvement Area No. 1 in one or more series in
15 the maximum aggregate principal amount of not to exceed the sum of the Improvement Area
16 No. 1 Indebtedness Limit, bearing interest payable semi-annually or in such other manner as
17 this Board of Supervisors shall determine, at a rate not to exceed the maximum rate of
18 interest as may be authorized by applicable law at the time of sale of such bonds and other
19 debt, and maturing not to exceed 40 years from the date of the issuance of the bonds and
20 other debt; and, be it

21 FURTHER RESOLVED, That the proposition of the City incurring the bonded
22 indebtedness and other debt for Improvement Area No. 1 herein authorized shall be submitted
23 to the qualified electors of Improvement Area No. 1 and shall be consolidated with elections
24 on the proposition of levying special taxes within Improvement Area No. 1 and the
25 establishment of an appropriations limit for Improvement Area No. 1 pursuant to Mello-Roos

1 Act Section 53353.5, and the time, place and further particulars and conditions of such
2 election shall be as specified by separate resolution of this Board of Supervisors; and, be it

3 FURTHER RESOLVED, That, subject to voter approval set forth in a Unanimous
4 Approval(s), this Board of Supervisors, acting as legislative body for the CFD, is hereby
5 authorized to issue and sell bonds and other debt (as defined in the Mello-Roos Act) for the
6 Future Improvement Areas in one or more series in the maximum aggregate principal amount
7 with respect to the Future Improvement Areas to be determined at the time of annexation (not
8 to exceed the Non-Improvement Area No. 1 Indebtedness Limit in the aggregate), bearing
9 interest payable semi-annually or in such other manner as this Board of Supervisors shall
10 determine, at a rate not to exceed the maximum rate of interest as may be authorized by
11 applicable law at the time of sale of each series of bonds and other debt, and maturing not to
12 exceed 40 years from the date of the issuance of the respective series of bonds and other
13 debt; and, be it

14 FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or
15 word of this resolution, or any application thereof to any person or circumstance, is held to be
16 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
17 shall not affect the validity of the remaining portions or applications of this resolution, this
18 Board of Supervisors hereby declaring that it would have passed this resolution and each and
19 every section, subsection, sentence, clause, phrase, and word not declared invalid or
20 unconstitutional without regard to whether any other portion of this resolution or application
21 thereof would be subsequently declared invalid or unconstitutional; and, be it

22 FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of
23 Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City
24 are hereby authorized, for and in the name of and on behalf of the City, to do any and all
25 things and take any and all actions, including execution and delivery of any and all

1 documents, assignments, certificates, requisitions, agreements, notices, consents,
2 instruments of conveyance, warrants and documents, which they, or any of them, may deem
3 necessary or advisable in order to effectuate the purposes of this Resolution; provided
4 however that any such actions be solely intended to further the purposes of this Resolution,
5 and are subject in all respects to the terms of the Resolution; and, be it

6 FURTHER RESOLVED, That all actions authorized and directed by this Resolution,
7 consistent with any documents presented herein, and heretofore taken are hereby ratified,
8 approved and confirmed by this Board of Supervisors; and, be it

9 FURTHER RESOLVED, That this Resolution shall take effect upon its enactment.
10 Enactment occurs when the Mayor signs the resolution, the Mayor returns the resolution
11 unsigned or does not sign the resolution within ten days of receiving it, or the Board of
12 Supervisors overrides the Mayor's veto of the resolution.

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14 APPROVED AS TO FORM:
15 DENNIS J. HERRERA, City Attorney

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By: _____
Mark D. Blake
Deputy City Attorney
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