

File No. 161038

Committee Item No. 6

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date October 19, 2016

Board of Supervisors Meeting

Date _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
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| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
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| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Resolution of Intention</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Infrastructure Financing Plan</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | <u>Planning Commission Motion 18325</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | <u>Acquisition + Reimbursement Agreement</u> |
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Completed by: Victor Young Date October 14, 2016

Completed by: Victor Young Date _____

1 [Resolution of Intention to Establish Community Facilities District No. 2016-1 (Treasure
2 Island)]

3 **Resolution of Intention to establish City and County of San Francisco Community**
4 **Facilities District No. 2016-1 (Treasure Island), Improvement Area No. 1 and a Future**
5 **Annexation Area, and determining other matters in connection therewith.**

6
7 WHEREAS, Naval Station Treasure Island ("NSTI") is a former United States Navy
8 base located in the City and County of San Francisco ("City") that consists of two islands
9 connected by a causeway: (1) Treasure Island, and (2) an approximately 90-acre portion of
10 Yerba Buena Island; and

11 WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended
12 California Health and Safety Code Section 33492.5 and added Section 2.1 to Chapter 1333 of
13 the Statutes of 1968 ("Act"), the California Legislature: (i) designated the Treasure Island
14 Development Authority ("TIDA"), as a redevelopment agency under California redevelopment
15 law with authority over NSTI upon approval of the City's Board of Supervisors, and (ii) with
16 respect to those portions of NSTI which are subject to Tidelands Trust, vested in TIDA the
17 authority to administer the public trust for commerce, navigation and fisheries as to such
18 property; and

19 WHEREAS, The Board of Supervisors approved the designation of TIDA as the
20 redevelopment agency for NSTI in 1997; and

21 WHEREAS, On January 24, 2012, the Board of Supervisors rescinded designation of
22 TIDA as the redevelopment agency for Treasure Island under California Community
23 Redevelopment Law in Resolution No. 11-12; but such rescission did not affect TIDA's status
24 as the Local Reuse Authority for NSTI or the Tidelands Trust trustee for the portions of NSTI
25 subject to the Tidelands Trust, or any of the other powers or authority; and

1 WHEREAS, The United States of America, acting by and through the Department of
2 the Navy ("Navy"), and TIDA entered into an Economic Conveyance Memorandum of
3 Agreement (as amended and supplemented from time to time, the "Conveyance Agreement")
4 that governs the terms and conditions for the transfer of NSTI from the Navy to TIDA; and
5 under the Conveyance Agreement, the Navy will convey NSTI to TIDA in phases after the
6 Navy has completed environmental remediation and issued a Finding of Suitability to Transfer
7 (as defined in the Conveyance Agreement) for specified parcels of NSTI or portions thereof;
8 and

9 WHEREAS, Treasure Island Community Development, LLC ("Developer") and TIDA
10 previously entered into a Disposition and Development Agreement (Treasure Island/Yerba
11 Buena Island), dated June 28, 2011 ("DDA"), in Board File No. 110291, including a Financing
12 Plan (Treasure Island/Yerba Buena Island) ("Financing Plan"), which governs the disposition
13 and development of a portion of NSTI ("Project Site") after the Navy's transfer of NSTI to TIDA
14 in accordance with the Conveyance Agreement; and

15 WHEREAS, The DDA contemplates a project ("Project") under which TIDA acquires
16 the Project Site from the Navy and conveys portions of the Project Site to Developer for the
17 purposes of: (i) alleviating blight in the Project Site through development of certain
18 improvements, (ii) geotechnically stabilizing the Project Site, (iii) constructing public
19 infrastructure to support the Project and other proposed uses on NSTI, (iv) constructing and
20 improving certain public parks and open spaces, (v) remediating certain existing hazardous
21 substances, and (vi) selling and ground leasing lots to vertical developers who will construct
22 residential units and commercial and public facilities; and

23 WHEREAS, On April 21, 2011, the Planning Commission by Motion No. 18325 and the
24 Board of Directors of TIDA, by Resolution No. 11-14-04/21, as co-lead agencies, certified the
25 completion of the Final Environmental Impact Report for the Project, and unanimously

1 approved a series of entitlement and transaction documents relating to the Project, including
2 certain environmental findings under the California Environmental Quality Act ("CEQA"), a
3 mitigation and monitoring and reporting program ("MMRP"), and the DDA and other
4 transaction documents; and

5 WHEREAS, On June 7, 2011, in Motion No. M11-0092, the Board of Supervisors
6 unanimously affirmed certification of the Final Environmental Impact Report, and on that same
7 date, the Board of Supervisors, in Resolution No. 246-11, adopted CEQA findings and the
8 MMRP, and made certain environmental findings under CEQA (collectively, "FEIR"), and also
9 on that date, the Board of Supervisors, in Ordinance No. 95-11, approved the DDA and other
10 transaction documents, including the Transportation Plan and Infrastructure Plan; and

11 WHEREAS, TIDA and the Developer have been working diligently since then to
12 implement the Project consistent with the DDA, the MMRP and other documents; and

13 WHEREAS, No additional environmental review is required because there are no
14 substantial changes to the project analyzed in the FEIR, no change in circumstances under
15 which the project is being undertaken, and no new information of substantial importance
16 indicating that new significant impacts would occur, that the impacts identified in the FEIR as
17 significant impacts would be substantially more severe, or that mitigation or alternatives
18 previously found infeasible are now feasible; and

19 WHEREAS, The City anticipates that future improvements will be necessary to ensure
20 that the shoreline, public facilities, and public access improvements will be protected should
21 sea level rise at the perimeter of the Project Site, and the Board of Supervisors desires to
22 provide a mechanism to pay directly for such improvements and/or establish a capital reserve
23 fund to finance such improvements; and

24 WHEREAS, Under the Mello-Roos Community Facilities Act of 1982, as amended,
25 constituting Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with California

1 Government Code Section 53311 ("Mello-Roos Act"), this Board of Supervisors is authorized
2 to establish a community facilities district and to act as the legislative body for a community
3 facilities district; and

4 WHEREAS, This Board of Supervisors now desires to proceed with the establishment
5 of a community facilities district in order to finance costs of public infrastructure and certain
6 public services necessary or incident to development within the proposed boundaries of the
7 proposed community facilities district, including, without limitation, future improvements
8 necessitated by sea level rise; and

9 WHEREAS, Pursuant to Mello-Roos Act Section 53339.2, this Board of Supervisors
10 further desires to undertake proceedings to provide for future annexation of territory to the
11 proposed community facilities district; now, therefore, be it

12 RESOLVED, That this Board of Supervisors proposes to conduct proceedings to
13 establish a community facilities district pursuant to the Mello-Roos Act, and hereby
14 determines that public convenience and necessity require that a future annexation area be
15 established pursuant to the Mello-Roos Act; and, be it

16 FURTHER RESOLVED, That the name proposed for the community facilities district is
17 "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)"
18 ("CFD"); and, be it

19 FURTHER RESOLVED, That pursuant to Mello-Roos Act Section 53350, the territory
20 to be initially included in the CFD (as shown on the map described below) is hereby
21 designated to include the following Improvement Area: "Improvement Area No. 1 of the City
22 and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)"
23 ("Improvement Area No. 1"); and, be it

24 FURTHER RESOLVED, That the name proposed for the territory proposed to be
25 annexed into the CFD in the future is "City and County of San Francisco Community Facilities

1 District No. 2016-1 (Treasure Island) (Future Annexation Area)” (“Future Annexation Area”),
2 and in connection with the annexation of all or a portion of the Future Annexation Area, this
3 Board of Supervisors shall follow the Annexation Approval Procedures described herein,
4 which may include a designation that the area to be annexed shall be annexed as a separate
5 improvement area; and, be it

6 FURTHER RESOLVED, That the proposed boundaries of the CFD, Improvement Area
7 No. 1 and the Future Annexation Area are as shown on the map of them on file with the Clerk
8 of the Board of Supervisors in File No. 161038, which boundaries are hereby preliminarily
9 approved and to which map reference is hereby made for further particulars, and the Clerk of
10 the Board of Supervisors is hereby directed to record, or cause to be recorded, the map of the
11 boundaries of the CFD, Improvement Area No. 1 and the Future Annexation Area in the office
12 of the Assessor-Recorder for the City and County of San Francisco within 15 days of the date
13 of adoption of this Resolution; and, be it

14 FURTHER RESOLVED, That, from time to time, parcels within the Future Annexation
15 Area shall be annexed to the CFD only with the unanimous approval (each, a “Unanimous
16 Approval”) of the owner or owners of each parcel or parcels at the time that such parcel(s) are
17 annexed, and in accordance with the Annexation Approval Procedures described herein, and
18 the Board of Supervisors hereby determines that any property for which the owner or owners
19 execute a Unanimous Approval that is annexed into the CFD in accordance with the
20 Annexation Approval Procedures shall be added to the CFD and the Clerk of the Board of
21 Supervisors shall record (i) an amendment to the notice of special tax lien for the CFD
22 pursuant to Streets & Highways Code Section 3117.5 if the property is annexed to an existing
23 improvement area or (ii) a notice of special tax lien for the CFD pursuant to Streets &
24 Highways Code Section 3117.5 if the property annexed is designated as a new improvement
25 area; provided, however, the designation of property as Future Annexation Area and the

1 ability to annex property to the CFD based on a Unanimous Approval shall not limit, in any
2 way, the annexation of property in the Future Annexation Area to the CFD pursuant to other
3 provisions of the Mello-Roos Act; and, be it

4 FURTHER RESOLVED, That the type of public facilities proposed to be financed by
5 the CFD, Improvement Area No. 1 and the Future Annexation Area (including any area
6 therein designated to be annexed as a separate improvement area) pursuant to the Mello-
7 Roos Act shall consist of those listed as facilities on Exhibit A hereto and hereby incorporated
8 herein ("Facilities"), and this Board of Supervisors hereby determines that the Facilities are
9 necessary to meet increased demands placed upon local agencies as the result of
10 development occurring within the CFD, Improvement Area No. 1 and the Future Annexation
11 Area, and this Board of Supervisors hereby finds and determines that the public interest will
12 not be served by allowing the property owners in the CFD to enter into a contract in
13 accordance with Mello-Roos Act Section 53329.5(a), and notwithstanding the foregoing, this
14 Board of Supervisors, on behalf of the CFD, may enter into one or more contracts directly with
15 any of the property owners with respect to the construction and/or acquisition of the any
16 portion of the Facilities; and, be it

17 FURTHER RESOLVED, That the Director of the Office of Public Finance is hereby
18 authorized and directed to enter into joint community facilities agreements with any entity that
19 will own or operate any of the Facilities, as may be necessary to comply with the provisions of
20 Mello-Roos Act Sections 53316.2(a) and (b), and this Board of Supervisors' approval of a joint
21 community facilities agreement shall be conclusively evidenced by the execution and delivery
22 thereof by the Director of the Office of Public Finance, and this Board of Supervisors hereby
23 declares that such joint agreements will be beneficial to owners of property in the area of the
24 CFD; and, be it

1 FURTHER RESOLVED, That the type of services proposed to be financed by the CFD,
2 Improvement Area No. 1 and the Future Annexation Area (including any area therein
3 designated to be annexed as a separate improvement area) pursuant to the Mello-Roos Act
4 shall consist of those listed in Exhibit A hereto and hereby incorporated herein ("Services").
5 This Board of Supervisors hereby determines that the Services are necessary to meet
6 increased demands for such services placed upon local agencies as the result of
7 development occurring within the area of the CFD, Improvement Area No. 1 and the Future
8 Annexation Area; and, be it

9 FURTHER RESOLVED, That the Services are in addition to those provided in the
10 territory of the CFD, Improvement Area No. 1 and the Future Annexation Area as of the date
11 hereof and will not supplant services already available within the territory of the CFD,
12 Improvement Area No. 1 and the Future Annexation Area as of the date hereof, and the City
13 intends to provide the Services on an equal basis in the original territory of the CFD and
14 Improvement Area No. 1 and, when it has been annexed to the CFD, the Future Annexation
15 Area (including any area therein designated to be annexed as a separate improvement area);
16 and, be it

17 FURTHER RESOLVED, That except to the extent that funds are otherwise available,
18 the City will levy a special tax (the "Special Tax") to pay directly for the Facilities, including out
19 of a special-tax funded capital reserve established for the payment of Facilities, to pay the
20 principal and interest on bonds and other debt (as defined in the Mello-Roos Act) of the City
21 issued for Improvement Area No. 1 to finance the Facilities and to pay for the Services, and
22 the Special Tax will be secured by recordation of a continuing lien against all non-exempt real
23 property in the CFD and Improvement Area No. 1, will be levied annually within the CFD and
24 Improvement Area No. 1, and collected in the same manner as ordinary ad valorem property
25

1 taxes, or in such other manner as this Board of Supervisors or its designee shall determine,
2 including direct billing of the affected property owners; and, be it

3 FURTHER RESOLVED, That the proposed rate and method of apportionment of the
4 Special Tax among the parcels of real property within Improvement Area No. 1, in sufficient
5 detail to allow each landowner within Improvement Area No. 1 to estimate the maximum
6 amount such owner will have to pay, is described in Exhibit B attached hereto and hereby
7 incorporated herein ("Rate and Method"); and, be it

8 FURTHER RESOLVED, That the Special Tax to be levied in Improvement Area No. 1
9 (the "Improvement Area No. 1 Special Tax") shall not be levied in Improvement Area No. 1 to
10 finance Facilities after the fiscal year established therefor in the Rate and Method, and the
11 Improvement Area No. 1 Special Tax shall only be levied to finance Services thereafter,
12 except that an Improvement Area No. 1 Special Tax that was lawfully levied in or before the
13 final tax year and that remains delinquent may be collected in subsequent years; and, be it

14 FURTHER RESOLVED, Under no circumstances shall the Improvement Area No. 1
15 Special Tax levied against any parcel in Improvement Area No. 1 to finance Facilities in any
16 fiscal year used for private residential purposes be increased in that fiscal year as a
17 consequence of delinquency or default by the owner of any other parcel or parcels within
18 Improvement Area No. 1 by more than 10 percent; and, be it

19 FURTHER RESOLVED, That a special tax to finance Facilities shall not be levied in
20 one or more future improvement areas formed to include territory that annexes into the CFD
21 from the Future Annexation Area (each, a "Future Improvement Area") after the fiscal year
22 established therefor in the rate and method for the Future Improvement Area, and the special
23 tax shall only be levied to finance Services thereafter, except that a special tax that was
24 lawfully levied in or before the final tax year and that remains delinquent may be collected in
25 subsequent years; and, be it

1 FURTHER RESOLVED, Under no circumstances shall the special tax for financing
2 Facilities levied against any parcel in the Future Improvement Area in any fiscal year used for
3 private residential purposes be increased in that fiscal year as a consequence of delinquency
4 or default by the owner of any other parcel or parcels within the Future Improvement Area by
5 more than 10 percent; and, be it

6 FURTHER RESOLVED, That for Future Improvement Areas, a different rate and
7 method may be adopted for annexed territory if the annexed territory is designated as a
8 separate improvement area; and, be it

9 FURTHER RESOLVED, No supplements to the Rate and Method for any of the Future
10 Improvement Areas and no new rate and method shall cause the maximum tax rate in the
11 then-existing territory of the CFD (including Improvement Area No. 1) to increase, and the
12 designation as an improvement area of any territory annexing to the CFD, the maximum
13 amount of bonded indebtedness and other debt for such improvement area, the rate and
14 method of apportionment of special tax for such improvement area (including the conditions
15 under which the obligation to pay the special tax may be prepaid and permanently satisfied, if
16 any), and the appropriations limit for such improvement area shall be identified and approved
17 in the Unanimous Approval executed by property owner(s) in connection with its annexation to
18 the CFD in accordance with the Annexation Approval Procedures described herein; and, be it

19 FURTHER RESOLVED, That the "Annexation Approval Procedures" governing
20 annexations of parcels in the Future Annexation Area into the CFD shall consist of the
21 following sets of procedures (specified in (A) and (B) that follow):

22 (A) The annexation and related matters described in the Unanimous Approval shall be
23 implemented and completed without the need for the approval of either the Board of Directors
24 of TIDA ("TIDA Board") or this Board of Supervisors as long as the following conditions are
25 met:

1 (1) The annexation is to an existing improvement area and the property proposed to
2 be annexed shall be subject to the same rate and method of apportionment of special tax and
3 the same bonded indebtedness limits as such existing improvement area; or

4 (2) The annexation is to a new improvement area and the following conditions
5 apply:

6 (i) The rate and method of apportionment of special tax for the new
7 improvement area is prepared by a special tax consultant retained by the City and paid
8 for by the property owners submitting the Unanimous Approval.

9 (ii) The rate and method of apportionment of special tax for the new
10 improvement area is consistent with the Financing Plan.

11 (iii) The rate and method of apportionment of special tax for the new
12 improvement area does not establish a maximum special tax rate for the initial fiscal
13 year in which the special tax may be levied for any category of property subject to the
14 special tax that is greater than 120% of the maximum special tax rate established for
15 the same category of property subject to the special tax for the same fiscal year
16 calculated pursuant to the Rate and Method (i.e., the rate and method of apportionment
17 of special tax for Improvement Area No. 1).

18 (iv) The rate and method of apportionment of special tax for the new
19 improvement area does not contain a type of special tax that was not included in the
20 Rate and Method (for example, a one-time special tax).

21 (v) The rate and method of apportionment of special tax for the new
22 improvement area contains the same terms for "Collection of Special Tax" (including
23 with respect to the term of the special tax) and for application of Remainder Special
24 Taxes (as defined in the Rate and Method) with respect to park maintenance costs as
25 the Rate and Method.

1 (vi) If the rate and method of apportionment of special tax for the new
2 improvement area includes a provision allowing prepayment of the special tax, in whole
3 or in part, the Director of the Office of Public Finance, after consulting with the special
4 tax consultant retained by the City and the City Attorney, shall be satisfied that such
5 prepayment provision will not adversely impact the financing of authorized Facilities
6 and Services; *provided*, that if the prepayment formula set forth in such rate and
7 method of apportionment has previously been approved by this Board, then such
8 prepayment formula may be replicated in the rate and method of apportionment for
9 such new improvement area without meeting such test.

10 If the foregoing conditions ((1) or (2), as applicable), are satisfied, as determined by the
11 Director of the Office of Public Finance and set forth in a written acceptance by the Director of
12 the Office of Public Finance delivered to the property owner(s) that executed the Unanimous
13 Approval and the Clerk of the Board of Supervisors, the Unanimous Approval shall be
14 deemed accepted by the City and the Clerk of the Board of Supervisors shall record an
15 amendment to the notice of special tax lien or a new notice of special tax lien for the CFD
16 pursuant to Streets & Highways Code Section 3117.5.

17 (B) For any annexation and related matters described in the Unanimous Approval that
18 does not meet the requirements of Section (A) above, the following procedures shall apply
19 (provided, however, that nothing in the following procedures shall prevent the property owners
20 of property to be annexed into the CFD from a Future Annexation Area from annexing
21 property to the CFD (including into a new improvement area) pursuant to Section (A) above
22 and then instituting change proceedings pursuant to Article 3 of the Mello-Roos Act to make
23 additional changes to the rate and method or other authorized purposes):

24 *First*, the owners(s) of property to be annexed into the CFD shall submit a Unanimous
25 Approval for each parcel or parcels to be annexed into the CFD to the Treasure Island

1 Director of TIDA, together with a statement as to whether the Unanimous Approval is
2 consistent with the Financing Plan and, if not, the reasons for such inconsistency.

3 *Second*, the Treasure Island Director shall have 30 days to either (a) submit the
4 Unanimous Approval to the TIDA Board, accompanied by a written staff report that includes a
5 statement from the Treasure Island Director as to whether the Unanimous Approval is
6 consistent with the Financing Plan and, if not, a description of the inconsistencies, the reasons
7 for such inconsistencies given by the Developer and the Treasure Island Director's
8 recommendation as to such inconsistencies or (b) notify the Developer that the Treasure
9 Island Director shall not submit the Unanimous Approval to the TIDA Board due to
10 inconsistencies with the Financing Plan.

11 *Third*, the TIDA Board shall, within 60 days of the receipt of any Unanimous Approval
12 by the Treasure Island Director pursuant to *Second* above, either (i) adopt a resolution
13 accepting the Unanimous Approval or (ii) adopt a resolution rejecting the Unanimous
14 Approval, with the sole basis for rejection being a detailed conclusion that the Unanimous
15 Approval is not consistent with the Financing Plan.

16 *Fourth*, if the TIDA Board adopts a resolution rejecting the Unanimous Approval, the
17 owner(s) of property to be annexed into the CFD may revise the Unanimous Approval and
18 resubmit it to the Treasure Island Director, who shall endeavor to submit the revised
19 Unanimous Approval to the TIDA Board, accompanied by a written staff report as outlined
20 above under *Second*, at the next available meeting of the TIDA Board, and the TIDA Board
21 shall consider the revised Unanimous Approval and either (i) adopt a resolution accepting the
22 revised Unanimous Approval or (ii) adopt a resolution rejecting the revised Unanimous
23 Approval, with the sole basis for rejection being a detailed conclusion that the revised
24 Unanimous Approval is not consistent with the Financing Plan, in which event the owner(s)
25 may further revise the Unanimous Approval and repeat the process described in this clause

1 *Fourth.* In lieu of submitting a revised Unanimous Approval to the Treasure Island Director,
2 the owner(s) of property to be annexed into the CFD may appeal the TIDA Board's decision to
3 reject the Unanimous Approval to this Board of Supervisors, with the sole basis for appeal
4 being that the Unanimous Approval should not have been rejected because the Unanimous
5 Approval is consistent with the Financing Plan.

6 *Fifth,* within 30 days of the adoption by the TIDA Board of a resolution accepting a
7 Unanimous Approval or an appeal of the TIDA Board's decision to reject a Unanimous
8 Approval, the Director of the Office of Public Finance shall submit said Unanimous Approval
9 as an information item to the Clerk of the Board of Supervisors, and, unless within 30 days of
10 the receipt of the Unanimous Approval by the Clerk, one of the members of this Board of
11 Supervisors asks for it to be placed on an agenda for consideration by the Board of
12 Supervisors (which consideration shall be limited to whether the Unanimous Approval is
13 consistent with the Financing Plan), the Unanimous Approval shall be deemed accepted by
14 the City and the Clerk of the Board of Supervisors shall record an amendment to the notice of
15 special tax lien for the CFD pursuant to Streets & Highways Code Section 3117.5 or a new
16 notice of special tax lien for the CFD pursuant to Streets & Highways Code Section 3117.5;
17 and, be it

18 FURTHER RESOLVED, That this Board of Supervisors hereby finds that the provisions
19 of Mello-Roos Act Sections 53313.6, 53313.7 and 53313.9 (relating to adjustments to *ad*
20 *valorem* property taxes and schools financed by a community facilities district) are
21 inapplicable to the proposed CFD, Improvement Area No. 1 and the Future Annexation Area;
22 and, be it

23 FURTHER RESOLVED, That as required by Mello-Roos Act Section 53339.3(d), this
24 Board of Supervisors hereby determines that the Special Tax proposed to pay for the
25 Facilities to be supplied within the Future Annexation Area financed with bonds that have

1 already been issued and that are secured by previously-existing areas of the CFD will be
2 equal to the Special Taxes levied to pay for the same Facilities in previously-existing areas of
3 the CFD and Improvement Area No. 1, except that (i) a higher Special Tax may be levied
4 within the Future Annexation Area to pay for the same Facilities to compensate for the interest
5 and principal previously paid from Special Taxes in the original area of the CFD and
6 Improvement Area No. 1, less any depreciation allocable to the financed Facilities and (ii) a
7 higher Special Tax may be levied in the Future Annexation Area to pay for new or additional
8 Facilities, with or without bond financing, and as required by Mello-Roos Act Section
9 53339.3(d), this Board of Supervisors hereby further determines that the Special Tax
10 proposed to pay for Services to be supplied within the Future Annexation Area shall be equal
11 to any Special Tax levied to pay for the same Services in the existing CFD and Improvement
12 Area No. 1, except that a higher or lower tax may be levied within the Future Annexation Area
13 to the extent that the actual cost of providing the Services in the Future Annexation Area is
14 higher or lower than the cost of providing those Services in the existing CFD and
15 Improvement Area No. 1. In so finding, this Board of Supervisors does not intend to limit its
16 ability to levy a Special Tax within the Future Annexation Area to provide new or additional
17 services beyond those supplied within the existing CFD and Improvement Area No. 1 or its
18 ability to implement changes pursuant to Article 3 of the Mello-Roos Act within one or more
19 improvement areas; and, be it

20 FURTHER RESOLVED, That except as may otherwise be provided by law or by the
21 Rate and Method, all lands owned by any public entity, including the United States, the State
22 of California and/or the City, or any departments or political subdivisions thereof, shall be
23 omitted from the levy of the Special Tax to be made to cover the costs and expenses of the
24 Facilities, the Services, the CFD or Improvement Area No. 1. In the event that a portion of the
25 property within Improvement Area No. 1 shall become for any reason exempt, wholly or in

1 part, from the levy of the Special Tax, this Board of Supervisors will, on behalf of the CFD,
2 increase the levy to the extent necessary upon the remaining property within Improvement
3 Area No. 1 which is not exempt in order to yield the required debt service payments and other
4 annual expenses of Improvement Area No. 1, if any, subject to the provisions of the Rate and
5 Method; and, be it

6 FURTHER RESOLVED, That except as may otherwise be provided by law or by the
7 rate and method of apportionment for a Future Improvement Area, all lands owned by any
8 public entity, including the United States, the State of California and/or the City, or any
9 departments or political subdivisions thereof, shall be omitted from the levy of the special tax
10 to be made to cover the costs and expenses of the Facilities, the Services and the Future
11 Improvement Area. In the event that a portion of the property within the Future Improvement
12 Area shall become for any reason exempt, wholly or in part, from the levy of the special tax,
13 this Board of Supervisors will, on behalf of the CFD, increase the levy to the extent necessary
14 upon the remaining property within the Future Improvement Area which is not exempt in order
15 to yield the required debt service payments and other annual expenses of the Future
16 Improvement Area, if any, subject to the provisions of the rate and method of apportionment
17 of the special tax; and, be it

18 FURTHER RESOLVED, That the levy of the Improvement Area No. 1 Special Tax shall
19 be subject to the approval of the qualified electors of Improvement Area No. 1 at a special
20 election, and the proposed voting procedure shall be by mailed or hand-delivered ballot
21 among the landowners in the proposed Improvement Area No. 1, with each owner having one
22 vote for each acre or portion of an acre such owner owns in Improvement Area No. 1 not
23 exempt from the Improvement Area No. 1 Special Tax; and, be it

24 FURTHER RESOLVED, That a special tax shall be levied in the Future Annexation
25 Area only with the Unanimous Approval of the owner or owners of each parcel or parcels at

1 the time that parcel or those parcels are annexed into the CFD and in accordance with the
2 Annexation Approval Procedures; and, be it

3 FURTHER RESOLVED, That it is the intention of this Board of Supervisors, acting as
4 the legislative body of the CFD, to cause bonds of the City and other debt (as defined in the
5 Mello-Roos Act) to be issued for Improvement Area No. 1 pursuant to the Mello-Roos Act to
6 finance in whole or in part the construction and/or acquisition of the Facilities, and the bonds
7 and other debt shall be in the aggregate principal amount of not to exceed \$250 million
8 ("Improvement Area No. 1 Indebtedness Limit"), shall be issued in such series and bear
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 shall mature not
12 to exceed 40 years from the date of the issuance thereof; and, be it

13 FURTHER RESOLVED, That it is the intention of this Board of Supervisors, acting as
14 the legislative body of the CFD, to cause bonds of the City and other debt (as defined in the
15 Mello-Roos Act) to be issued for that portion of the CFD that is not included in Improvement
16 Area No. 1 to finance in whole or in part the construction and/or acquisition of the Facilities,
17 and the bonds and other debt shall be in the aggregate principal amount of not to exceed
18 \$4.75 billion ("Non-Improvement Area No. 1 Indebtedness Limit"), shall be issued in such
19 series and bear interest payable semi-annually or in such other manner as this Board of
20 Supervisors shall determine, at a rate not to exceed the maximum rate of interest as may be
21 authorized by applicable law at the time of sale of each series of bonds and other debt, and
22 shall mature not to exceed 40 years from the date of the issuance thereof; and, be it

23 FURTHER RESOLVED, That in the event all or a portion of the Future Annexation
24 Area is annexed as one or more Future Improvement Areas, the designation as an
25 improvement area of any territory annexing to the CFD, the maximum amount of bonded

1 indebtedness and other debt for such improvement area, the rate and method of
2 apportionment of special tax for such improvement area and the appropriations limit for such
3 improvement area shall be identified and approved in the Unanimous Approval executed by
4 property owners in connection with their annexation to the CFD in accordance with the
5 Annexation Approval Procedures. In that event, the amount of the maximum indebtedness for
6 the Future Improvement Area shall be subtracted from the Non-Improvement Area No. 1
7 Indebtedness Limit, which shall result in a reduction in the Non-Improvement Area No. 1
8 Indebtedness Limit; and, be it

9 FURTHER RESOLVED, That it is the intention of this Board of Supervisors, acting as
10 the legislative body for the CFD, to cause bonds and other debt of the City to be issued for the
11 Future Improvement Areas pursuant to the Mello-Roos Act to finance in whole or in part the
12 construction and/or acquisition of the Facilities, and the bonds and other debt shall be in the
13 aggregate principal amount designated at the time of annexation, shall be issued in such
14 series and bear interest payable semi-annually or in such other manner as this Board of
15 Supervisors shall determine, at a rate not to exceed the maximum rate of interest as may be
16 authorized by applicable law at the time of sale of each series of bonds and other debt, and
17 shall mature not to exceed 40 years from the date of the issuance thereof; and, be it

18 FURTHER RESOLVED, That the City's Director of the Office of Public Finance, as the
19 officer having charge and control of the Facilities and the Services in and for the CFD,
20 Improvement Area No. 1 and the Future Annexation Area, is hereby directed to study said
21 proposed Facilities and Services and to make, or cause to be made, and file with the Clerk of
22 the Board of Supervisors a report in writing ("CFD Report") presenting the following:

- 23 (a) A description of the Facilities and the Services by type which will be
24 required to adequately meet the needs of the CFD (which is proposed to consist initially
25 of Improvement Area No. 1) and the Future Annexation Area.

1 (b) An estimate of the fair and reasonable cost of the Facilities including the
2 cost of acquisition of lands, rights-of-way and easements, any physical facilities required
3 in conjunction therewith and incidental expenses in connection therewith, including the
4 costs of the proposed bond financing and other debt and all other related costs as
5 provided in Mello-Roos Act Section 53345.3.

6 (c) An estimate of the fair and reasonable cost of the Services and incidental
7 expenses in connection therewith, and all other related costs.

8 The CFD Report shall be made a part of the record of the public hearing specified below; and,
9 be it

10 FURTHER RESOLVED, Tuesday, December 6, 2016 at 3:00 p.m. or as soon as
11 possible thereafter, in the Board of Supervisors Chamber, 1 Dr. Carlton B. Goodlett Place,
12 San Francisco, California, be, and the same are hereby appointed and fixed as the time and
13 place when and where this Board of Supervisors, as legislative body for the CFD, will conduct
14 a public hearing on the establishment of the CFD, Improvement Area No. 1 and the Future
15 Annexation Area and consider and finally determine whether the public interest, convenience
16 and necessity require the formation of the CFD, Improvement Area No. 1, the Future
17 Annexation Area and the levy of the Special Tax, including the Improvement Area No. 1
18 Special Tax; and, be it

19 FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed
20 to cause notice of the public hearing to be given by publication one time in a newspaper
21 published in the area of the CFD and the Future Annexation Area; and, be it

22 FURTHER RESOLVED, The publication shall be completed at least seven days before
23 the date of the public hearing specified above. The notice shall be substantially in the form
24 specified in Mello-Roos Act Section 53322, with the form summarizing the provisions hereof
25 hereby specifically approved; and, be it

1 FURTHER RESOLVED, That Mello-Roos Act Section 53314.9 provides that, either
2 before or after formation of the CFD, the City may accept advances of funds and may provide,
3 by resolution, for the use of those funds, including but not limited to pay any cost incurred by
4 the local agency in creating the CFD, and may agree to reimburse the advances under all of
5 the following conditions: (A) the proposal to repay the advances is included both in the
6 resolution of intention and the resolution of formation to establish the CFD; and (B) any
7 proposed special tax is approved by the qualified electors of the CFD and, if the qualified
8 electors of the CFD do not approve the proposed special tax, the City shall return any funds
9 which have not been committed for any authorized purpose by the time of the election and, in
10 furtherance of Mello-Roos Act Section 53314.9, the Board of Supervisors previously approved
11 the execution and delivery of a Deposit and Reimbursement Agreement ("Deposit
12 Agreement") among the City, TIDA and the Developer, in Board File No. 150648; and, be it

13 FURTHER RESOLVED, That Mello-Roos Act Section 53314.9 provides that, either
14 before or after formation of the CFD, the City may accept work in-kind from any source,
15 including, but not limited to, private persons or private entities, may provide, by resolution, for
16 the use of that work in-kind for any authorized purpose and this Board of Supervisors may
17 enter into an agreement, by resolution, with the person or entity advancing the work in-kind, to
18 reimburse the person or entity for the value, or cost, whichever is less, of the work in-kind, as
19 determined by this Board of Supervisors, with or without interest, under the conditions
20 specified in the Mello-Roos Act; and, be it

21 FURTHER RESOLVED, Any work in-kind must be performed or constructed as if the
22 work had been performed or constructed under the direction and supervision, or under the
23 authority of, the City and, in furtherance of Mello-Roos Act Section 53314.9, the Board of
24 Supervisors previously approved the execution and delivery of an Acquisition and
25 Reimbursement Agreement among the City, TIDA and the Developer; and, be it

1 FURTHER RESOLVED, That this Board of Supervisors reserves to itself the right and
2 authority set forth in Mello-Roos Act Section 53344.1, subject to any limitations set forth in any
3 bond resolution or trust indenture related to the issuance of bonds; and, be it

4 FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered
5 the FEIR and finds that the FEIR is adequate for its use for the actions taken by this resolution
6 and incorporates the FEIR and the CEQA findings contained in Board of Supervisors
7 Resolution No.246-11 by this reference; and, be it

8 FURTHER RESOLVED, That this Resolution shall in no way obligate this Board of
9 Supervisors of the City to form the CFD, Improvement Area No. 1 or the Future Annexation
10 Area; and, be it

11 FURTHER RESOLVED, The formation of the CFD, Improvement Area No. 1 and the
12 Future Annexation Area shall be subject to the approval of this Board of Supervisors by
13 resolution following the holding of the public hearing referred to above; 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

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

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

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

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

17
18 By: 

19 Mark D. Blake
20 Deputy City Attorney

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EXHIBIT A

CITY AND COUNTY OF SAN FRANCISCO
Community Facilities District No. 2016-1
(Treasure Island)

DESCRIPTION OF FACILITIES AND SERVICES TO BE FINANCED BY
THE CFD AND EACH IMPROVEMENT AREA THEREIN

FACILITIES

It is intended that the CFD, Improvement Area No. 1, and each Future Improvement Area will be authorized to finance all or a portion of the costs of the acquisition, construction and improvement of any of the following types of facilities:

- A. Facilities Acquired from Third Parties
 - 1. Acquisition - includes acquisition of land for public improvements.
 - 2. Abatement - includes abatement of hazardous materials and disposal of waste.
 - 3. Demolition - removal of below-grade, at-grade, and above-grade facilities, and recycling or disposal of waste.
 - 4. Supplemental Fire Water Supply System - including, but not limited to, main pipe, laterals, valves, fire hydrants, cathodic protection, manifolds, air-gap back flow preventer, wharf fire hydrants, portable water pumper, and tie-ins for onsite water supply network that is unique to San Francisco intended for fire suppression.
 - 5. Low Pressure Water - including, but not limited to, main pipe, pressure reducing stations, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blowoffs, fire hydrants, cathodic protection,

and tie-ins for onsite and offsite low pressure water supply network intended for domestic use.

1
2 6. Water Tank Facilities – including, but not limited to, storage tanks, pumps,
3 and other facilities associated with water storage.

4 7. Recycled Water - including, but not limited to, main pipe, laterals, water
5 meters, water meter boxes, back flow preventers, gate valves, air valves,
6 blowoffs, cathodic protection, and tie-ins for recycled water supply network
7 intended to provide treated wastewater for use in irrigation of parks and
8 landscaping as well as graywater uses within buildings.

9 8. Storm Drainage System – including, but not limited to, main pipe, laterals,
10 manholes, catch basins, air vents, stormwater treatment facilities, connections to
11 existing systems, headwalls, outfalls, and lift stations for a network intended to
12 convey onsite and offsite separated storm water.

13 9. Separated Sanitary Sewer – including, but not limited to, main pipe,
14 laterals, manholes, traps, air vents, connections to existing systems, force main
15 pipe and associated valves and cleanouts, and pump and lift stations for a
16 network intended to convey separated sanitary sewage.

17 10. Joint Trench – including, but not limited to, the electrical substation,
18 installation of primary and secondary conduits, overhead poles, pull boxes,
19 vaults, subsurface enclosures, and anodes, for dry utilities including but not
20 limited to electrical and information systems.

21 11. Earthwork – including, but not limited to, importation of clean fill materials,
22 clearing and grubbing, slope stabilization, ground improvement, installation of
23 geogrid, surcharging, wick drains, excavation, rock fragmentation, placement of
24 fill, compaction, grading, erosion control, deep vibratory soil compaction, cement
25

1 deep soil mix (CDSM) columns and panels, stone columns, and post-
2 construction stabilization such as hydroseeding.

3 12. Retaining Walls – including, but not limited to, excavation, foundations,
4 construction of retaining walls, subdrainage, and backfilling.

5 13. Highway Ramps, Roadways, Pathways, Curb, and Gutter – including, but
6 not limited to, road subgrade preparation, aggregate base, concrete roadway
7 base, asphalt wearing surface, concrete curb, concrete gutter, medians, colored
8 asphalt and concrete, speed tables, class 1 and 2 bike facilities (e.g., cycle
9 tracks), sawcutting, grinding, conform paving, resurfacing, for onsite and offsite
10 roadways.

11 14. Traffic – including, but not limited to, transit stops, transit facilities, transit
12 buses and ferries, bridge structures, permanent pavement marking and striping,
13 traffic control signage, traffic light signals, pedestrian traffic lighting, and
14 contributions for offsite traffic improvements.

15 15. Streetscape – including, but not limited to, subgrade preparation,
16 aggregate base, sidewalks, pavers, ADA curb ramps with detectable tiles,
17 streetlights, light pole foundations, landscaping, irrigation, street furniture, waste
18 receptacles, newspaper stands, and public art.

19 16. Shoreline Improvements – including, but not limited to, demolition,
20 excavation, installation of revetment, structural improvements of shoreline and
21 revetment, and structural repair for replacement or retrofit of shoreline structures.

22 17. Parks – including, but not limited to, ground improvement, subgrade
23 preparation, landscaping and trees, aggregate base, sidewalks, pavers,
24 decomposed granite, lighting, irrigation, furniture, decks, fountains, and
25 restrooms.

18. Ferry Terminal – including, but not limited to, foundations, ferry shelter building, signs, electronic toll collection system, breakwaters, pier, gangway, float, restroom, bike storage

19. Hazardous Soil Removal – removal and disposal of contaminated soil.

20. Community Facilities – including, but not limited to, costs of police station, fire station, community center spaces for uses including reading room/library, senior/adult services, teen/youth center, outdoor performance and gathering spaces, community gardens, public school, childcare centers, public recreational facilities including ballfields, playing fields and sports centers, and publicly-owned parking garages.

21. Any other amounts specifically identified in the DDA as a Qualified Project Cost.

22. Hard Costs, Soft Costs and Pre-Development Costs, as defined in the Conveyance Agreement, associated with the design, procurement, development and construction of all Facilities listed herein.

B. Authorized Payments

1. Contribution to the City and other public agencies for costs related to open space improvements, transportation and transit facilities, and design and construction of ramps and access roads.

C. Facilities Constructed by the City or TIDA

1. Sea Level Rise Adaptations – including, but not limited to, demolition, excavation, and installation of revetment; structural improvements of shoreline and revetment; construction, improvement or relocation of shoreline structures,

seawalls, stormwater pump stations and outfalls; earthwork, grading and landscaping; and the development of intertidal zones or wetlands.

2. Facility Capital Improvements – upgrade, reconstruction, or replacement of publicly-owned assets on Treasure Island and Yerba Buena Island, including, but not limited to, buildings, hangars, school facilities, living quarters, parks, improvements for sea-level rise, piers, and the Acquisition Facilities described in Section A of this Exhibit A.

NOTE: The categories of facilities labeled “Facilities Acquired from Third Parties” and “Facilities Constructed by the City or TIDA” reflect current assumptions of the City and TIDA. The CFD shall be authorized to finance the listed facilities whether they are acquired from third parties or constructed by the City or TIDA.

SERVICES

1
2 Special taxes collected in the CFD, Improvement Area No. 1, and each Future
3 Improvement Area will finance, in whole or in part, the following services ("services"
4 shall have the meaning given that term in the Mello-Roos Community Facilities Act of
5 1982):

- 6
7 • The costs of operating and maintaining Improvements constructed pursuant
8 to the Parks and Open Space Plan within the Project Site, including
9 installing landscaping, all personnel or third-party maintenance costs, costs
10 of maintaining irrigation systems and other equipment directly related to
11 maintenance, maintenance or replacement as needed of landscape areas,
12 water features, bathrooms, trash receptacles, park benches, planting
13 containers, picnic tables, and other equipment or fixtures installed in areas
14 to be maintained, insurance costs, and any other related overhead costs,
15 along with TIDA personnel, administrative, and overhead costs related to
16 maintenance or to contracting for and managing third-party maintenance.
17 The terms used in this paragraph have the meaning given them in the
18 Financing Plan.
- 19 • Operating and maintaining TIDA owned structures and facilities within the
20 Project Site, including but not limited to Building 1, Hangers 2 & 3, Pier 1,
21 the Historic Officers' Quarters, Quarters 10 & 62, the Torpedo Building,
22 Chapel, gymnasium, roadways, paths and walkways. Costs include but are
23 not limited to all personnel or third-party maintenance costs, costs of
24 maintaining systems and other equipment directly related to maintenance,
25 as needed, of building systems, roofs, building envelope, and interiors,
insurance costs, and any other related overhead costs, along with TIDA
personnel, administrative, and overhead costs related to maintenance or to
contracting for and managing third-party maintenance. The terms used in
this paragraph have the meaning given them in the Financing Plan.

OTHER

1 The CFD, Improvement Area No. 1, and each Future Improvement Area may also
2 finance any of the following:

3
4 1. Bond related expenses, including underwriters discount, reserve fund,
5 capitalized interest, letter of credit fees and expenses, bond and disclosure counsel fees
6 and expenses, bond remarketing costs, and all other incidental expenses.
7

8 2. Administrative fees of the City and the bond trustee or fiscal agent related to
9 the CFD, Improvement Area No. 1, and each Future Improvement Area and the Bonds.
10

11 3. Reimbursement of costs related to the formation of the CFD, Improvement
12 Area No. 1, and each Future Improvement Area advanced by the City, the landowner(s)
13 in the CFD, Improvement Area No. 1, and each Future Improvement Area, or any party
14 related to any of the foregoing, as well as reimbursement of any costs advanced by the
15 City, the landowner(s) in the CFD, Improvement Area No. 1, and each Future
16 Improvement Area or any party related to any of the foregoing, for facilities, fees or
17 other purposes or costs of the CFD, Improvement Area No. 1, and each Future
18 Improvement Area.
19

20 4. Funding a capital reserve fund to finance the Facilities described in this
21 Exhibit.
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25

EXHIBIT B

CITY AND COUNTY OF SAN FRANCISCO
Community Facilities District No. 2016-1
(Treasure Island)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
IMPROVEMENT AREA NO. 1

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EXHIBIT B

CITY AND COUNTY OF SAN FRANCISCO
Community Facilities District No. 2016-1
(Treasure Island)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
IMPROVEMENT AREA NO. 1

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Items 3, 4, 5, 6 and 7
Files 16-1035, 16-1036, 16-1037,
16-1038 and 16-1039

Department:
 Treasure Island Development Authority (TIDA)

EXECUTIVE SUMMARY

Legislative Objectives

- The Treasure Island Development Project is an ongoing project to transition Treasure Island and a portion of Yerba Buena Island from a former military base to a new San Francisco residential and commercial development. A Financing Plan approved by the Board of Supervisors in 2011 (Files 11-0226 and 11-0291) obligates the City to provide funding for certain public improvements by forming an Infrastructure and Revitalization Financing District (IRFD) and a Community Facilities District (CFD) on Treasure Island and Yerba Buena Island and issuing bonds and other debt for the IRFD and CFD.
- The five proposed resolutions are the first step in the process of forming the IRFD and CFD, and the associated authorization to levy special assessments and incur bonded and other debt. If the proposed resolutions are approved, the IRFD, CFD, and associated debt would then be the subject of public hearings and special elections.

Key Points

- IRFDs use property tax increment financing to pay for public facilities, and CFDs levy a special assessment on properties within the CFD to pay for infrastructure expenses and services.
- File 16-1035 states the intention to establish the IRFD. File 16-1036 directs the Office of Public Finance to prepare an Infrastructure Financing Plan for the IRFD. File 16-1037 states the intention to issue bonds for the IRFD in a not-to-exceed principal amount of \$780,000,000. File 16-1038 states the intention to establish the CFD. File 16-1039 states the intention to incur bonded indebtedness of an amount not to exceed \$5,000,000,000 for the CFD.

Fiscal Impact

- The proposed IRFD will receive incremental property tax revenue that would otherwise be allocated to the City's General Fund, estimated to be between \$1,080,836,000 and \$1,233,335,000 over a 43-year term, based on the projected assessed value of the initial project areas from 2018-19 through 2061-62.
- The proposed CFD will not have direct fiscal impact on the City because it levies a special assessment to be paid by the property owners in the CFD.
- The entire Treasure Island Development Project is estimated to generate an aggregate surplus to the City's General Fund, MTA, and Library Preservation Fund of approximately \$529,600,000 over a 52-year term from 2015-16 through 2067-68, and an annual General Fund surplus upon buildout/stabilization of \$10,500,000 per year.

Recommendation

- Because the proposed resolutions are consistent with legislation previously approved by the Board of Supervisors related to the Treasure Island Development Project, the Budget and Legislative Analyst recommends approval of the proposed resolutions.

MANDATE STATEMENT

A city, county, or city and county may establish an Infrastructure and Revitalization Financing District under California Government Code Section 53369 *et seq.* An Infrastructure and Revitalization Financing District is a legally constituted government entity established for the sole purpose of financing public facilities.

Under the Mello-Roos Community Facilities Act of 1982, as amended, a board of supervisors is authorized to establish a Community Facilities District after considering and adopting local goals and policies. A Community Facilities District is a geographic area wherein a supplemental assessment on properties is levied to finance eligible public infrastructure and services expenditures.

BACKGROUND

The Treasure Island Development Project is an ongoing project to transition Treasure Island and a portion of Yerba Buena Island from a former military base to a new San Francisco residential and commercial development. The project includes the development of 8,000 new residences (including affordable units), 300 acres of parks and open space, 551,000 square feet of retail and office space, up to 500 hotel rooms, and public infrastructure and community facilities. Upon buildout, the project's service population is currently projected to reach 16,326 residents and 2,544 employees.

History of the Treasure Island Development Project

Naval Station Treasure Island (Treasure Island) is a former United States Navy base located on Treasure Island and a 90-acre portion of Yerba Buena Island. In 1993, the base was selected for closure under the Federal Base Realignment and Closure Act. Accordingly, upon completion of environmental remediation activities, the Department of the Navy (Navy) has conveyed and will continue to convey portions of Treasure Island to the Treasure Island Development Authority (TIDA), a non-profit public benefit corporation. TIDA (a) oversees the Navy's environmental remediation activities, (b) has negotiated the conveyance of Treasure Island from the Navy to the City, and (c) is responsible for planning, redevelopment, reconstruction, rehabilitation, reuse, and conversion of Treasure Island.

Today, Treasure Island consists primarily of low-density residential usages, along with vacant and underutilized non-residential structures. There are approximately 1,000 total dwelling units on Treasure Island (of which 726 are available for occupancy), about 100 buildings with existing and former non-residential uses, parking and roadways, open space, a wastewater treatment facility, and other infrastructure.

In 2000, TIDA initiated a competitive selection process, culminating in the selection of Treasure Island Community Development, LLC (TICD) in March 2003 to serve as master developer to the Treasure Island Development Project to develop public infrastructure and sell or ground lease parcels to private developers to construct housing and commercial and public facilities.

In 2006, the Board of Supervisors approved the Development Plan and Term Sheet for the Redevelopment of Treasure Island (File 06-1498), prepared by TIDA and TICD, which established the development goals and funding strategy for Treasure Island. In 2010, the Board of Supervisors approved an update to the 2006 Development Plan and Term Sheet that incorporated additional documentation (Files 10-0432 and 10-0428).

In 2014, the Board of Supervisors approved the Economic Development Conveyance Memorandum of Agreement (MOA) for the transfer of Treasure Island from the Navy to TIDA (File 14-0562). Under the agreement, the total purchase price for the property from the Navy was \$55,000,000, plus interest expected to total \$12,375,000 and additional consideration projected to cost an additional \$50,000,000, for a total cost for the Treasure Island property projected to be \$117,375,000. According to Mr. Robert Beck, Treasure Island Director, an initial payment of \$5,500,000 was made at the time of the initial closing, May 29, 2015, and a second payment of \$7,544,350 was made on May 26, 2016. The payments were made by TICD directly to the Navy.

Financing Plan

In 2011 the Board of Supervisors approved the Development Agreement between the City and TICD (File 11-0226) and the Disposition and Development Agreement between TIDA and TICD (File 11-0291) and other related documents. Included in both of these Agreements was a Financing Plan that identifies the financial goals of the project and the contractual framework for cooperation among TIDA, the City, and TICD in achieving those goals and implementing the project.

The Financing Plan obligates the City to provide funding for certain public improvements by:

- forming Infrastructure and Revitalization Financing District(s), or IRFD(s), to reimburse TICD for qualified project costs through incremental property tax revenue derived in the project area;¹
- forming Community Facilities District(s), or CFD(s), to reimburse TICD for qualified project costs, to pay for certain public services necessary to ensure that the shoreline and facilities will be protected should sea levels rise, and to pay for ongoing park maintenance by imposing a special assessment on properties within the CFD; and
- issuing bonds and other debt for the IRFD(s) and CFD(s).

IRFDs

IRFDs use property tax increment financing to pay for public facilities. These districts may finance public infrastructure of community-wide significance and with a useful life of fifteen years or more, but may not finance services like routine maintenance, repair work, or the cost of ongoing operations or the provision of services. The revenues may be used to pay directly for

¹ Although the text of the Financing Plan actually calls for the formation of Infrastructure Financing Districts rather than Infrastructure and Revitalization Financing Districts because the law establishing IRFDs had not been created at the time, the Office of Public Finance finds that IRFDs are a better vehicle to finance the project, and that IRFDs should be used to comply with the Financing Plan in the place of Infrastructure Financing Districts.

work on qualifying projects or may be pledged to pay the principal of and interest on bonds issued to finance qualifying projects.

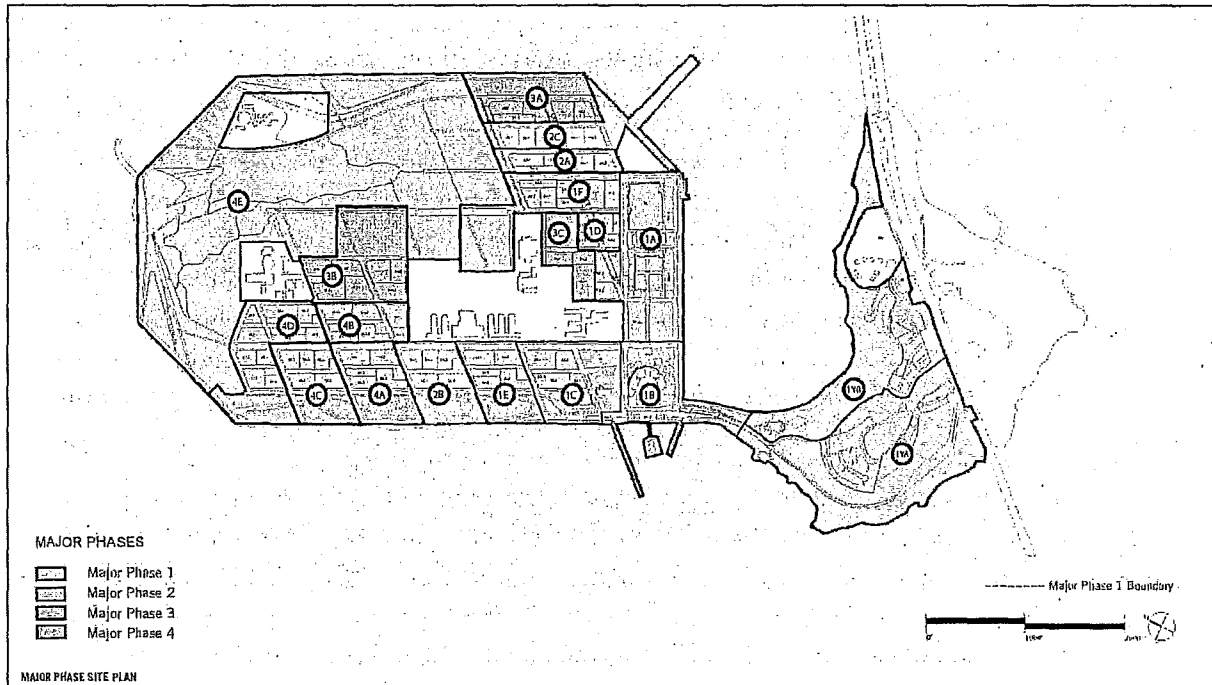
CFDs

CFDs levy a special assessment on properties within a specified district based on land usage (commercial/retail, hotel, or residence type, for example), subject to a vote of the property owners. The revenues may be used to finance eligible infrastructure expenses with a useful life of five years or more, and may also finance services and maintenance activities.

Project Site and Phases

The project site is divided into four major phases (large, mixed-use areas) and, within each major phase, various sub-phases (one or more adjacent blocks within the major phase). Figure 1 below displays the major development phases.

Figure 1: Treasure Island Development Project Major Phases



Source: TIDA, Major Phase Application for Major Phase 1

Current Status of the Treasure Island Development Project

The initial Treasure Island property transfer from the Navy to TIDA occurred in May of 2015, and additional transfers are anticipated through the end of 2021 as the Navy completes environmental remediation activities. Development parcels for the first areas were transferred by TIDA to TICD in February of 2016. TICD has completed demolition of obsolete structures on Yerba Buena Island, and demolition on Treasure Island is underway.

TICD has taken bids for the initial infrastructure contracts on Yerba Buena Island for new water storage reservoirs and for new roadways and utility infrastructure. Before the end of 2016, TICD anticipates bidding and awarding contracts for the soil stabilization and utility infrastructure in

the initial sub-phase area on Treasure Island. TICD is also mobilizing consultants to begin the detailed design of infrastructure in the next sub-phase area.

With the commencement of development activities, TIDA needs to establish the IRFD and CFD as funding sources to develop and maintain infrastructure on Treasure Island and Yerba Buena Island.

DETAILS OF PROPOSED LEGISLATION

The five proposed resolutions, shown in Figure 2 below, are the first step in the authorization process to form the Community Facilities District (CFD) and Infrastructure and Revitalization Financing District (IRFD) on Treasure Island and Yerba Buena Island. If the proposed resolutions are approved, the IRFD, CFD, and associated debt would then be the subject of public hearings and special elections. Following the public hearings and elections, further Board of Supervisors actions would be required to formally establish each district, incur bonded indebtedness, and levy special taxes.

Figure 2 below outlines the key required legislative actions for the formation of the CFD and IRFD. The proposed resolutions currently under consideration are indicated in bold and are described in detail following the table.

Figure 2: Summary of Key Legislative Actions

| IRFD | CFD |
|---|---|
| Resolutions in this Report | |
| <ul style="list-style-type: none"> • 16-1035: Resolution of intention to establish the IRFD • 16-1036: Resolution authorizing the preparation of an Infrastructure Financing Plan • 16-1037: Resolution of intention to issue bonds | <ul style="list-style-type: none"> • 16-1038: Resolution of intention to establish the CFD • 16-1039: Resolution of intention to incur bonded indebtedness |
| Future Actions | |
| <ul style="list-style-type: none"> • Preparation of the Infrastructure Financing Plan (by Director of the Office of Public Finance) • Resolution approving the Infrastructure Financing Plan • Public hearing • Resolution proposing the formation of the IRFD • Resolution calling for a special election • Election • Resolution confirming election results • Ordinance adopting the Infrastructure Financing Plan • Resolution authorizing bond issuance | <ul style="list-style-type: none"> • Preparation of the CFD Report (by the Director of the Office of Public Finance) • Public hearing • Resolution of formation of the CFD and future annexation area • Resolution of necessity to incur bonded indebtedness • Resolution calling for a special election • Election • Resolution confirming election results • Ordinance ordering levy of special taxes • Resolution authorizing bond issuance |

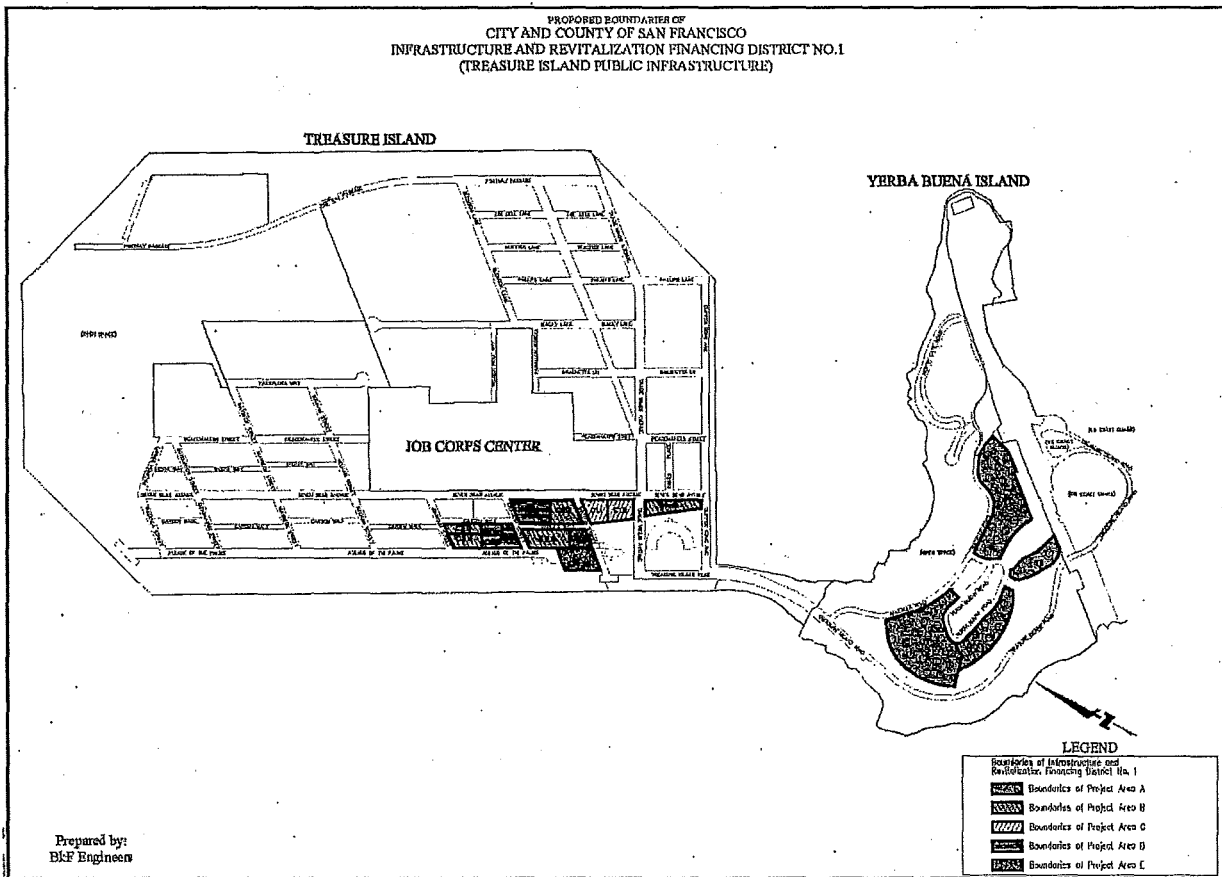
Related to the IRFD

File 16-1035: Resolution of intention to establish the IRFD on Treasure Island and Yerba Buena Island. Under California Code, the Board of Supervisors must approve the resolution of intention to establish the IRFD as the first step in the formation of the IRFD. The IRFD provides

for separate project areas, each of which can have a different start date and extend for 40 years from the start date. Each project area within the IRFD can generate property tax increment and issue debt against the property tax increment at different times. The proposed resolution also describes the process for annexing properties into the IRFD.

All of the property in the initial project areas has been transferred to TIDA by the Navy and by TIDA to TICD. The different project areas reflect the sequence in which the properties are expected to be improved by TICD and represent different 40-year windows over which the tax increment would be collected to provide optimal capacity under the IRFD. The initial project areas, shown in Figure 3 below, are known as Project Area A (on Yerba Buena Island), and Project Areas B, C, D, and E (on Treasure Island), which are sub-phases of the first major phase of the development of Treasure Island and Yerba Buena Island (discussed above and shown in Figure 1 above).

Figure 3: Map of Proposed Project Areas within IRFD



Source: TIDA

According to the proposed resolution, the types of facilities to be financed by the IRFD are (1) of community-wide significance, (2) will be constructed on a former military base and are consistent with the authority reuse plan and approved by TIDA (the military base reuse authority), if applicable, (3) will not supplant facilities already available within the IRFD, and (4) will supplement existing facilities as needed to serve new development. Incremental property

tax revenue generated by the project areas within the IRFD will be used to finance these facilities, and the financing will be described in an Infrastructure Financing Plan (see File 16-1036 below). The Board of Supervisors will establish the date on which the allocation of tax increment will begin, and these dates may vary by project area.

File 16-1036: Resolution authorizing and directing the Director of the Office of Public Finance to prepare an Infrastructure Financing Plan. The Infrastructure Financing Plan is intended to guide the function and administration of the IRFD. IRFD law requires a resolution be adopted authorizing preparation of the plan and further requires that the plan be distributed to each landowner within the proposed district and each affected taxing agency at least 60 days prior to the public hearing on the proposed IRFD. In order to expedite the process of forming the IRFD, the Director of the Office of Public Finance has already prepared the Infrastructure Financing Plan, which will be submitted to the Board of Supervisors in a future resolution. In order to distribute the Infrastructure Financing Plan 60 days prior to a public hearing on December 6, 2016, per the Treasure Island Schedule proposed by TIDA, the Infrastructure Financing Plan was mailed on October 7, 2016 to property owners, taxing entities, the Planning Commission, and the Board of Supervisors.

File 16-1037: Resolution of intention to issue bonds related to the IRFD. The proposed resolution is the first step in the authorization of bonded indebtedness under the IRFD, and states the Board of Supervisors' intention to issue bonds or other debt to finance the cost of the facilities within the IRFD.

The proposed resolution establishes a not-to-exceed principal amount of \$780,000,000 in debt from the initial project areas shown in Figure 3 above.² The principal of and interest on the bonds to finance the initial project areas is \$1,080,000,000. Bond principal and interest is paid from property tax increment generated by the respective project areas in the IRFD.

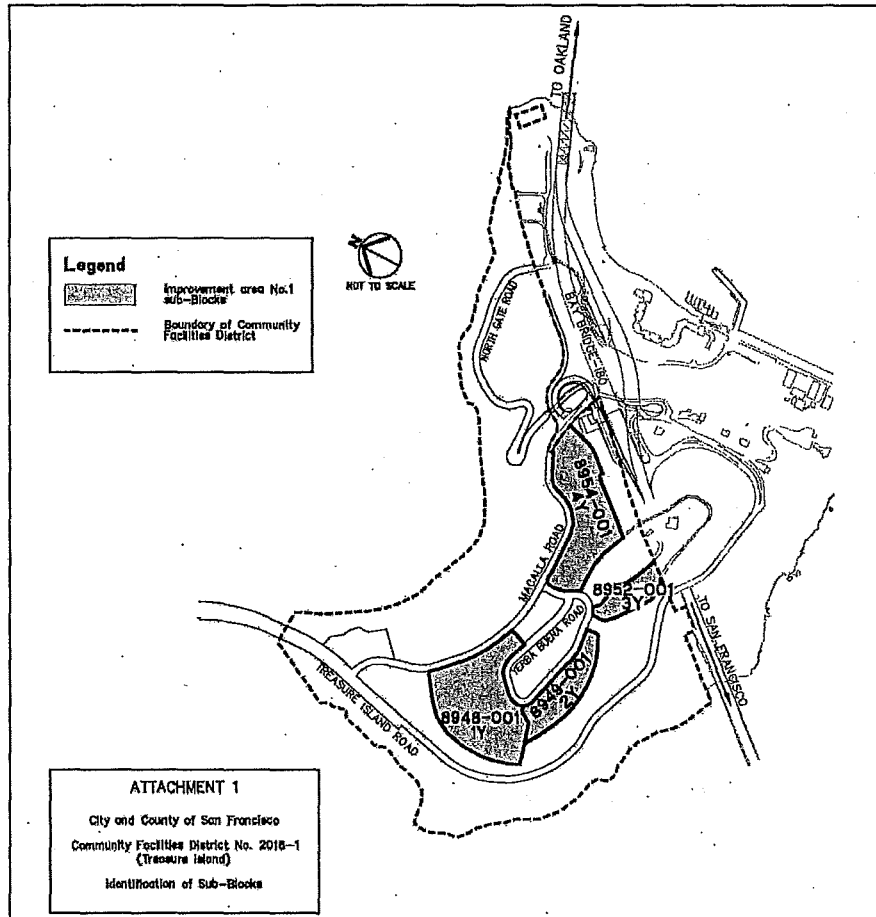
Related to the CFD

File 16-1038: Resolution of intention to establish the CFD. The proposed resolution is the first step in the formation of the CFD in order to finance costs of public infrastructure and public services, including future improvements necessitated by sea level rise. The initial area to be included in the CFD is Improvement Area 1, shown in Figure 4 below, which is consistent with IRFD Project Area A on Yerba Buena Island, and additional parcels can be annexed to the CFD in the future. The purpose of establishing separate improvement areas within the CFD is to give the City and TICD the flexibility to establish different special assessments, subject to the vote of the property owners, to reflect market conditions as property is transferred from the Navy for development.

² The resolution provides for bonds to be issued in an amount of more than \$780,000,000, as "approved by the Board of Supervisors and the qualified electors of the annexation territory in connection with the annexation of the annexation territory to the IRFD, so long as the Board makes the finding specified in IRFD Law Section 53369.41(f)". According to IRFD Law Section 53369.41(f), the finding is the "amount necessary to pay the principal of, and interest on, the proposed bond issuance will be less than, or equal to...the amount of tax revenue available or estimated to be available..."

The boundaries of the proposed CFD in its initial formation and Improvement Area 1 are shown in Figure 4 below.

Figure 4: Map of Proposed CFD and Improvement Area No. 1



Source: TIDA

The proposed resolution states the intention to issue bonds in the aggregate principal amount not to exceed \$250,000,000 for Improvement Area No. 1, and in the aggregate principal amount not to exceed \$4,750,000,000 for the portion of the CFD that is not included in Improvement Area No. 1.

File 16-1039: Resolution of intention to incur bonded indebtedness. The proposed resolution is the first step in the authorization of bonded indebtedness and other debt for the CFD in order to finance the CFD facilities costs, estimated to be \$5,000,000,000: \$250,000,000 for Improvement Area No. 1, and \$4,750,000,000 for the portion of the CFD that is not included in Improvement Area No. 1.

The special assessment to pay bonds and other debt issued by CFD, in an amount of \$5,000,000,000, is a debt of the property owners within the CFD and not the City. As noted above, property owners in the CFD must approve the special assessment by vote, which will be administered by the City’s Department of Elections. According to Mr. Robert Beck, Treasure Island Director, the developer, TICD, is the sole property owner subject to the CFD at the time

of formation. However, future property owners would also be subject to the CFD if there is a change in ownership of the properties within the CFD.

Environmental Impact Report and Associated Findings

Each of the proposed resolutions also finds that the Final Environmental Impact Report (FEIR) for this project, previously certified by the Board of Supervisors in 2011 (File 11-0619), is adequate, and approval of the proposed resolutions would incorporate the FEIR and the related California Environmental Quality Act findings adopted by the Board of Supervisors in 2011 (File 11-0328).

FISCAL IMPACT

Fiscal Impact of the IRFD and Related Resolutions

The proposed IRFD will receive incremental property tax revenue that would otherwise be allocated to the City's General Fund. The Infrastructure Financing Plan prepared by the Office of Public Finance estimates that the amount allocated to the IRFD, which would otherwise be allocated to the City's General Fund, will be between \$1,080,836,000 and \$1,233,335,000, based on the projected assessed value of the initial project areas over the term from 2018-19 through 2061-62, as explained in more detail below.

The City's share of the 1.0 percent property tax rate is 0.647, as shown in Figure 5 below. According to the Infrastructure Financing Plan, 0.567 is pledged as "net available increment" to pay for IRFD improvements and 0.08 is pledged as "conditional City increment" that will accrue to the City's General Fund if not required for the repayment of bonds.³ Of Treasure Island's 0.567 share of the 1.0 percent property tax rate, 0.468 will be allocated to infrastructure and 0.099 will be allocated to affordable housing. Figure 5 below summarizes the share of the property tax increment pledged to the IRFD.

³ In connection with the issuance of bonds, the conditional City increment will be added to the net available increment when determining coverage on the bonds and such amounts will be pledged to the payment of debt service on the bonds. However, if the net available increment is sufficient to cover the debt service on the bonds in any given year, the conditional City increment will not be remitted to the IRFD, or, if previously remitted to the IRFD, will be returned to the City.

If the conditional City increment is ever used to pay debt service on bonds, then in future years after first paying or setting aside amounts needed for debt service due payable from net available increment, the IRFD will repay the City out of net available increment for any conditional City increment used for debt service in the same amount plus interest.

Figure 5: Share of Property Tax Rate Pledged to IRFD

| Property Tax Revenue Recipient | Share of Total Property Tax Rate |
|---|---|
| Infrastructure and facilities projects | 0.468 |
| Affordable housing | <u>0.099</u> |
| Subtotal, Treasure Island Development Project | 0.567 |
| Conditional City increment | <u>0.080</u> |
| Total, City share | 0.647 |
| Other tax entities' share ^a | <u>0.353</u> |
| Total Property Tax Rate | 1.000 |

^a BART, Community College District, San Francisco Unified School District, Bay Area Air Quality Management District, and Education Revenue Augmentation Fund

These pledged percentages are unchanged from the percentage share approved by the Board of Supervisors in 2011.

The IRFD will be authorized to issue up to \$780,000,000 in bonds. The bonds will be secured by the net available increment. Issuance of the bonds is subject to future Board of Supervisors approval.

Based on the projected assessed value of the initial project areas over 43 years from 2018-19 through 2061-62, the Infrastructure Financing Plan estimates that a total of \$1,080,836,000 of net available increment and \$152,499,000 of conditional City increment will be generated for the IRFD over the 43-year term that otherwise would have been allocated to the City's General Fund. Using these estimates, the maximum amount that otherwise would have been allocated to the City's General Fund is \$1,233,335,000 if all the conditional City increment is used, based on the projected assessed value of the initial project areas over the term from 2018-19 through 2061-62. The estimates are summarized in Figure 6 below.

Figure 6: Estimates of Maximum Total Amount Diverted Away from General Fund

| Allocation | Amount |
|----------------------------|------------------------|
| Net available increment | \$1,080,836,000 |
| Conditional City increment | 152,499,000 |
| Total | \$1,233,335,000 |

Source: Infrastructure Financing Plan

Some of the facilities to be financed by the IRFD are also eligible for financing by the proposed CFD. TICD intends to use both the CFD and the IRFD to fund all of the eligible facilities. The TIDA Board of Directors and the Board of Supervisors may authorize the use of net available increment to pay debt service on CFDs as well.

Fiscal Impact of the CFD and Related Resolutions

The proposed CFD will not have direct fiscal impact on the City because it levies a special assessment to be paid by the property owners in the CFD that is in addition to the regular property tax.

Total Revenue and Cost Impacts of the Treasure Island Development Project Overall

Appendix B of the Infrastructure Financing Plan includes an assessment of the annual revenue and cost impacts of the entire Treasure Island Development Project on the City prepared by Keyser Marston Associates, Inc. The analysis evaluates the cumulative fiscal impacts on the City over 52 years, extending from FY 2015-16 through FY 2067-68.

As shown in Figure 7 below, overall the project is anticipated to generate a cumulative surplus to the City's General Fund of approximately \$328,700,000 over 52 years, and an annual General Fund surplus upon buildout/stabilization of \$6,800,000 per year. The project is also anticipated to generate cumulative surpluses of \$201,000,000 over the 52-year term and ongoing annual surpluses upon buildout of \$3,800,000 to the MTA and Library Preservation Funds. (All estimates in 2016 dollars.)

The calculated revenues to the General Fund capture both recurring revenues and one-time construction revenues. Recurring revenues include property taxes, sales and use tax, business license tax, and a hotel room tax, among others. One-time construction revenues include construction sales tax, gross receipts taxes on construction, transfer tax on initial pad and unit sales, and others.

General Fund expenditures related to the project include fire protection, police services, the population-based transfer to the Municipal Transportation Agency required under Proposition B, public health, public works, and other expenditures.

Figure 7: Aggregate Net Fiscal City Impact (in 2016 dollars)

| | Cumulative Impacts (FY 2015/16 – FY 2067/68) | Annual Impacts upon Buildout (FY 2035/36) |
|------------------------------------|---|--|
| <i>Net General Fund Impacts</i> | | |
| Revenues* | \$981,200,000 | \$21,900,000 |
| Expenditures | (652,600,000) | (15,100,000) |
| Net Surplus | \$328,700,000 | \$6,800,000 |
| <i>Net MTA and Library Impacts</i> | | |
| Revenues | 277,800,000 | 6,400,000 |
| Expenditures | (76,800,000) | (2,700,000) |
| Net Surplus | \$201,000,000 | \$3,800,000 |
| <i>Aggregate Net City Impact</i> | | |
| Revenues | 1,259,000,000 | 28,300,000 |
| Expenditures | (729,400,000) | (17,800,000) |
| Net Surplus | \$529,600,000 | \$10,500,000 |

*includes annual recurring and construction-related revenues

Source: Keyser Marston Associates, Inc.

Additional City Obligations

The Infrastructure Financing Plan states that the City will construct a wastewater treatment plan on Treasure Island that is expected to cost approximately \$65,000,000. The plant will not be financed with assistance from the IRFD. According to Mr. Beck, the San Francisco Public Utilities Commission (PUC) will finance the development of the plant, and has included \$63,000,000 in its capital budget over the next three years beginning in FY 2016-17. TIDA is

currently working with PUC staff on a scope to initiate the conceptual engineering work for the plant.

The Infrastructure Financing Plan also states that the City will be responsible for the upgrading and rehabilitation of publicly-owned assets on Treasure Island, including but not limited to buildings, hangars, school facilities, living quarters, parks, improvements for sea-level rise, and piers. Over the projected life of the IRFD and future annexation areas, the costs of these improvements could exceed \$250,000,000 and will be specified in the Treasure Island/Yerba Buena Island Capital Plan.

RECOMMENDATION

Because the proposed IRFD and CFD are consistent with the Development Agreement between the City and TIDA and the Disposition and Development Agreement between TIDA and TICD (Files 11-0226 and 11-0291), previously approved by the Board of Supervisors, the Budget and Legislative Analyst recommends approval of the proposed resolutions.

**ACQUISITION AND REIMBURSEMENT AGREEMENT
(TREASURE ISLAND/YERBA BUENA ISLAND)**

by and among

**CITY AND COUNTY OF SAN FRANCISCO,
a public body, corporate and politic, of the State of California,**

**TREASURE ISLAND DEVELOPMENT AUTHORITY,
a California non-profit public benefit corporation,**

and

**TREASURE ISLAND COMMUNITY DEVELOPMENT, LLC,
a California limited liability company**

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LIST OF EXHIBITS

- Exhibit A Description of Acquisition Facilities and Authorized Payments to Be Financed for the Project
- Exhibit B Description of Acquisition Facilities and Components with Cost Estimates, and Authorized Payments and Components
- Exhibit C Form of Payment Request – Acquisition Facilities and Components
- Exhibit C-1 Acquisition Facilities and Components to Which Payment Request Applies
- Exhibit C-2 Calculation of Actual Cost
- Exhibit D Form of Payment Request – Authorized Payments

**ACQUISITION AND REIMBURSEMENT AGREEMENT
(TREASURE ISLAND/YERBA BUENA ISLAND)**

This ACQUISITION AND REIMBURSEMENT AGREEMENT (including any Supplement, this “Agreement”), dated for reference purposes only as of March 8, 2016, is by and among City, Authority, and Developer. As used in this Agreement, capitalized terms used herein have the meanings given to them in Article 9. Capitalized terms used but not otherwise defined in Article 9 have the meanings given to them in the DDA.

RECITALS

A. Financing Plan; Interagency Cooperation Agreement. The Authority and Developer have entered into the DDA, and City and Developer have entered into the City DA, both of which includes the Financing Plan as attachments thereto, to establish the contractual framework for mutual cooperation in achieving the Funding Goals necessary to implement the Project. With Developer’s consent, the City and the Authority have entered into the Interagency Cooperation Agreement, under which, among other things, the Authority delegates to the City, and the City accepts, lead responsibility for certain actions necessary for the development of the Project.

B. Purpose of this Agreement. This Agreement describes the procedures by which, at Developer’s request, the City will: (1) inspect and accept Infrastructure, Stormwater Management Controls, and other Improvements that Developer constructs under the DDA and the City DA; (2) subject to Section 4.4(a), pay Developer for Actual Costs of the Acquisition Facilities and Components from available Funding Sources; and (3) pay Developer for Authorized Payments from available Funding Sources.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer, City, and Authority hereby agree as follows:

**ARTICLE 1
FUNDING**

1.1 Use of Funding Sources. This Agreement: (a) implements and is subject to all limitations of the DDA, the City DA, and the Financing Plan; (b) will become effective on the full execution and delivery of this Agreement (the “**Effective Date**”); and (c) describes the procedures by which, at Developer’s request, the City will use available Funding Sources to make payments to Developer for the Actual Costs (or such lesser amount required by Section 4.4(a)) of the Acquisition Facilities and Components and for Authorized Payments, each as contemplated in the Financing Plan. To the extent set forth in an Assignment and Assumption Agreement, Developer will mean a Transferee.

1.2 Exhibit A and Supplements to Exhibit A. The Parties intend Exhibit A to be a complete list of all items eligible and intended to be financed by Funding Sources under the Financing Plan. Exhibit A sets forth: (a) reasonably detailed descriptions of all of the Acquisition Facilities; and (b) all Authorized Payments. At any time, Developer may submit

proposed Supplements to Exhibit A for review in accordance with Section 1.4 that describe in reasonable detail any proposed revisions or additions to the Acquisition Facilities or Authorized Payments.

1.3 Exhibit B and Supplements to Exhibit B. The Parties intend Exhibit B to be a refinement of Exhibit A as the Parties obtain more information about the Acquisition Facilities and Authorized Payments, and the Actual Costs that are to be reimbursed under this Agreement. At any time, Developer may submit proposed Supplements to Exhibit B for review in accordance with Section 1.4 that: (a) describe and provide detail on any portion of the Acquisition Facilities set forth on Exhibit A, including the identification and detail of any Components thereof; (b) provide estimates of the Actual Costs of any portion of the Acquisition Facilities set forth on Exhibit A, including of any Components thereof; (c) update the amounts of any Authorized Payments; and (d) otherwise update or modify any other information in Exhibit B. The Parties agree that the City will not be obligated to pay Developer for the Actual Costs (or such lesser amount required by Section 4.4(a)) of an Acquisition Facility or a Component or for an Authorized Payment under this Agreement unless such Acquisition Facility or Component and its estimated Actual Cost or Authorized Payment is set forth on Exhibit B.

1.4 Review and Approval of Supplements. Under the Interagency Cooperation Agreement, the Department of Public Works will be the lead City agency to facilitate coordinated review of Project Applications and will assist the City as provided under this Agreement. Except as specifically provided otherwise in this Agreement or the Interagency Cooperation Agreement: (a) the Department of Public Works will be the lead City agency responsible for review of Developer's estimated Actual Costs and of any changes to its estimates of Actual Costs of Acquisition Facilities and Components contained in any Supplements submitted under this Agreement, and the Authority will be the lead agency responsible for review and approval of Supplements relating to Authorized Payments under this Agreement (as applicable, the "**Reviewing Party**"), subject to the following:

(a) Upon Developer's written request, the Reviewing Party will meet with representatives of Developer to establish acceptable contents of any Supplements to Exhibit A or Exhibit B. Subject to subsection (b) below, the Reviewing Party will have thirty (30) calendar days after receipt of a proposed Supplement submitted with Developer's written request for review and approval to accept or object in writing to all or any portion of the proposed Supplement. Developer may resubmit any proposed Supplement to which the Reviewing Party has timely objected, and the Reviewing Party will have thirty (30) calendar days to review any resubmitted proposed Supplement. The term "**Supplement Review Period**" as used in this Agreement will mean the applicable period specified above in this Section 1.4(a). If the Reviewing Party fails to notify Developer in writing that a Supplement is disapproved within the Supplement Review Period, then the Supplement will be Deemed Approved.

(b) The Reviewing Party will only be required to review a proposed Supplement after it is complete and contains all of the information set forth in Section 1.2 or Section 1.3, as applicable, and any supporting materials reasonably requested in writing by the Reviewing Party in connection with the proposed Supplement. The Supplement Review Period will be tolled: (i) as to a Supplement for which the Reviewing Party has requested additional information or materials, until such requested information or materials have been provided to the

Reviewing Party; and (ii) as to any additional Supplement proposed by Developer during any Supplement Review Period, until any previously-submitted Supplement has been reviewed and approved, timely objected to or Deemed Approved, unless the Parties agree to a different order of priority for the Reviewing Party's review. Within the Supplement Review Period, as it may be tolled under this Section 1.4(b), the Reviewing Party will send a notice of Approval or disapproval to Developer. Any notice of disapproval must state with specificity the Reviewing Party's grounds for disapproval, which must be made in good faith and will be limited to the following:

(i) For disapproval of a proposed Supplement to Exhibit A:
(A) a proposed Acquisition Facility or Authorized Payment is not contemplated to be financed by the DDA or City DA; or (B) a proposed Acquisition Facility or Authorized Payment may not be financed under the Governing Acts, the DDA, or the City DA.

(ii) For disapproval of a proposed Supplement to Exhibit B:
(A) the specified Acquisition Facilities or Authorized Payments are not listed on Exhibit A;
(B) specified Components are not components of the Acquisition Facilities listed on Exhibit A;
(C) for an Acquisition Facility with an estimated Actual Cost of one million dollars (\$1,000,000) or less, a proposed Component is not a complete, functional portion of an Acquisition Facility; or
(D) all or any portion of the specified Components are not eligible to be financed as components under the Governing Acts.

(c) Any proposed Supplement Approved or Deemed Approved in accordance with this Section 1.4 will be made a part of Exhibit A or Exhibit B, as applicable, without further approval of the City or the Authority.

1.5 Funding Sources.

(a) The City will not be obligated to pay all or any part of the Actual Cost of an Acquisition Facility or Component, or all or any part of any Authorized Payment, under this Agreement except from Funding Sources or any other sources that are mutually agreed to by the City and Developer (including, but not limited to, lease revenue bonds described in Section 5.1 of the Financing Plan). Unless otherwise agreed to in writing by the parties, in no circumstances shall the City's General Fund, credit, taxing power (other than to the limited extent described in this Agreement) or revenues other than the Funding Sources be pledged or be available to pay all or any part of the Actual Cost of an Acquisition Facility or Component or all or any part of any Authorized Payment, nor shall the City have any liability to pay all or any part of the Actual Cost of an Acquisition Facility or Component, or all or any part of any Authorized Payment, if the Acquisition Facility, Component, or Authorized Payment is determined to be ineligible to be financed under the Governing Acts, even if the City or the Department of Public Works did not object to the Exhibit or Supplement listing it on the grounds of ineligibility.

(b) Developer acknowledges that if the City and Developer agree to issue escrow bonds as part of a Public Financing and funds are deposited in an escrow fund, escrowed amounts will become Funding Sources: (i) only after satisfaction of all escrow requirements and release from the escrow fund; and (ii) in the amounts specified in the

applicable Indenture. The City agrees to take all reasonable actions necessary to cause the satisfaction of all the conditions to the release of funds from an escrow fund.

(c) The City makes no warranty, express or implied, that Funding Sources will be sufficient to pay for all of the Acquisition Facilities, Components, and Authorized Payments. Other than as contemplated by the Funding Sources or as otherwise agreed to in writing by the parties, in no circumstances shall the City's credit, taxing power (other than to the limited extent described in this Agreement) or General Fund or any revenues other than the Funding Sources be pledged to or be available to pay all or any part of the Actual Cost of an Acquisition Facility, Components or all or any part of any Authorized Payment.

1.6 Deposits of Funding Sources.

(a) The proceeds of any Public Financing will be deposited, held, invested, reinvested, and disbursed as provided in the respective Indenture, all in a manner consistent with the Financing Plan and this Agreement. The portion of the proceeds of each Public Financing that is used to fund reserves for debt service, to capitalize interest on the Public Financing, and to pay costs of issuance and administration will not constitute Funding Sources.

(b) Pursuant to the Financing Plan, under certain circumstances, a portion of Remainder Taxes generated from a CFD may be deposited and held in, and invested, reinvested, and disbursed from the applicable Remainder Taxes Project Account. Developer acknowledges that from and after the CFD Conversion Date for such CFD, without the consent of the City, any Remainder Taxes for a CFD deposited in the CFD's Remainder Taxes Project Account will not be available to pay the Actual Costs of Acquisition Facilities or Components or Authorized Payments under this Agreement.

(c) All Net Available Increment will be held by the City in one or more accounts created by the City and disbursed as set forth in the Financing Plan.

(d) Developer agrees that the City alone will direct the investment of Funding Sources in accordance with the City's investment policy and all applicable laws and the applicable Indenture. The City will have no responsibility to Developer with respect to any investment of Funding Sources before their use under this Agreement, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment so long as the investments were made in accordance with the City's investment policy and all applicable laws and the applicable Indenture, even if a loss diminishes the amount of available Funding Sources.

1.7 Payment of Certain Costs.

(a) Subject to any limitations imposed by the Financing Plan, the City and Authority agree that the City shall reimburse Developer for the Authorized Payments constituting Qualified Pre-Development Costs from the first available Funding Sources until paid in full.

(b) The City and Developer agree that certain professional and consulting costs that Developer incurs in connection with the issuance of Public Financings will

be financed with proceeds of the Public Financing to the extent permitted by the applicable Governing Act.

ARTICLE 2 CONSTRUCTION OF ACQUISITION FACILITIES

2.1 Plans. Developer will prepare and obtain approval by each applicable Governmental Entity of all Plans for the Acquisition Facilities in accordance with, and at the times necessary to comply with the provisions of, the DDA and the City DA.

2.2 Obligation to Construct Acquisition Facilities. Developer's obligation to construct the Acquisition Facilities is governed by the DDA and the City DA. This Agreement does not create an obligation to construct any Acquisition Facility or Component. This Article 2 applies only to those Acquisition Facilities and Components for which Developer seeks the payment of the Actual Costs under this Agreement.

2.3 Relationship to Public Works Contracting Requirements.

(a) This Agreement provides for the acquisition of the Acquisition Facilities and payment for Components from time to time from Funding Sources and is not intended as a public works contract. The Parties acknowledge and agree that the Acquisition Facilities and Components are of local, and not state-wide, concern, and that the provisions of the California Public Contract Code do not apply to the construction of the Acquisition Facilities and Components. The City and Developer further acknowledge and agree that any public works contracting requirements of the City and the Authority are not applicable to the construction and acquisition of the Acquisition Facilities or any Component. Nothing in this Section 2.3(a) shall limit or alter the requirements of the DDA or the City DA, including without limitation, the payment of prevailing wages as set forth in those agreements.

(b) Developer agrees to award all contracts and execute all contract change orders for construction of the Acquisition Facilities and Components in a manner consistent with the DDA and the City DA, including as required under the City Policies.

(c) From time to time at the request of the City, representatives of Developer must meet and confer with the City and Department of Public Works staff, consultants, and contractors regarding matters arising under this Agreement with respect to the Acquisition Facilities and any Components, compliance with City bidding requirements, and the progress in constructing and acquiring the same, and as to any other matter related to the Acquisition Facilities or this Agreement. The City and Department of Public Works staff will have the right: (i) to attend (and at the request of Developer will attend) meetings between Developer and its contractors relating to the Acquisition Facilities and Components; and (ii) to meet and confer with individual contractors and Developer if deemed advisable by the City to resolve disputes or ensure the proper completion of the Acquisition Facilities and Components.

2.4 Independent Contractor.

(a) In performing under this Agreement, Developer is an independent contractor and not the agent or employee of the City, the Authority, any CFD, or any IFD. Except as otherwise provided in this Agreement, none of the City, the Authority, any CFD, or any IFD will be responsible for making any payments to any contractor, subcontractor, agent, consultant, employee, or supplier of Developer.

(b) The City has determined that it would obtain no advantage by directly undertaking the construction of the Acquisition Facilities, and that the DDA and City DA require that the Acquisition Facilities be constructed by Developer as if they had been constructed under the direction and supervision, or under the authority, of the City, the Authority, and any Governmental Entity that will own or operate the Acquisition Facilities.

ARTICLE 3 ACQUISITION AND PAYMENT OF ACQUISITION FACILITIES

3.1 Inspection.

(a) This Article 3 applies only to those Acquisition Facilities and Components for which Developer seeks the payment of Actual Costs under this Agreement. Components may only be financed to the extent allowed under the applicable Governing Act.

(b) Except as set forth in Section 3.3, the City will not be obligated to pay the Actual Costs (or such lesser amount required by Section 4.4(a)) of Acquisition Facilities or Components under this Agreement to Developer until the applicable Acquisition Facility or Component has been inspected and found by the Director of Public Works to be Ready for Payment. For purposes of clarification, for a Component that is dependent on the completion of other Components to actually be operational, the term "ready for intended use" means only that the Component has been constructed in accordance with the applicable Plans and is capable of being operational when the other Components are completed.

(c) For Acquisition Facilities and Components to be acquired by the City or the Authority, the Director of Public Works will arrange for the inspection to commence within five (5) Business Days following receipt of Developer's written request to inspect Acquisition Facilities or Components that Developer believes in good faith are Ready for Payment (the "**Inspection Request**"). The inspection will be conducted with due diligence and in a reasonable time given the scope of the inspection but not to exceed twenty-one (21) calendar days. Within five (5) Business Days following the completion of the inspection, the Director of Public Works shall notify Developer of the results of the inspection by providing a Completion Confirmation or by providing a punch list of items to be corrected.

3.2 Agreement to Sell and Purchase Acquisition Facilities. Developer agrees to sell Acquisition Facilities and Components to the City, the Authority, or other Governmental Entity(ies), and the City agrees to use available Funding Sources to pay the Actual Cost of the Acquisition Facilities and Components to Developer, subject to this Agreement (including, but not limited to, Section 4.4(a)) and the Financing Plan.

3.3 Component Financing.

(a) Section 53313.51 of the CFD Act authorizes the purchase of a Component of an Acquisition Facility with an estimated cost of up to one million dollars (\$1,000,000), but only if the Component is capable of serviceable use as determined by the City, Authority, or other Governmental Entity, as applicable. Subject to the availability of Funding Sources, the City agrees to pay to Developer the Actual Costs (or such lesser amount required by Section 4.4(a)) of such Components under this Section 3.3(a) before: (i) completion of the Acquisition Facility of which the Component is a part (unless it is the final Component of an Acquisition Facility); or (ii) the transfer to the City, the Authority, or other Governmental Entity of title to the Acquisition Facility and the property underlying applicable Component. A reasonably detailed description and estimated Actual Cost of each Component to be financed under this Section 3.3(a) must be listed on Exhibit B (either originally or through an Approved or Deemed Approved Supplement).

(b) If the estimated cost of an Acquisition Facility exceeds one million dollars (\$1,000,000), section 53313.51 of the CFD Act authorizes the purchase of Components whether or not the Components are capable of serviceable use. Subject to the availability of Funding Sources, the City agrees to pay to Developer the Actual Costs (or such lesser amount required by Section 4.4(a)) of such Components under this Section 3.3(b) before: (i) completion of the Acquisition Facility of which the Component is a part (unless it is the final Component of an Acquisition Facility); or (ii) the transfer to the City, the Authority, or other Governmental Entity of title to the Acquisition Facility and the property underlying the Component. A reasonably detailed description and estimated Actual Cost of each Component to be financed under this Section 3.3(b) must be listed on Exhibit B (either originally or through an Approved or Deemed Approved Supplement).

(c) Developer acknowledges that the City, the Authority, or other Governmental Entity, as applicable, will not be obligated to accept an Acquisition Facility of which a Component is a part until the entire Acquisition Facility has been constructed and determined to be Complete as required under the DDA and the City DA. The City acknowledges that a Component does not have to be accepted by the City, the Authority, or other Governmental Entity as a condition precedent to the payment of the Actual Costs (or such lesser amount required by Section 4.4(a)) of the Component.

(d) The procedures for payment of the Actual Cost of a Component described in this Section 3.3 will be governed by Article 4.

3.4 Defective or Nonconforming Work. If the Director of Public Works finds any of the work done or materials furnished for an Acquisition Facility or Component to be defective or not in conformance with the applicable Plans and the Applicable City Regulations and such finding is made: (a) prior to payment of the Actual Costs (or such lesser amount required by Section 4.4(a)) of such Acquisition Facility or Component, the City may withhold the applicable payment until such defect or nonconformance is corrected to the satisfaction of the Director of Public Works; or (b) after payment of the Actual Costs (or such lesser amount required by Section 4.4(a)) of such Acquisition Facility or Component, then the DDA and City DA will govern cure rights and obligations.

3.5 Conveyance of Land, Title. The transfer of, maintenance of, and right of entry with respect to all land on, in, or over which any of the Acquisition Facilities will be located will be governed by the DDA, the City DA, the Applicable City Regulations, and, as applicable, any Permit to Enter or other access agreement for the land, and the Interagency Cooperation Agreement.

ARTICLE 4 PAYMENT REQUESTS FOR ACQUISITION FACILITIES AND COMPONENTS

4.1 Payment Requests.

(a) To initiate the process for payment of the Actual Cost of an Acquisition Facility or Component, Developer must deliver to the Director of Public Works a Payment Request in the form of Exhibit C that contains all relevant information, including the identity of all Funding Sources that are eligible to be used to pay it (the “**Identified Funding Sources**”), together with all required attachments and exhibits, all in an organized manner. Required attachments include:

- (i) a copy of the Completion Confirmation; and
- (ii) Proof of Payment evidencing that the Actual Costs were previously incurred and, if applicable, paid, for the Acquisition Facility or Component.

(b) Any Payment Request for a Component must be supported by the following documentation:

- (i) a statement specifying each contractor, subcontractor, materialman, and other Person with whom Developer or its contractor has entered into contracts or contract change orders with respect to any Component included in the Payment Request and, for each of them: (A) the amount of each such contract; and (B) the amount of the requested Actual Cost attributable to each specific contractor, subcontractor, materialman, and other Person; and
- (ii) duly executed unconditional or conditional lien releases and waivers (in the applicable form provided in Calif. Civil Code § 3262) from all contractors, subcontractors, materialmen, consultants, and other Persons retained by Developer in connection with the Component, under which each such Person unconditionally or conditionally waives all lien and stop notice rights with respect to the pending payment.

(c) A Payment Request for a Completed Acquisition Facility will be complete only after Developer has submitted all of the following documents, to the extent applicable:

- (i) if the real property on which the Acquisition Facility is located is not owned by the City, the Authority, or other Governmental Entity at the time of the request, a copy of the recorded document(s) conveying Acceptable Title to the real property to the City, the Authority, or other Governmental Entity, as applicable;

(ii) a copy of the Completion Confirmation or, if applicable, similar evidence that the Governmental Entity has found the Acquisition Facility to be Complete;

(iii) an executed assignment of any warranties and guaranties for the Acquisition Facility, in a form acceptable to the City, the Authority, or other Governmental Entity, as applicable;

(iv) as-built drawings and an executed assignment of the Plans, to the extent reasonably obtainable;

(v) assignment of any and all rights of Developer to reimbursement from Third Parties with respect to the Actual Costs that are the subject of the Payment Request;

(vi) an executed bill of sale for any utility substructures (e.g. vaults, conduits, etc.) that are the subject of the Payment Request, if applicable; and

(vii) duly executed unconditional or conditional lien releases and waivers (in the applicable form provided in Calif. Civil Code § 3262) from all contractors, subcontractors, materialmen, consultants, and other Persons retained by Developer in connection with the Acquisition Facility, under which each such Person unconditionally or conditionally waives all lien and stop notice rights with respect to the pending payment.

(d) Developer will specify the “**Developer Allocation**” that is included in the calculation of the Actual Cost in Exhibit C-2 to each Payment Request under this Article 4, showing how Developer has allocated the following costs paid or incurred by Developer (as applicable):

(i) costs that apply to more than one Acquisition Facility or Component (e.g., Soft Costs), as allocated between the Acquisition Facilities or Components;

(ii) costs that apply to both Acquisition Facilities or Components and other improvements (e.g., grading), as allocated between the Acquisition Facilities or Components and the other improvements; and

(iii) amounts paid to the City and the Authority that apply to more than one Acquisition Facility or Component (e.g., inspection fees, Authority Costs, plan review fees, etc.), as allocated between the Acquisition Facilities or Components.

4.2 Processing Payment Requests for Acquisition Facilities and Components.

(a) Within ten (10) calendar days after receipt of any Payment Request, the Director of Public Works will review the Payment Request to: (i) determine that it is complete; or (ii) determine that the Payment Request is incomplete and to request additional information and documentation reasonably necessary for the Director to complete the review. If the Director fails to notify Developer within the 10-calendar day review period that a Payment Request is incomplete, the Payment Request will be deemed complete. Developer agrees to cooperate with the Director of Public Works in conducting each such review and to provide the

Director of Public Works with such additional information and documentation as is reasonably necessary for the Director of Public Works to conclude each such review.

(b) Within thirty (30) calendar days after the date a Payment Request is determined or deemed to be complete under Section 4.2(a), the Director of Public Works will review the Payment Request to confirm that all conditions in Article 3 and Section 4.1 have been satisfied, to the extent applicable, and provide notice to Developer either that: (i) the Payment Request is Approved (which will be confirmed by counter-signing the Payment Request); or (ii) the Payment Request is disapproved in whole or in part, specifying in the notice the portion of the Payment Request that is disapproved and the reason(s) for disapproval. If the Payment Request is disapproved in part, the Director of Public Works will forward the Payment Request to the City for partial payment under Section 4.3, together with a copy of the Director's notice of disapproval to Developer. Developer may resubmit any Payment Request disapproved in whole or in part with additional supporting documentation, and the Director of Public Works will review it within the amount of time that is reasonable in light of the materiality of the reasons for the disapproval, not to exceed fourteen (14) calendar days. If the Director of Public Works fails to notify Developer within the review period that a Payment Request is Approved or disapproved, then the Payment Request will be Deemed Approved.

(c) The period within which the Director of Public Works must review a Payment Request under Section 4.2(a) or Section 4.2(b) will be tolled: (i) as to any Payment Request, until Developer has provided any additional information or documentation that the Director of Public Works has requested under Section 4.2(a) or Section 4.2(b); and (ii) as to any additional Payment Request submitted by Developer during the review period under Section 4.2(a) or Section 4.2(b), until all previously-submitted Payment Requests have been reviewed and approved, disapproved or Deemed Approved, unless the Parties agree to a different order of priority for review by the Director of Public Works.

(d) The process for review of the Payment Requests is subject to Article 6.

4.3 Payment.

(a) Within five (5) Business Days after (i) Approving a Payment Request or after the Deemed Approval of a Payment Request, and (ii) receipt of the Completion Confirmation, the Director of Public Works will forward the counter-signed Approved Payment Request to the Director of Public Finance. If the Director of Public Works has not forwarded a counter-signed Approved Payment Request within that period, Developer will have the right to deliver the unsigned Payment Request, together with proof of its delivery to the Director of Public Works, directly to the Director of Public Finance, with a copy to the Director of Public Works.

(b) The Developer Allocations will be presumed to be reasonable and will be accepted for all purposes of this Agreement unless the Director of Public Works notifies Developer of the City's good-faith objection to the Developer Allocation shown in the Payment Request within five (5) Business Days after the Director of Public Works receives the unsigned Payment Request and proof of delivery from Developer. If the Director of Public Works has

timely objected to the Developer Allocation, then the Director of Public Works and Developer will promptly meet and confer in an attempt to agree on how to allocate such costs on a reasonable basis (the "Agreed-Upon Allocation").

(c) The City must pay the Actual Costs (or such lesser amount required by Section 4.4(a)) to the extent of available Identified Funding Sources within fifteen (15) Business Days after the City's receipt of a counter-signed Approved Payment Request (or an unsigned Payment Request and proof of delivery). If the City objected to the Developer Allocation under Section 4.3(b), then the City may withhold payment only of the amount of the Developer Allocation that is the subject of the City's objection, and all undisputed portions of the Developer Allocation shall be paid to the Developer. When the City and Developer agree on the Agreed-Upon Allocation, any portion of the Developer Allocation that was withheld but that the City and Developer have agreed is part of the Agreed-Upon Allocation will be paid by the City to Developer within fifteen (15) Business Days thereafter. At the written request of Developer, the City will make payments under any Approved or Deemed Approved Payment Requests directly to a Third Party, such as a contractor or supplier of materials.

(d) The City and Developer acknowledge sections 4.4(c), 4.6(a), and 4.6(b) of the Financing Plan as they apply to the relative timing of acceptance of Acquisition Facilities and Components and the payment of the Actual Costs (or such lesser amount required by Section 4.4(a)) of such Acquisition Facilities and Components.

4.4 Restrictions on Payments for Acquisition Facilities and Components. The following restrictions will apply to any payments made to Developer under Section 4.3:

(a) The total amount paid for any Acquisition Facility or Component must not exceed the lesser of the Actual Cost or value. Any Acquisition Facility or Component constructed in accordance with the Plans will be presumed to have a value equal to its Actual Cost unless either Developer or the City provides evidence that extraordinary costs have been incurred. Promptly following the notice, the Director of Public Works and Developer will meet and confer to review the Actual Costs and make a reasonable determination of value. The Parties acknowledge and agree that all payments to Developer for the Actual Costs are intended to be payments to Developer for monies already expended or for immediate payment by Developer (or directly by the City) to Third Parties. Costs will not constitute extraordinary costs unless the City can demonstrate that the costs are commercially unreasonable under the circumstances.

(b) Subject to Section 4.4(e), the City will withhold final payment for any Completed Acquisition Facility (but not for any Component that is not the final Component of an Acquisition Facility) constructed in, on, or over land, until Acceptable Title to such land has been conveyed to the City, the Authority, or other Governmental Entity, if required under Section 4.1(c).

(c) Subject to Section 4.4(e), the City may withhold final payment for any Completed Acquisition Facility (if it has no Components) or the final Component of any Completed Acquisition Facility until: (i) the Completed Acquisition Facility has been finally inspected as provided in Section 3.1; (ii) the Acceptance Date for the Acquisition Facility has

occurred and the requirements of Section 4.1 have been satisfied to the extent applicable, or Developer has provided the Director of Public Works with evidence that the Governmental Entity has accepted dedication of and title to the Acquisition Facility; and (iii) general lien releases for the Acquisition Facility (conditioned solely upon payment from Funding Sources to be used to acquire such Acquisition Facility or final Component) have been submitted to the Director of Public Works.

(d) Nothing in this Agreement prohibits Developer from contesting in good faith the validity or amount of any mechanics' or materialman's lien or limits the remedies available to Developer with respect to such liens so long as any resulting delays do not subject the Acquisition Facilities or any Component to foreclosure, forfeiture, or sale. If Developer contests any such lien, Developer will only be required to post or cause the delivery of a bond in an amount equal to the amount in dispute with respect to any such contested lien, so long as such bond is drawn on an obligor and is otherwise in a form acceptable to the Director of Public Works. In addition, the City agrees that Developer will have the right to post or cause the appropriate contractor or subcontractor to post a bond with the City to indemnify the City and the City for any losses sustained by the City or the City because of any liens that may exist at the time of acceptance of such an Acquisition Facility, so long as such bond is drawn on an obligor and is otherwise in a form acceptable to the Director of Public Works.

(e) The City will be entitled to withhold from the amounts payable under each Payment Request a portion for retention as authorized by City policies and procedures that constitute Applicable City Regulations, but in any case not to exceed ten percent (10%) of the amount of the Actual Cost of an Acquisition Facility or Component. The City will be obligated to release any retention it withholds in accordance with applicable City policies and procedures.

ARTICLE 5 PAYMENT REQUESTS FOR AUTHORIZED PAYMENTS

5.1 Authorized Payments. In order to receive reimbursement of an Authorized Payment, Developer must deliver to the Authority Director a Payment Request in the form of Exhibit D that contains all required information and attachments, as applicable, such as: (a) Identified Funding Sources; (b) Proof of Payment; and (c) for interest-bearing Authorized Payments, a calculation showing the amounts accrued and the outstanding and unpaid balance after the application of any Funding Sources as of the date the Payment Request is submitted ("Authorized Payment Calculation").

5.2 Processing Payment Requests for Authorized Payments.

(a) Within ten (10) calendar days after receipt of a Payment Request for an Authorized Payment, the Authority Director will review the Payment Request to confirm that it is complete and the calculations are accurate and notify Developer whether the Payment Request is complete and Approved (which will be confirmed by counter-signing the Payment Request), and, if not, specify the reason(s) for any disapproval. Developer agrees to cooperate with the Authority Director in conducting each such review and to provide the Authority Director with such additional information and documentation as is reasonably necessary for the

Authority Director to conclude each such review. If the Payment Request is disapproved, Developer may resubmit it for approval, and the Authority Director will review it within the amount of time that is reasonable in light of the materiality of the reasons for disapproval, not to exceed ten (10) calendar days. If the Authority Director fails to notify Developer that a Payment Request is Approved or disapproved within the review period, then the Payment Request will be Deemed Approved.

(b) The period within which the Authority Director must review a Payment Request under Section 5.2(a) will be tolled: (i) as to any Payment Request, until Developer has provided any additional information or documentation that the Authority Director has requested under Section 5.2(a); and (ii) as to any additional Payment Request submitted by Developer during the review period under Section 5.2(a), until all previously-submitted Payment Requests have been reviewed and approved, disapproved or Deemed Approved, unless the Parties agree to a different order of priority for review by the Authority Director.

(c) The process for review of the Payment Requests for Authorized Payments is subject to Article 6.

5.3 Payment.

(a) Within five (5) Business Days after the Approval or Deemed Approval of a Payment Request, the Authority Director will forward the counter-signed Approved Payment Request to the City Finance Deputy. If the Authority Director has not forwarded the counter-signed Approved Payment Request within five (5) Business Days after Approving the Payment Request, or it is Deemed Approved pursuant to Section 5.2(a), Developer will have the right to forward the unsigned Payment Request, together with proof of its delivery to the Authority Director, directly to the City Finance Deputy, with a copy to the Authority Director. The City Finance Deputy must pay the Approved or Deemed Approved Payment Request from available Identified Funding Sources within fifteen (15) Business Days after receipt of a counter-signed Approved Payment Request (or an unsigned Payment Request and proof of delivery).

ARTICLE 6 PAYMENT REQUESTS GENERALLY; VESTING; COVENANTS

6.1 Application of Payment Requests.

(a) Each Payment Request will be numbered consecutively. Each Payment Request will be assigned the next available number when submitted to the Director of Public Works or the Authority Director, as applicable, pursuant to Section 4.2 or Section 5.2.

(b) Each Payment Request will identify the Major Phase and Sub-Phase in which the work is being conducted or to which the Authorized Payment is allocated and all the Identified Funding Sources that are eligible to be used to pay it.

(c) The City will satisfy a Payment Request only from the Identified Funding Sources.

(d) The City shall not satisfy a Payment Request out of Net Available Increment if application of Net Available Increment has been suspended in the manner described in section 3.8 and section 3.9 of the Financing Plan, and shall not satisfy a Payment Request out of any Funding Sources during the time under which the circumstances described in section 4.4(c)(ii) of the Financing Plan are applicable.

(e) The City and Developer acknowledge that proceeds of Funding Sources may be applied to the payment of a Payment Request only to the extent that the costs of the Acquisition Facility, Component, or Authorized Payment are Qualified.

(f) Payment Requests may be paid: (i) in any number of installments as Identified Funding Sources become available; and (ii) irrespective of the length of time of such deferral of payment.

(g) Each Payment Request shall be consistent with section 3.6 of the Financing Plan.

6.2 Partial Payments; Vested Payment Requests. If Identified Funding Sources are not sufficient to pay the full amount of a Payment Request, then the City will pay the Payment Request to the extent of available Identified Funding Sources and notify Developer of the amount of the remaining portion. The right to the payment of the remaining portion of the Payment Request from the Identified Funding Sources will vest in the payee of such Payment Request (the "**Vested Payment Request**"). Promptly following the availability of Identified Funding Sources, the City will, from time to time and in as many installments as necessary, pay any Vested Payment Request. The Vested Payment Request will be paid from such Identified Funding Sources to the payee of such Vested Payment Request in the chronological order in which the Completion Confirmation is received and then by the number of the Payment Request (so that a Payment Request with a Completion Confirmation of an earlier date will be paid first before a Payment Request with a Completion Confirmation of a later date or no Completion Confirmation at all, and if the Completion Confirmations are of the same date, then the Payment Request of a lower number shall be satisfied before the Payment Request of a higher number), except during a suspension of the application of Net Available Increment in the manner described in section 3.8 and section 3.9 of the Financing Plan, and except during the time under which the circumstances described in section 4.4(c)(ii) of the Financing Plan are applicable, which will prevail over this Agreement in determining priorities for payments from Funding Sources. Subject to suspension of the application of Net Available Increment in the manner described in sections 3.8 and 3.9 of the Financing Plan, and except during the time under which the circumstances described in section 4.4(c)(ii) of the Financing Plan are applicable, outstanding and unpaid Vested Payment Requests will be paid from the Identified Funding Sources in their relative order of priority under this Section 6.2 before Identified Funding Sources may be used for any other purposes under this Agreement regardless of: (a) the identity of the owner of any property in the Project Site at the time of the payment of the Vested Payment Request; (b) whether the payee under the Vested Payment Request is, at the time of payment, a Party or a party to the DDA or City DA; and (c) whether the DDA or City DA has been terminated or assigned to or assumed by another Person. This Section 6.2 will survive termination of this Agreement, the DDA, and the City DA.

6.3 Deposit of Payment Requests. Except for payments made to Third Parties at Developer's request, all payments made under any Payment Request or Vested Payment Request will be deposited into one or more Project Accounts specified by Developer.

6.4 Alternative Financing. If an Alternative Financing is approved pursuant to the Financing Plan, then the Parties will work together in good faith if necessary to amend this Agreement to allow the proceeds of the Alternative Financing to be used to acquire Acquisition Facilities and Components and to pay Actual Costs and Authorized Payments.

6.5 Miscellaneous.

(a) Communications requesting additional information about and notices of Approval or disapproval of a Supplement or a Payment Request or the insufficiency of Identified Funding Sources to pay an Approved or Deemed Approved Payment Request in full may be made in any written form for which receipt may be confirmed, including facsimile, electronic mail, and certified first class mail, return receipt requested. Such communications will be effective upon receipt, or, if delivered after 5 p.m. or on a weekend or holiday, the next Business Day.

(b) All proposed Supplements and Payment Requests submitted to the Authority Director or the Director of Public Works, as applicable, must be sent by certified first class mail - return receipt requested, personal delivery, or receipted overnight delivery. Payment Requests must be clearly marked: "Payment Request No. _____; Treasure Island/Yerba Buena Island; Attn: _____." Delivery of a Supplement or Payment Request to the Authority Director or the Director of Public Works, as applicable, will be effective on the actual date of delivery, or, if delivered after 5 p.m. or on a weekend or holiday, the next Business Day. Copies of Payment Requests must be delivered in the same manner as the original.

(c) Except as provided in this Agreement, the City agrees that it will not withhold payment on any undisputed portion of a Payment Request, and that the City will be entitled to withhold payment only on a disputed portion of a Payment Request.

(d) In connection with processing any request under this Agreement (including Payment Requests and Supplements), the City and the Authority agree that any additional information request by the Authority Director or the Director of Public Works to Developer must be submitted as soon as practicable following the submission of the original materials, but in any event prior to applicable deadlines required by this Agreement. The Authority Director and the Director of Public Works will use their respective good faith efforts to make each additional information request comprehensive and thorough to minimize the number of requests delivered, and Developer will use its good faith efforts to provide a thorough, organized, and complete response to each request. Developer is authorized to communicate directly with the Authority Director, the Director of Public Works, and their designees, agents, and contractors to facilitate any additional information request, to facilitate the prompt resolution of any technical issues, and to minimize the amount of time it takes to resolve outstanding issues.

6.6 Developer Maintenance Payments.

(a) Notwithstanding any provision in this Agreement to the contrary, if Developer is required to make a Developer Maintenance Payment under section 2.7(c)(ii) of the Financing Plan but fails to do so as and when required (as defined in the Financing Plan, a "Maintenance Default"), then the City may pay to the Authority from moneys in the Remainder Taxes Project Account the amount due and owing by Developer for the Maintenance Default, including interest and other charges that may be due under the DDA as a result of the Maintenance Default (the "Maintenance Default Payment"). If the amount paid by the City to the Authority from the Remainder Taxes Project Account is less than the Maintenance Default Payment amount, then the provisions of the following paragraph (b) shall apply.

(b) If the amount paid to the Authority under the preceding clause (a) is less than the Maintenance Default Payment amount, then any Payment Request submitted by Developer that has not already been paid shall be modified to provide that the Payment Request will be payable from any Funding Sources to two parties: (1) to the Authority, in the amount of the remaining unpaid Maintenance Default Payment, and (2) to Developer, the remaining amount due to Developer under the Payment Request after deducting the remaining unpaid Maintenance Default Payment paid to the Authority. If the Payment Request is less than the remaining unpaid Maintenance Default Payment amount, then there will be no payment to Developer and the delinquent payment amount shall be carried forward to future Payment Requests until the Authority is paid the full Maintenance Default Payment amount. Following such payment in full to the Authority, the remaining balance of the Payment Requests shall be payable to Developer in accordance with this Agreement. For purposes of clarification, any amounts payable to the Authority under this Section 6.6(b) are payments made by the Developer to the Authority from the Funding Sources that Developer has received for the Actual Costs of an Acquisition Facility or Component or the payment of Authorized Payments.

(c) If and to the extent the Authority is not paid the full amount of the Maintenance Default Payment as set forth above through the implementation of Section 6.6(a) or (b) within thirty (30) days following demand, then the City may levy Project Special Taxes on all Undeveloped Property in one or more CFDs in an aggregate amount equal to the remaining unpaid Maintenance Default Payment amount, provided that the total Project Special Taxes levied on such Undeveloped Property may not exceed any maximum specified in the RMA. Developer, the Authority and the City understand and agree that the provisions of this Section 6.6(c) shall operate as security for the payment of the Developer Maintenance Payments in satisfaction of section 2.7(g) of the Financing Plan.

(d) Nothing in this Section shall constitute a waiver or release of Authority rights and remedies under the DDA for a default by Developer.

ARTICLE 7 REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of Developer. Developer represents and warrants to and for the benefit of the City that:

(a) Developer is a limited liability company duly organized and validly existing under the laws of the State of California, is in compliance with the laws of such state, and has the power and authority to own its properties and assets and to carry on its business as now being conducted.

(b) Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by Developer.

7.2 Representations and Warranties of the City. The City represents and warrants to and for the benefit of Developer that:

(a) The City is a duly formed corporate body under the Constitution, the laws of the State of California and its charter, is in compliance with the Constitution, the laws of the State of California and its charter, and has the power and authority to own its properties and assets and to carry on its business as now being conducted.

(b) The City has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the City.

7.3 Representations and Warranties of the Authority. The Authority represents and warrants to and for the benefit of Developer that:

(a) The Authority is a California non-profit public benefit corporation, is in compliance with the laws of the State of California, and has the power and authority to own its properties and assets and to carry on its business as now being conducted.

(b) The Authority has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Authority.

ARTICLE 8 MISCELLANEOUS

8.1 Limited Liability of the Authority and the City. Except as otherwise provided in the DDA and the City DA, Developer agrees that any and all obligations of the City or the Authority arising out of or related to this Agreement are special and limited obligations of the City and the Authority, as applicable, and the City's and Authority's obligations to make any payments under this Agreement to implement the Financing Plan are restricted entirely to available Funding Sources as provided in the Financing Plan and from no other source. Unless otherwise agreed to in writing by the parties, in no circumstances shall the City's credit, taxing power (other than to the limited extent described in this Agreement) or General Fund or any revenues other than the Funding Sources be pledged to or be available to pay all or any part of the Actual Cost of an Acquisition Facility, Components or all or any part of any Authorized

Payment. No member of the Board of Supervisors, the Authority Board, or City or Authority staff member or employee will incur any liability under this Agreement to Developer in their individual capacities by reason of their actions under this Agreement or execution of this Agreement. It is understood and agreed that no commissioners, members, officers, or employees of the City or the Authority (or of either of its successors or assigns) will be personally liable to Developer, nor will any officers, directors, shareholders, agents, or employees of Developer (or of its successors or assigns) be personally liable to the City or the Authority in the event of any default or breach of this Agreement by the City or Developer or for any amount that may become due to Developer or the City or the Authority, as the case may be, under this Agreement or for any obligations of the Parties under this Agreement.

8.2 Attorneys' Fees.

(a) Should any Party institute any action or proceeding in court or other dispute resolution mechanism permitted or required under this Agreement, the prevailing party shall be entitled to receive from the losing party the prevailing party's reasonable costs and expenses incurred including, without limitation, expert witness fees, document copying expenses, exhibit preparation costs, carrier expenses and postage and communication expenses, and such amount as may be awarded to be reasonable attorneys' fees and costs for the services rendered the prevailing party in such action or proceeding. Attorneys' fees under this Section 8.2 shall include attorneys' fees on any appeal.

(b) For purposes of this Agreement, reasonable fees of a Party's in-house attorneys shall be no more than the average fees regularly charged by private attorneys with an equivalent number of years of professional experience in the subject matter area of the law for which such attorneys services were rendered who practice in the City in law firms with approximately the same number of attorneys as employed by the applicable Party.

8.3 Notices. Except as provided in Sections 6.5(a) and (b), any notices to be provided under this Agreement must be delivered to the addresses and in the manner set forth in the DDA (if to the Authority or Developer) and the City DA (if to the City or Developer).

8.4 Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Parties, as governed by the DDA and City DA. This Agreement may be assigned only in connection with an assignment of the DDA and City DA that is permitted in accordance with their terms.

8.5 Other Agreements. The obligations of Developer under this Agreement will be those of a Party and not as an owner of property in the Project Site. Nothing in this Agreement may be construed as affecting the City's or Developer's rights, or duties to perform their respective obligations under the DDA, the City DA, the Interagency Cooperation Agreement and other Development Requirements, and any Applicable Regulation. If this Agreement creates ambiguity in relation to or conflicts with any provision of the Financing Plan, the Financing Plan will prevail.

8.6 Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, or the failure by a Party to exercise its rights

upon the default of the other Party, will not constitute a waiver of such Party's right to later insist upon and demand strict compliance by the other Party with the terms of this Agreement. Deemed Approval of a Supplement or Payment Request will not constitute a waiver of the right of the City or the Director of Public Works, as applicable, to obtain information and documents that would have been required for a proposed Supplement or Payment Request to be complete.

8.7 Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to or will be construed to confer upon or to give to any person or entity other than the City, the Authority, and Developer any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions, or stipulations of this Agreement; and all covenants, conditions, promises, and agreements in this Agreement contained by or on behalf of the City or Developer will be for the sole and exclusive benefit of the City, the Authority, and Developer, subject to Section 8.4.

8.8 Amendment. This Agreement may be amended from time to time by the written agreement of the City and Developer, including a Supplement, executed by the City and Developer or otherwise Approved or Deemed Approved under Section 1.4. The Parties agree that changes to the forms of the Payment Requests as needed to reflect an Alternative Financing, to reflect formation and issuance alternatives as discussed in section 4.2 of the Financing Plan, or to make other adjustments to clarify and expedite the payment process under this Agreement are ministerial in nature and do not require an amendment to this Agreement.

8.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed an original, and all of which together shall constitute one and the same instrument. This Agreement shall become effective when the Parties have duly executed and delivered signature pages of this Agreement to each other. Delivery of this Agreement may be effectuated by hand delivery, mail, overnight courier or electronic communication (including by PDF sent by electronic mail, facsimile or similar means of electronic communication). Any signatures (including electronic signatures) delivered by electronic communication shall have the same legal effect as physically delivered original signatures.

8.10 Interpretation of Agreement. Unless otherwise specified, whenever in this Agreement reference is made to any capitalized Article, Section, Exhibit, Attachment, Supplement or any defined term, the reference will mean the Article, Section, Exhibit, Attachment, Supplement or defined term in this Agreement. Any reference to an Article or a Section includes all subsections, clauses, and subparagraphs of that Article or Section. The use in this Agreement of the words "including", "such as", or words of similar import when following any general term, statement or matter will not be construed to limit the statement, term or matter to the specific statements, terms or matters, whether or not language of non-limitation, such as "without limitation" or "but not limited to", or words of similar import, is used. In the event of a conflict between the Recitals and the remaining provisions of this Agreement, the remaining provisions will prevail.

8.11 Numbers.

(a) Generally. For purposes of calculating a number under this Agreement, any fraction equal to or greater than one half (1/2) shall be rounded up to the nearest whole number and any fraction less than one half (1/2) shall be rounded down to the nearest whole number.

(b) Number of Days. References in this Agreement to days shall be to calendar days, unless otherwise specified; provided, that if the last day of any period to give notice, reply to a notice, meet a deadline or to undertake any other action occurs on a day that is not a Business Day, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding Business Day.

ARTICLE 9 DEFINITIONS

9.1 Definitions.

“**Acceptable Title**” means title to real property or interest in real property free and clear of all liens, taxes, assessments, leases, easements, and encumbrances, whether or not recorded, except for: (a) those determined not to interfere materially with the intended use of such real property; (b) those required to satisfy the terms of the DDA or the City DA; and (c) if the lien is for any existing CFD, then the lien of the special taxes shall be a permitted exception to title so long as the real property, while owned by any Governmental Entity, is exempt from the special tax to be levied by the CFD.

“**Acceptance Date**” means the date that an action by the City or other Governmental Entity, as applicable, to accept dedication of or transfer of title to an Acquisition Facility becomes final.

“**Acquisition Facilities**” means the Infrastructure, Stormwater Management Controls, and other Improvements that the Developer is required to construct under the DDA and the City DA shown in Exhibit A, as such exhibit may be amended or supplemented from time to time in accordance with the provisions of this Agreement.

“**Actual Cost**” means Qualified Project Costs of an Acquisition Facility or Component (which includes any applicable Developer Allocation or Agreed-Upon Allocation).

“**Agreed-Upon Allocation**” is defined in Section 4.3(b).

“**Agreement**” is defined in the introductory paragraph.

“**Alternative Financing**” is defined in the Financing Plan.

“**Applicable City Regulations**” is defined in the DDA.

“**Approve**”, “**Approval**” and “**Approved**” are defined in the DDA.

“**Assignment and Assumption Agreement**” is defined in the DDA.

“Authority” means the Treasure Island Development Authority, a California non-profit public benefit corporation.

“Authority Board” is defined in the DDA.

“Authority Costs” is defined in the DDA

“Authority Director” is defined in the DDA.

“Authorization” is defined in the DDA.

“Authorized Payment Calculation” is defined in Section 5.1.

“Authorized Payments” means: (a) the Qualified Project Costs shown in Exhibit A that are not for Acquisition Facilities or Components constructed by Developer; and (b) other amounts for which Developer is entitled to receive payment or reimbursement under the Financing Plan, such as Pre-Development Costs (not including any return on such Pre-Development Costs).

“Board of Supervisors” is defined in the DDA.

“CFD” is defined in the Financing Plan.

“CFD Act” is defined in the Financing Plan.

“CFD Bonds” is defined in the Financing Plan.

“CFD Conversion Date” is defined in the Financing Plan.

“City” means the City and County of San Francisco, a public body, corporate and politic, of the State of California.

“City DA” is defined in the Financing Plan.

“City Finance Deputy” means the Director of the Office of Public Finance of the City or any Person acting as such through a proper delegation of City under City policy (or any successor officer designated by or under law).

“Complete” (or its variant **“Completion”**) is defined in the DDA.

“Component” means a component or phase of an Acquisition Facility shown in Exhibit B, as amended from time to time by an Approved or Deemed Approved Supplement.

“Completion Confirmation” means, as the context requires, a Determination of Completion or a Notice of Component Completion issued by the Director of Public Works under Section 3.1(c) with respect to an Acquisition Facility or Component, respectively.

“Construction Documents” has the meaning described in the DRDAP.

“**DDA**” is defined in the Financing Plan.

“**Deemed Approved**” or “**Deemed Approval**” means a Supplement or Payment Request that will be treated as Approved in the form submitted for all purposes under this Agreement due to the expiration of any applicable review and approval periods provided in this Agreement.

“**Developer**” is defined in the DDA.

“**Developer Allocation**” is defined in Section 4.1(d).

“**Developer Maintenance Payment**” is defined in the Financing Plan.

“**Development Requirements**” is defined in the DDA.

“**Determination of Completion**” means a written notice from the Director of Public Works that an Acquisition Facility has been Approved as inspected. The form of the written notice shall be the form customarily provided by the Director of Public Works to evidence the completion and Approval of the inspection of a facility.

“**Director of Public Works**” means the Director of Public Works of the City (or any successor officer designated by or under law) or the Director’s authorized designee, acting in that capacity under this Agreement and the Interagency Cooperation Agreement.

“**DRDAP**” is defined in the DDA.

“**Effective Date**” is defined in Section 1.1.

“**Financing Plan**” is defined in the DDA.

“**Funding Goals**” is defined in the Financing Plan.

“**Funding Sources**” is defined in the Financing Plan, and is subject to the limitations on the use of those funds set forth in the Financing Plan.

“**Governing Acts**” means, as applicable, the CFD Act, the IFD Act, or the laws governing the issuance of CFD Bonds, IFD Debt, or Alternative Financing.

“**Governmental Entity**” is defined in the DDA.

“**Identified Funding Sources**” is defined in Section 4.1(a).

“**IFD**” is defined in the Financing Plan.

“**IFD Act**” means the Infrastructure and Revitalization Financing District Act (Government Code Section 53669 et seq.), as amended from time to time.

“**IFD Debt**” is defined in the Financing Plan.

“**Improvements**” is defined in the DDA.

“Indenture” is defined in the Financing Plan.

“Infrastructure” is defined in the DDA.

“Inspection Request” is defined in Section 3.1(c).

“Interagency Cooperation Agreement” is defined in the DDA.

“Maintenance Default” is defined in the Financing Plan.

“Maintenance Default Payment” is defined in Section 6.6(a).

“Major Phase” is defined in the DDA.

“Net Available Increment” is defined in the Financing Plan.

“Notice of Component Completion” means a written notice of the Director of Public Works that a Component has been Approved as inspected. The form of the written notice shall be the form customarily provided by the Director of Public Works to evidence the completion and Approval of the inspection of a facility with appropriate changes to reflect that the Director of Public Works is not accepting dedication or transfer of title to an Acquisition Facility of which the Component is a part.

“Party” or **“Parties”** means, individually or collectively as the context requires, Developer and the City.

“Payment Request” means a document to be used by Developer in requesting payment for: (a) the Actual Costs an Acquisition Facility or Component, substantially in the form of Exhibit C; or (b) an Authorized Payment to Developer, substantially in the form of Exhibit D.

“Permit to Enter” is defined in the DDA.

“Person” is defined in the DDA.

“Plans” means the applicable Construction Documents and Authorizations for the Acquisition Facilities or any Components as Approved under the DDA, the City DA, Applicable City Regulations, or, if applicable, standards of the other Governmental Entity.

“Pre-Development Costs” is defined in the Financing Plan.

“Project” is defined in the DDA.

“Project Accounts” is defined in the Financing Plan.

“Project Applications” is defined in the Interagency Cooperation Agreement.

“Project Costs” is defined in the Financing Plan.

“Project Site” is defined in the DDA.

“Proof of Payment” means a cancelled check, a wire confirmation demonstrating delivery of a direct transfer of funds, an executed and acknowledged unconditional lien release, or other evidence Approved by the City demonstrating payment of the applicable Actual Cost.

“Public Financing” is defined in the Financing Plan.

“Qualified” is defined in the Financing Plan.

“Ready for Payment” means that the Acquisition Facility or Component is ready for its intended use and is completed in substantial conformity with the DDA, Plans and Specifications and Applicable City Regulations and procedures, irrespective of the functionality of the larger system of which it is a part.

“Remainder Taxes” is defined in the Financing Plan.

“Remainder Taxes Project Account” is defined in the Financing Plan.

“Reviewing Party” is defined in Section 1.4.

“Soft Costs” is defined in the Financing Plan.

“Stormwater Management Controls” is defined in the DDA.

“Sub-Phase” is defined in the DDA.

“Supplement” means a written amendment to Exhibit A or Exhibit B.

“Supplement Review Period” is defined in Section 1.4(a).

“Third Party” means a Person that is not a Party.

“Third Party Reimbursements” means payments, if any, from Third Parties that are received by Developer as a reimbursement of Qualified Project Costs incurred with respect to the Acquisition Facilities, such as utility or other reimbursements.

“Transferee” is defined in the DDA.

“Vested Payment Request” is defined in Section 6.2.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the City, Authority, and Developer have each caused this Agreement to be duly executed on its behalf as of the Effective Date.

CITY:

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation

By: Naomi M. Kelly
Name: Naomi M. Kelly
Title: City Administrator

Approved as to form:

DENNIS J. HERRERA,
City Attorney

By: [Signature]
Name: Mark Blace
Deputy City Attorney

AUTHORITY:

Authorized by City Resolution No. 241 adopted June 7, 2011

TREASURE ISLAND DEVELOPMENT AUTHORITY,
a California non-profit public benefit corporation

Approved as to Form:

DENNIS J. HERRERA
City Attorney

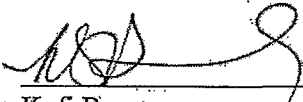
By: [Signature]
Deputy City Attorney Charles Sullivan

By: [Signature]
Name: Robert Beck
Title: Executive Director

DEVELOPER:

TREASURE ISLAND COMMUNITY DEVELOPMENT, LLC,
a California limited liability company

By: Treasure Island Holdings, LLC,
a Delaware general partnership
its co-Managing Member

By: 
Name: Kofi Bonner
Its: Authorized Representative

By: KSWM Treasure Island, LLC,
a California limited liability company
its co-Managing Member

By: WMS Treasure Island
Development I, LLC,
a Delaware limited liability company
its Member

By: Wilson Meany LLC,
a California limited liability company
its Sole Member and Manager

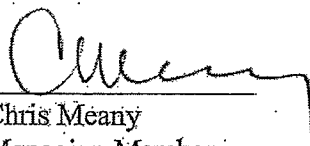
By: 
Name: Chris Meany
Title: Managing Member

EXHIBIT C-2

Calculation of Actual Cost

PAYMENT REQUEST NO. _____

MADE ON BEHALF OF: _____

MAJOR PHASE: _____

SUB-PHASE: _____

1. Description (by reference to Exhibit B to the Acquisition and Reimbursement Agreement) of the Acquisition Facility or Component _____
2. Actual Cost (list here total of supporting invoices and/or other documentation supporting determination of Actual Cost, including any Developer Allocation): \$ _____
3. Subtractions:
 - A. Holdback for lien releases (see Section 4.4(c) of the Acquisition and Reimbursement Agreement): (\$ _____)
 - B. Retention (see Section 4.4(e) of the Acquisition and Reimbursement Agreement): (\$ _____)
 - C. Third Party Reimbursements: (\$ _____)
4. Total disbursement requested (Amount listed in 2, less amounts, if any, listed in 3) \$ _____

Attachments – Complete Acquisition Facilities Only:

[] Copies of Payment Requests for which release of retention is requested.

EXHIBIT C-1

Acquisition Facilities and Components to Which Payment Request Applies

PAYMENT REQUEST NO. _____
MADE ON BEHALF OF: _____

MAJOR PHASE: _____
SUB-PHASE: _____

1. The Acquisition Facilities and Components for which payment is requested under this Payment Request are: _____

2. Contract information for each contractor, subcontractor, materialman, and other contract for which payment is requested under this Payment Request is shown below.

| Name | Amt. of Contract | Amt. Requested | Amt. Previously Pd. |
|-------|------------------|----------------|---------------------|
| | | | |
| | | | |
| | | | |
| | | | |
| Total | | | |

Attachments:

- Approved Supplement(s) (*include proof of delivery if Deemed Approved*)
- Proof of Payment for each amount and included in the Actual Costs

DEEMED APPROVAL NOTICE

Under Section 4.2(b) of the Acquisition and Reimbursement Agreement,

if you fail to notify Developer that

this Payment Request is Approved or disapproved

within thirty (30) calendar days after your receipt of this Payment Request,

it will be Deemed Approved.

Payment Request Approved on _____

By: _____
Director of Public Works

I hereby declare that the above representations and warranties and all information provided in this Payment Request, including attachments and exhibits, are true and correct to the best of my knowledge.

DEVELOPER:

[insert name of Developer]

By: _____
Authorized Representative
of Developer

Date: _____

Attachments:

- Notice of Approval following inspection by Director of Public Works
- Unconditional lien releases from the following: _____

- Conditional lien releases from the following: _____

- For Completed Acquisition Facility:** Copy of recorded conveyance of land
- For Completed Acquisition Facility:** Copy of determination of completeness
- For Completed Acquisition Facility:** Original assignment of warranties and guaranties
- For Completed Acquisition Facility:** Original assignment of Plans
- For Completed Acquisition Facility:** Original assignment of reimbursements from Third Parties payable with respect to the Acquisition Agreement
- For Completed Acquisition Facility:** As-built drawings of the Acquisition Facility
- Exhibit C-1
- Exhibit C-2

assessments levied on the regular County tax rolls against property owned by Developer in the Project Site.

8. The Payment Request must be paid solely from the following sources of Funding Sources:

| Funding Sources from which Actual Costs may be Paid (check one or more boxes) | Identified Funding Sources |
|--|--|
| | Improvement Area No. 1 Bonds |
| | Remainder Taxes for Improvement Area No. 1 |
| | Improvement Area No. 2 Bonds |
| | Remainder Taxes for Improvement Area No. 2 |
| | IFD Debt for IFD No. 1 |
| | Net Available Increment in IFD No. 1 |
| | |
| | Other Source (specify): |
| Total Actual Cost | |

Note: the table above may be expanded as needed to reflect additional improvement areas or additional Funding Sources.

9. Payments under this Payment Request, when Approved or Deemed Approved, to be made as follows:

The amount of \$ _____ to the Project Account(s) held by Developer at the following financial institution(s) by wire, according to the following instructions:

The following amount(s) the following Third Party(ies) at the following address(es):

10. Other relevant information about Payment Request: _____

EXHIBIT C

Form of Payment Request – Acquisition Facilities and Components

PAYMENT REQUEST NO. _____
MADE ON BEHALF OF: _____ (“Developer”)
MAJOR PHASE: _____ SUB-PHASE: _____

The undersigned hereby requests payment in the total amount of \$_____ for the Acquisition Facilities or Components (as described in Exhibit B to that certain Acquisition and Reimbursement Agreement among the City and County of San Francisco, Treasure Island Development Authority, and Treasure Island Community Development, LLC, dated for reference purposes only as of _____), all as more fully described in Exhibit C-1. In connection with this Payment Request, the undersigned hereby represents and warrants to the Director of Public Works and the City as follows:

1. He (she) is a duly authorized officer of Developer, qualified to execute this Payment Request for payment on behalf of Developer and is knowledgeable as to the matters set forth in this Payment Request.
2. The Acquisition Facilities or Components for which payment is requested were constructed in accordance with the DDA and City DA, and an Inspection Request is pending for the Director of Public Works’ review. Payment shall not be made until such time that the Inspection Request has been approved as indicated in a notice from the Director of Public Works.
3. All costs of the Acquisition Facilities or Components for which payment is requested hereby are Actual Costs, and have not been inflated in any respect, as indicated in the attached Proof of Payment. The items for which payment is requested have not been the subject of any prior payment request submitted to the City.
4. The costs for which payment is requested are not the subject of dispute with any contractor, subcontractor, materialman, or other Person who supplied goods or labor, as evidenced by the attached conditional or unconditional lien releases.
5. Developer is in compliance with the terms and provisions of the Acquisition and Reimbursement Agreement and no portion of the amount being requested to be paid was previously paid.
6. The Actual Cost of each Acquisition Facility or Component (a detailed calculation of which is shown in Exhibit C-2 for each such Acquisition Facility or Component), has been calculated in conformance with the terms of the Acquisition and Reimbursement Agreement.
7. To the knowledge of the undersigned, Developer is not delinquent in the payment of ad valorem real property taxes, possessory interest taxes or special taxes or special

EXHIBIT B

**Description of Acquisition Facilities and Components, with Cost Estimates, and Authorized
Payments and Components**

[To be completed from time to time].

22. Hard Costs, Soft Costs and Pre-Development Costs, as defined in the Conveyance Agreement, associated with the design, procurement, development and construction of all Facilities listed herein.

B. Authorized Payments

23. Subsidies – including, but not limited to, subsidies provided to the City and other entities related to open space maintenance, transportation and transit operations, affordable housing design and construction, design and construction of ramps and access roads.

11. Earthwork – including, but not limited to, importation of clean fill materials, clearing and grubbing, slope stabilization, ground improvement, installation of geogrid, surcharging, wick drains, excavation, rock fragmentation, placement of fill, compaction, grading, erosion control, and post-construction stabilization such as hydroseeding.
12. Retaining Walls – including, but not limited to, excavation, foundations, construction of retaining walls, subdrainage, and backfilling.
13. Highway Ramps, Roadways, Pathways, Curb, and Gutter – including, but not limited to, road subgrade preparation, aggregate base, concrete roadway base, asphalt wearing surface, concrete curb, concrete gutter, medians, colored asphalt and concrete, speed tables, class 1 and 2 bike facilities (e.g., cycle tracks), sawcutting, grinding, conform paving, resurfacing, for onsite and offsite roadways.
14. Traffic – including, but not limited to, transit stops, transit facilities, transit buses and ferries, bridge structures, permanent pavement marking and striping, traffic control signage, traffic light signals, pedestrian traffic lighting, and contributions for offsite traffic improvements.
15. Streetscape – including, but not limited to, subgrade preparation, aggregate base, sidewalks, pavers, ADA curb ramps with detectable tiles, streetlights, light pole foundations, landscaping, irrigation, street furniture, waste receptacles, newspaper stands, and public art.
16. Shoreline Improvements – including, but not limited to, demolition, excavation, installation of revetment, structural improvements of shoreline and revetment, and structural repair for replacement or retrofit of shoreline structures.
17. Parks – including, but not limited to, ground improvement, subgrade preparation, landscaping and trees, aggregate base, sidewalks, pavers, decomposed granite, lighting, irrigation, furniture, decks, fountains, and restrooms.
18. Ferry Terminal – including, but not limited to, foundations, ferry shelter building, signs, electronic toll collection system, breakwaters, pier, gangway, float, restroom, bike storage
19. Hazardous Soil Removal – removal and disposal of contaminated soil.
20. Community Facilities – including, but not limited to, costs of police station, fire station, community center spaces for uses including reading room/library, senior/adult services, teen/youth center, outdoor performance and gathering spaces, community gardens, public school, childcare centers, public recreational facilities including ballfields, playing fields and sports centers, and publicly-owned parking garages.
21. Any other amounts specifically identified in the DDA as a Project Costs.

EXHIBIT A

Description of Acquisition Facilities and Authorized Payments to be Financed for the Project

A. Acquisition Facilities

1. Acquisition - includes acquisition of land for public improvements.
2. Abatement - includes abatement of hazardous materials and disposal of waste.
3. Demolition - removal of below-grade, at-grade, and above-grade facilities, and recycling or disposal of waste.
4. Supplemental Fire Water Supply System - including, but not limited to, main pipe, laterals, valves, fire hydrants, cathodic protection, manifolds, air-gap back flow preventer, wharf fire hydrants, portable water pumper, and tie-ins for onsite water supply network that is unique to San Francisco intended for fire suppression.
5. Low Pressure Water - including, but not limited to, main pipe, pressure reducing stations, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blowoffs, fire hydrants, cathodic protection, and tie-ins for onsite and offsite low pressure water supply network intended for domestic use.
6. Water Tank Facilities - including, but not limited to, storage tanks, pumps, and other facilities associated with water storage.
7. Recycled Water - including, but not limited to, main pipe, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blowoffs, cathodic protection, and tie-ins for recycled water supply network intended to provide treated wastewater for use in irrigation of parks and landscaping as well as graywater uses within buildings.
8. Storm Drainage System - including, but not limited to, main pipe, laterals, manholes, catch basins, air vents, stormwater treatment facilities, connections to existing systems, headwalls, outfalls, and lift stations for a network intended to convey onsite and offsite separated storm water.
9. Separated Sanitary Sewer - including, but not limited to, main pipe, laterals, manholes, traps, air vents, connections to existing systems, force main pipe and associated valves and cleanouts, and pump and lift stations for a network intended to convey separated sanitary sewage.
10. Joint Trench - including, but not limited to, the electrical substation, installation of primary and secondary conduits, overhead poles, pull boxes, vaults, subsurface enclosures, and anodes, for dry utilities including but not limited to electrical and information systems.

EXHIBIT D

Form of Payment Request – Authorized Payments

PAYMENT REQUEST NO. _____
 MADE ON BEHALF OF: _____ (“Developer”)
 MAJOR PHASE: _____ SUB-PHASE: _____

The undersigned hereby requests payment in the total amount of \$ _____ for the reimbursement of Authorized Payments (as described in Exhibit B to that Acquisition and Reimbursement Agreement), to be paid solely from following Funding Sources:

| Funding Sources from which Authorized Payments may be Paid (check one or more boxes) | Identified Funding Sources |
|---|---|
| | Improvement Area No. 1 Bonds |
| | Remainder Taxes for Improvement Area No. 1 |
| | Improvement Area No. 2 Bonds |
| | Remainder Taxes for Improvement Area No. 2 |
| | IFD Debt for IFD No. 1 |
| | Net Available Increment in IFD No. 1 |
| | |
| | |
| | |
| Total Authorized Payment | |

Note: the table above may be expanded as needed to reflect additional improvement areas or additional Funding Sources.

In connection with this Payment Request, the undersigned hereby represents and warrants to the City as follows:

1. He (she) is a duly authorized officer of Developer, qualified to execute this Payment Request for payment on behalf of Developer and is knowledgeable as to the matters set forth in this Payment Request.
2. The items for which payment is requested have not been the subject of any prior payment request submitted to the City.
3. Developer is in compliance with the terms and provisions of the Acquisition and Reimbursement Agreement and no portion of the amount being requested to be paid was previously paid.
4. To the knowledge of the undersigned, Developer is not delinquent in the payment of ad valorem real property taxes, possessory interest taxes or special taxes or special

assessments levied on the regular County tax rolls against property owned by Developer in the Project Site.

I hereby declare that the above representations and warranties and all information provided in this Payment Request, including attachments and exhibits, are true and correct to the best of my knowledge.

DEVELOPER:

[insert name of Developer]

By: _____
Authorized Representative

Date: _____

Attachments:

- Proof of Payment
- Authorized Payment Calculation

DEEMED APPROVAL NOTICE

Under Section 5.2 of the Acquisition and Reimbursement Agreement,

if you fail to notify Developer that

this Payment Request is Approved or disapproved

within ten (10) calendar days after your receipt of this Payment

Request,

it will be Deemed Approved.

Payment Request Approved and counter-signed on _____ :

By: _____
Executive Director
Treasure Island Development Authority



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Motion No 18325 ENVIRONMENTAL IMPACT REPORT CERTIFICATION

Hearing Date: April 21, 2011
Case No.: 2007.0903E
Project Address: Treasure Island and Yerba Buena Island
Zoning: P (Public)
40-X Height and Bulk District
Block/Lot: 1939/001 and 002
Project Sponsors: Treasure Island Development Authority
Rich Hillis, Director of Development
City Hall, Room 448
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94111

and

Treasure Island Community Development, LLC
Alexandra Galovich
Wilson Meany Sullivan
Four Embarcadero Center, Suite 3300
San Francisco, CA 94102

Staff Contact: Rick Cooper – (415) 575-9027
Rick.cooper@sfgov.org

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

ADOPTING FINDINGS RELATED TO THE CERTIFICATION OF A FINAL ENVIRONMENTAL IMPACT REPORT FOR THE PROPOSED TREASURE ISLAND/YERBA BUENA ISLAND PROJECT.

MOVED, that the San Francisco Planning Commission (hereinafter "Commission") hereby
CERTIFIES the Final Environmental Impact Report identified as Case No. 2007.0903E (hereinafter
"Project"), based upon the following findings:

1. The City and County of San Francisco, acting through the Planning Department (hereinafter
"Department") fulfilled all procedural requirements of the California Environmental Quality
Act (Cal. Pub. Res. Code Section 21000 *et seq.*, hereinafter "CEQA"), the State CEQA
Guidelines (Cal. Admin. Code Title 14, Section 15000 *et seq.*, hereinafter "CEQA Guidelines")
and Chapter 31 of the San Francisco Administrative Code (hereinafter "Chapter 31").
 - A. The Department determined that an Environmental Impact Report (hereinafter "EIR")
was required and provided public notice of that determination by publication in a
newspaper of general circulation on January 26, 2008.
 - B. On July 12, 2010, the Department published the Draft Environmental Impact Report
(hereinafter "DEIR") and provided public notice in a newspaper of general circulation of

the availability of the DEIR for public review and comment and of the date and time of the Planning Commission public hearing on the DEIR; this notice was mailed to the Department's list of persons requesting such notice.

- C. Notices of availability of the DEIR and of the date and time of the public hearing were posted near the project site by Department staff on July 12, 2010.
 - D. On July 12, 2010, copies of the DEIR were mailed or otherwise delivered to a list of persons requesting it, to those noted on the distribution list in the DEIR, to adjacent property owners, and to government agencies, the latter both directly and through the State Clearinghouse.
 - E. Notice of Completion was filed with the State Secretary of Resources via the State Clearinghouse on July 12, 2010.
2. The Commission held a duly advertised public hearing on said DEIR on August 12, 2010, at which opportunity for public comment was given, and public comment was received on the DEIR. The period for acceptance of written comments ended on September 10, 2010.
 3. The Department prepared responses to comments on environmental issues received at the public hearing and in writing during the 59-day public review period for the DEIR, prepared revisions to the text of the DEIR in response to comments received or based on additional information that became available during the public review period, and corrected errors in the DEIR. This material was presented in a Comments and Responses document, published on March 10, 2011, distributed to the Commission and all parties who commented on the DEIR, and made available to others upon request at the Department.
 4. A Final Environmental Impact Report has been prepared by the Department, consisting of the Draft Environmental Impact Report, any consultations and comments received during the review process, any additional information that became available, and the Comments and Responses document all as required by law.
 5. Following publication of the Environmental Impact Report, the Project's structure and financing were changed from a Redevelopment Plan and financing mechanism to an Area Plan to be included within the San Francisco General Plan and partial financing through an Infrastructure Financing District. These changes in turn result in the amount of affordable housing units to be reduced from approximately 2,400 units to 2,000 units. A memorandum describing these changes and other minor Project changes since publication of the EIR has been prepared and distributed by the Department which describes and evaluates these changes and presents minor amendments to the text of the EIR to reflect the changes. The memorandum demonstrates and concludes that the revisions to the Project would not substantially change the analysis and conclusions of the EIR. No new significant impacts or substantial increase in the severity of already identified significant impacts, no new mitigation measures, and no new alternatives result from these changes. Thus recirculation of the EIR for public review and comment is not required.

6. Project Environmental Impact Report files have been made available for review by the Commission and the public. These files are available for public review at the Department at 1650 Mission Street, and are part of the record before the Commission.
7. On April 21, 2011, the Commission reviewed and considered the Final Environmental Impact Report and hereby does find that the contents of said report and the procedures through which the Final Environmental Impact Report was prepared, publicized, and reviewed comply with the provisions of CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code.
8. The Planning Commission hereby does find that the Final Environmental Impact Report concerning File No. 2007.0903E reflects the independent judgment and analysis of the City and County of San Francisco, is adequate, accurate and objective, and that the Comments and Responses document contains no significant revisions to the DEIR, and hereby does CERTIFY THE COMPLETION of said Final Environmental Impact Report in compliance with CEQA and the CEQA Guidelines.
9. The Commission, in certifying the completion of said Final Environmental Impact Report, hereby does find that the project described in the Environmental Impact Report:
 - A. Will result in the following significant and unavoidable project-specific environmental impacts:
 - 1) Alteration of scenic vistas of San Francisco and San Francisco Bay from public vantage points along the eastern shoreline of San Francisco, Telegraph Hill, the East Bay shoreline, and from the Bay Bridge east span.
 - 2) Impairment of the significance of an historical resource by demolition of the Damage Control Trainer.
 - 3) Construction impacts on the transportation and circulation network, including increased delay and congestion on the Bay Bridge near the ramps during the peak periods, and disruption to transit, pedestrian, bicycle, and vehicular traffic on the Islands due to roadway closures.
 - 4) Significant contribution to existing LOS E operating conditions during the weekday PM peak hour and during the Saturday peak hour at the eastbound off-ramp on the west side of Yerba Buena Island.
 - 5) Under conditions without the TI/YBI Ramps Project, traffic impacts at the two westbound on-ramps.
 - 6) Under conditions with the Ramps Project, traffic impacts during the AM and PM peak hours at the ramp meter at the westbound on-ramp on the east side of Yerba Buena Island.

- 7) Queuing at the Bay Bridge toll plaza during the weekday AM peak hour, with and without the TI/YBI Ramps Project.
- 8) Queuing on San Francisco streets approaching Bay Bridge during the weekday PM peak hour with and without the TI/YBI Ramps Project.
- 9) Traffic impact at the following nine intersections:
 - Intersection of First/Market;
 - Intersection of First/Mission;
 - Intersection of First/Folsom;
 - Intersection of First/Harrison/I-80 Eastbound On-Ramp;
 - Intersection of Bryant/Fifth/I-80 Eastbound On-Ramp; and
 - Intersection of Fifth/Harrison/I-80 Westbound Off-Ramp
 - Intersection of Folsom/Essex;
 - Intersection of Bryant/Sterling; and
 - Intersection of Second/Folsom.
- 10) Exceedance of the available transit capacity of Muni's 108-Treasure Island bus line serving the Islands during the AM, PM and Saturday peak hours.
- 11) AC Transit operations on Hillcrest Road between Treasure Island and the eastbound on-ramp to the Bay Bridge without the Ramps Project.
- 12) AC Transit operations on Treasure Island Road and Hillcrest Road between Treasure Island and the eastbound on-ramp to the Bay Bridge with the Ramps Project.
- 13) Traffic congestion in downtown San Francisco, which would increase travel time and would impact operations of the following three bus lines:
 - Muni 27-Bryant;
 - Muni 30X-Marina Express; and
 - Muni 47-Van Ness bus line.
- 14) Exceedance of the capacity utilization standard on Muni's 108-Treasure Island bus line serving the Islands from a shift from auto to transit modes, resulting from parking

shortfall on the Islands and leading to an increase in transit travel demand during the peak hours.

- 15) Construction noise levels above existing ambient conditions.
 - 16) Exposure of persons and structures to excessive ground-borne vibration or ground-borne noise levels during construction from on-shore pile "impact activities," such as pile-driving and deep dynamic compaction, and vibro-compaction.
 - 17) Increase in ambient noise levels in the project vicinity above existing ambient noise levels from project-related traffic and ferry noise.
 - 18) Violation of air quality standards.
 - 19) Exposure of sensitive receptors to substantial levels of toxic air contaminants.
 - 20) Exposure of sensitive receptors to substantial levels of PM2.5.
 - 21) Violation of air quality standards during project operations.
 - 22) Exposure of sensitive receptors to substantial pollutant concentrations.
 - 23) Potential conflict with adopted plans related to air quality.
 - 24) Temporary wind hazard impacts during phased construction.
 - 25) Potential exposure of publicly accessible locations within the Project Site to wind hazards
 - 26) Potential adverse impacts on movement of rafting waterfowl from ferry operations.
- B. Will contribute considerably to the following cumulative environmental impacts:
- 1) Potential cumulative construction-related traffic impacts in the project vicinity.
 - 2) Cumulative traffic impacts at the eastbound off-ramp on the west side of Yerba Buena Island.
 - 3) Under conditions without the Ramps Project, cumulative traffic impacts at the two westbound on-ramps.
 - 4) Under conditions with the Ramps Project, cumulative traffic impacts during the AM and PM peak hours at the ramp meter at the westbound on-ramp on the east side of Yerba Buena Island.
 - 5) Cumulative queuing impacts at the Bay Bridge toll plaza during the AM and PM peak hours.

6) Cumulative queuing impacts on San Francisco streets approaching the Bay Bridge during the weekday AM and PM and Saturday peak hours.

7) Traffic impact at the following nine intersections:

- Intersection of First/Market;
- Intersection of First/Mission;
- Intersection of First/Folsom;
- Intersection of First/Harrison/I-80 Eastbound On-Ramp;
- Intersection of Bryant/Fifth/I-80 Eastbound On-Ramp;
- Intersection of Fifth/Harrison/I-80 Westbound Off-Ramp
- Intersection of Folsom/Essex;
- Intersection of Bryant/Sterling; and
- Intersection of Second/Folsom.

8) Cumulative traffic congestion in downtown San Francisco, which would increase travel time and would impact operations of the following four bus lines:

- Muni 27-Bryant bus line;
- Muni 30X-Marina Express bus line;
- Muni 47-Van Ness bus line; and
- Muni 10-Townsend bus line.

9) Cumulative construction noise impacts from other cumulative development in the area, including the Clipper Cove Marina and the Yerba Buena Island Ramps Improvement Project, which could have construction activities that occur simultaneously with those of the Project.

10) Increases in traffic from the project in combination with other development would result in cumulative traffic noise impacts.

11) Cumulative air quality impacts.

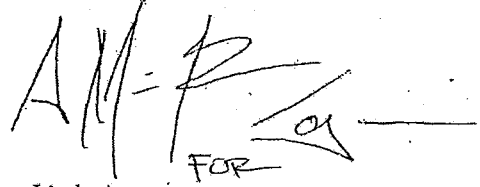
11) The Project, when combined with other cumulative projects, could result in exposure of publicly accessible locations within the Project Site to wind hazards.

12) Potential cumulative impacts on rafting waterfowl.

Motion No. 18325
Hearing Date: April 21, 2011

CASE NO. 2007.0903E
Treasure Island/Yerba Buena Island Project

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting of April 21, 2011.

A handwritten signature in black ink, appearing to read 'Linda Avery', with a horizontal line extending to the right from the end of the signature.

Linda Avery
Commission Secretary

AYES: Commissioners Antonini, Borden, Fong, Miguel
NOES: Commissioners Olague, Moore, Sugaya
ABSENT: None
ADOPTED: April 21, 2011

1 [Environmental Impact Report Certification]

2 **Resolution certifying a final Environmental Impact Report for the Treasure**
3 **Island/Yerba Buena Island Project.**

4 WHEREAS, The City and County of San Francisco, acting through the Planning
5 Department and Treasure Island Development Authority staff (hereinafter "Department and
6 Authority Staff") fulfilled all procedural requirements of the California Environmental Quality
7 Act (Cal. Pub. Res. Code Sections 21000 *et seq.*, hereinafter "CEQA"), the State CEQA
8 Guidelines (Cal. Admin. Code Title 14, Sections 15000 *et seq.*, (hereinafter "CEQA
9 Guidelines") and Chapter 31 of the San Francisco Administrative Code (hereinafter "Chapter
10 31") in regard to the Final Environmental Impact Report identified as Planning Department
11 Case No. 2007.0903E (hereinafter "FEIR") for the proposed Treasure Island/Yerba Buena
12 Island Project ("Project"); and,

13 WHEREAS, The Department and Authority Staff determined that an Environmental
14 Impact Report (hereinafter "EIR") was required and provided public notice of that
15 determination by publication in a newspaper of general circulation on January 26, 2008; and,

16 WHEREAS, On July 12, 2010, the Department and Authority Staff published the Draft
17 Environmental Impact Report (hereinafter "DEIR") and provided public notice in a newspaper
18 of general circulation of the availability of the DEIR for public review and comment and of the
19 date and time of the Planning Commission public hearing on the DEIR; this notice was mailed
20 to the Department's list of persons requesting such notice; and,

21 WHEREAS, Notices of availability of the DEIR and of the date and time of the public
22 hearing were posted near the project site by Department and Authority Staff on July 12, 2010;
23 and,

24 WHEREAS, On July 12, 2010, copies of the DEIR were mailed or otherwise delivered
25 to a list of persons requesting it, to those noted on the distribution list in the DEIR, to adjacent

1 property owners, and to government agencies, the latter both directly and through the State
2 Clearinghouse; and,

3 WHEREAS, The Notice of Completion was filed with the State Secretary of Resources
4 via the State Clearinghouse on July 12, 2010; and,

5 WHEREAS, The Treasure Island Development Authority Board of Directors
6 (hereinafter "Authority Board") and Planning Commission held a duly advertised joint public
7 hearing on said DEIR on August 12, 2010, at which time opportunity for public comment was
8 given, and public comment was received on the DEIR. The period for acceptance of written
9 comments ended on September 10, 2010; and,

10 WHEREAS, The Department and Authority Staff prepared responses to comments on
11 environmental issues received at the public hearing and in writing during the 59-day public
12 review period for the DEIR, prepared revisions to the text of the DEIR in response to
13 comments received or based on additional information that became available during the public
14 review period, and corrected errors in the DEIR. This material was presented in a Comments
15 and Responses document, published on March 10, 2011, distributed to the Authority Board
16 and all parties who commented on the DEIR, and made available to others upon request at
17 the Department; and,

18 WHEREAS, A Final Environmental Impact Report has been prepared by the
19 Department and Authority Staff, consisting of the Draft Environmental Impact Report, any
20 consultations and comments received during the review process, any additional information
21 that became available, and the Comments and Responses document all as required by law
22 ("FEIR"); and,

23 WHEREAS, Following publication of the Environmental Impact Report, the Project's
24 structure and financing were changed from a Redevelopment Plan and financing mechanism
25 to an Area Plan to be included within the San Francisco General Plan and partial financing

1 through an Infrastructure Financing District. These changes in turn result in the amount of
2 affordable housing units to be reduced from approximately 2,400 units to 2,000 units. The
3 Department and Authority Staff prepared a memorandum describing these changes and other
4 minor Project changes since publication of the FEIR. The memorandum evaluates these
5 changes and presents minor amendments to the text of the EIR to reflect the changes. The
6 memorandum demonstrates and concludes that the revisions to the Project would not
7 substantially change the analysis and conclusions of the EIR. No new significant impacts or
8 substantial increase in the severity of already identified significant impacts, no new mitigation
9 measures, and no new alternatives result from these changes. Thus, recirculation of the EIR
10 for public review and comment is not required; and,

11 WHEREAS, The FIER and its related files have been made available for review by the
12 Authority Board, the Commission, and the public. These files are available for public review at
13 the Department at 1650 Mission Street, and are part of the record before the Authority Board;
14 and,

15 WHEREAS, On April 21, 2011, the Authority Board at a joint hearing with the Planning
16 Commission reviewed and considered the FEIR; and,

17 WHEREAS, The Authority Board hereby does find that the Project described in the
18 Environmental Impact Report:

- 19 • Will result in the following significant and unavoidable project-specific
20 environmental impacts:
 - 21 ○ Alteration of scenic vistas of San Francisco and San Francisco Bay from
22 public vantage points along the eastern shoreline of San Francisco,
23 Telegraph Hill, the East Bay shoreline, and from the Bay Bridge east
24 span.

25

- 1 o Impairment of the significance of an historical resource by demolition of
- 2 the Damage Control Trainer.
- 3 o Construction impacts on the transportation and circulation network,
- 4 including increased delay and congestion on the Bay Bridge near the
- 5 ramps during the peak periods, and disruption to transit, pedestrian,
- 6 bicycle, and vehicular traffic on the Islands due to roadway closures.
- 7 o Significant contribution to existing LOS E operating conditions during the
- 8 weekday PM peak hour and during the Saturday peak hour at the
- 9 eastbound off-ramp on the west side of Yerba Buena Island.
- 10 o Under conditions without the TI/YBI Ramps Project, traffic impacts at the
- 11 two westbound on-ramps.
- 12 o Under conditions with the Ramps Project, traffic impacts during the AM
- 13 and PM peak hours at the ramp meter at the westbound on-ramp on the
- 14 east side of Yerba Buena Island.
- 15 o Queuing at the Bay Bridge toll plaza during the weekday AM peak hour,
- 16 with and without the TI/YBI Ramps Project.
- 17 o Queuing on San Francisco streets approaching Bay Bridge during the
- 18 weekday PM peak hour with and without the TI/YBI Ramps Project.
- 19 o Traffic impact at the following nine intersections:
 - 20 ▪ Intersection of First/Market;
 - 21 ▪ Intersection of First/Mission;
 - 22 ▪ Intersection of First/Folsom;
 - 23 ▪ Intersection of First/Harrison/I-80 Eastbound On-Ramp;
 - 24 ▪ Intersection of Bryant/Fifth/I-80 Eastbound On-Ramp; and
 - 25 ▪ Intersection of Fifth/Harrison/I-80 Westbound Off-Ramp

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- Intersection of Folsom/Essex;
- Intersection of Bryant/Sterling; and
- Intersection of Second/Folsom.
- Exceedance of the available transit capacity of Muni's 108-Treasure Island bus line serving the Islands during the AM, PM and Saturday peak hours.
- AC Transit operations on Hillcrest Road between Treasure Island and the eastbound on-ramp to the Bay Bridge without the Ramps Project.
- AC Transit operations on Treasure Island Road and Hillcrest Road between Treasure Island and the eastbound on-ramp to the Bay Bridge with the Ramps Project.
- Traffic congestion in downtown San Francisco, which would increase travel time and would impact operations of the following three bus lines:
 - Muni 27-Bryant;
 - Muni 30X-Marina Express; and
 - Muni 47-Van Ness bus line.
- Exceedance of the capacity utilization standard on Muni's 108-Treasure Island bus line serving the Islands from a shift from auto to transit modes, resulting from parking shortfall on the Islands and leading to an increase in transit travel demand during the peak hours.
- Construction noise levels above existing ambient conditions.
- Exposure of persons and structures to excessive ground-borne vibration or ground-borne noise levels during construction from on-shore pile "impact activities," such as pile driving and deep dynamic compaction, and vibro-compaction.

- 1 o Increase in ambient noise levels in the project vicinity above existing
- 2 ambient noise levels from project-related traffic and ferry noise.
- 3 o Violation of air quality standards.
- 4 o Exposure of sensitive receptors to substantial levels of toxic air
- 5 contaminants.
- 6 o Exposure of sensitive receptors to substantial levels of PM2.5.
- 7 o Violation of air quality standards during project operations.
- 8 o Exposure of sensitive receptors to substantial pollutant concentrations.
- 9 o Potential conflict with adopted plans related to air quality.
- 10 o Temporary wind hazard impacts during phased construction.
- 11 o Potential exposure of publicly accessible locations within the Project Site
- 12 to wind hazards
- 13 o Potential adverse impacts on movement of rafting waterfowl from ferry
- 14 operations; now, therefore be it

15 RESOLVED, The Authority Board hereby does find that the contents of the FEIR and
16 the procedures through which the FEIR was prepared, publicized, and reviewed comply with
17 the provisions of CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco
18 Administrative Code; and, be it

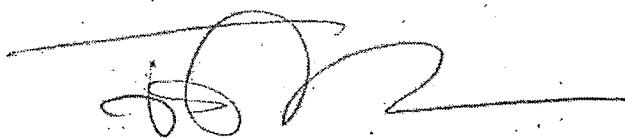
19 FURTHER RESOLVED, The Authority Board hereby does find that the FEIR (Planning
20 Department File No. 2007.0903E) reflects the independent judgment and analysis of the
21 Authority Board, is adequate, accurate and objective, and that the Comments and Responses
22 document contains no significant revisions to the DEIR; and, be it

23 FURTHER RESOLVED, The Authority Board hereby does CERTIFY THE
24 COMPLETION of said FEIR in compliance with CEQA, the CEQA Guidelines, and Chapter
25 31.

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CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on April 21, 2011.



Jean-Paul Samaha, Secretary

EXHIBIT B

IMPROVEMENT AREA NO. 1 OF THE CITY AND COUNTY OF SAN FRANCISCO COMMUNITY FACILITIES DISTRICT NO. 2016-1 (TREASURE ISLAND)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Taxable Parcel in Improvement Area No. 1 of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) shall be levied and collected according to the tax liability determined by the Administrator through the application of the appropriate amount or rate for Taxable Parcels, as described below. All Taxable Parcels in Improvement Area No. 1 shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to Improvement Area No. 1.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Accessory Square Footage**” means, within a non-residential building on a Taxable Parcel, any square footage within the building that is not used directly as part of the business or hotel operations, including, but not limited to, walkways, elevator shafts, mezzanines, corridors, and stairwells.

“**Act**” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, (commencing with Section 53311), Division 2 of Title 5 of the California Government Code.

“**Administrative Expenses**” means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of the City and TIDA carrying out duties with respect to the CFD and the Bonds, including, but not limited to, levying and collecting the Special Tax, the fees and expenses of legal counsel, charges levied by the City Controller’s Office and/or the City Treasurer and Tax Collector’s Office, costs related to property owner inquiries regarding the Special Tax, costs associated with appeals or requests for interpretation associated with the Special Tax and this RMA, amounts needed to pay rebate to the federal government with respect to the Bonds, costs associated with complying with any continuing disclosure requirements for the City and any major property owner, costs associated with foreclosure and collection of delinquent Special Taxes, and all other costs and expenses of the City and TIDA in any way related to the establishment or administration of the CFD.

“**Administrator**” means the Director of the Office of Public Finance or his/her designee who shall be responsible for administering the Special Tax according to this RMA.

“Airspace Parcel” means a parcel with an assigned Assessor’s Parcel number that constitutes vertical space of an underlying land parcel.

“Assessor’s Parcel” or **“Parcel”** means a lot or parcel, including an Airspace Parcel, shown on an Assessor’s Parcel Map with an assigned Assessor’s Parcel number.

“Assessor’s Parcel Map” means an official map of the County Assessor designating Parcels by Assessor’s Parcel number.

“Association Property” means any property within the boundaries of Improvement Area No. 1 that is owned in fee or by easement by a homeowners association or property owners association and does not fall within a Land Use Category, not including any such property that is located directly under a residential structure.

“Authority Housing Lot” means the lots identified as owned or expected to be owned by TIDA, as originally shown in the Housing Plan, and as may be amended in the Development Approval Documents. Authority Housing Lots expected within Improvement Area No. 1 at the time of CFD Formation are identified in Attachment 3 hereto.

“Authority Housing Unit” means a Residential Unit developed on an Authority Housing Lot.

“Authorized Expenditures” means those public facilities and public services authorized to be funded by the CFD as set forth in the documents adopted by the Board at CFD Formation, as may be amended from time to time.

“Base Facilities Special Tax” means, for any Land Use Category, the per-square foot Facilities Special Tax for square footage within such Land Use Category, as identified in Section C.2a below.

“Base Services Special Tax” means, for any Land Use Category, the per-square foot Services Special Tax for square footage within such Land Use Category, as identified in Section C.2b below.

“Base Special Tax” means, collectively, the Base Facilities Special Tax and Base Services Special Tax.

“Board” means the Board of Supervisors of the City, acting as the legislative body of CFD No. 2016-1.

“Bonds” means bonds or other debt (as defined in the Act), whether in one or more series, that are issued or assumed by or for Improvement Area No. 1 to finance Authorized Expenditures and are secured by the Facilities Special Tax.

“Building Height” means the proposed height, as defined in the D4D, of a residential, non-residential, or mixed-use structure, as set forth on the Building Permit issued for the building, or if the height is not clearly indicated on the Building Permit, the height determined by reference to the Sub-Phase Application, Vertical DDA, condominium plan, or architectural drawings for the building. If there is any question as to the Building Height of any building in the CFD, the

Administrator shall coordinate with the Review Authority to make the determination, and such determination shall be conclusive and binding.

“Building Permit” means a permit that allows for vertical construction of a building or buildings, which shall not include a separate permit issued for construction of the foundation thereof.

“Capital Reserve Requirement” means, for the Project as a whole, the target amount of capital reserves to be established for Sea Level Rise Improvements, which shall be \$250 million in Fiscal Year 2016-17 dollars, escalating, on July 1, 2017 and on each July 1 thereafter, by the Escalator.

“Capitalized Interest” means funds in any capitalized interest account available to pay debt service on Bonds.

“CFD” or **“CFD No. 2016-1”** means the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island).

“CFD Formation” means the date on which the Board approved documents to form the CFD.

“City” means the City and County of San Francisco, California.

“Commercial/Retail Square Footage” means the net saleable or net leasable square footage within a building that is or is expected to be square footage of a commercial establishment that sells general merchandise, hard goods, food and beverage, personal services, and other items directly to consumers, including but not limited to, museums, restaurants, bars, entertainment venues, health clubs, spas, laundromats, dry cleaners, repair shops, storage facilities, and parcel delivery shops. In addition, any other square footage in a building that is used for commercial, office, or industrial business operations and is not Accessory Square Footage or Association Property shall be taxed as Commercial/Retail Square Footage. Commercial/Retail Square Footage shall be determined based on reference to the condominium plan, site plan, Building Permit, or Development Approval Documents, or as provided by the Developer or the City. The Administrator, in conjunction with the Review Authority, shall make the final determination as to the amount of Commercial/Retail Square Footage on any Parcel within Improvement Area No. 1, and such determination shall be conclusive and binding. Commercial/Retail Square Foot means a single square-foot unit of Commercial/Retail Square Footage. Incidental retail or commercial uses in an otherwise exempt building (e.g., a snack bar in a recreation center on Association Property) shall not constitute Commercial/Retail Square Footage.

“County” means the City and County of San Francisco, California.

“D4D” means the Treasure Island and Yerba Buena Island Design for Development, approved by the Planning Commission and TIDA, and dated June 28, 2011, and as amended from time to time.

“DA” means the Development Agreement Relative to Treasure Island/Yerba Buena Island, including all exhibits and attachments, executed by the City and TICD, dated June 28, 2011, and as amended from time to time.

“DDA” means the Disposition and Development Agreement (Treasure Island/Yerba Buena Island), including all exhibits and attachments, executed by TIDA and TICD, dated June 28, 2011, and as amended from time to time.

“Developed Property” means, in any Fiscal Year, all Taxable Parcels for which a Building Permit was issued prior to June 30 of the preceding Fiscal Year, but not prior to January 1, 2015.

“Developer” means the developer of a Major Phase or Sub-Phase located in Improvement Area No. 1, which shall not include a Vertical Developer that has entered into a Vertical DDA.

“Developer Maintenance Payment” means a payment that TIDA requires to be made by the Developer to pay for Ongoing Park Maintenance as described in and pursuant to Section 2.7 of the Financing Plan.

“Development Approval Documents” means, collectively, any Major Phase Application, Sub-Phase Application, Vertical DDA, tentative subdivision map, Final Map, Review Authority approval, or other such approved or recorded document or plan that identifies the type of structure(s), acreage, square footage, and/or number of Residential Units approved for development on Taxable Parcels.

“Development Project” means a residential, non-residential, or mixed-use development that includes one or more buildings that are planned and entitled in a single application to the City.

“Escalator” means the lesser of the following: (i) the increase, if any, in the Consumer Price Index (CPI) for All Urban Consumers in the San Francisco-Oakland-San Jose region (base years 1982-1984=100) published by the Bureau of Labor Statistics of the United States Department of Labor, or, if such index is no longer published, a similar escalator that is determined by TIDA and the City to be appropriate, and (ii) five percent (5%).

“Estimated Base Facilities Special Tax Revenues” means, at any point in time, the amount calculated by the Administrator by multiplying the Base Facilities Special Tax by square footage within each Land Use Category proposed for development on a Parcel or within a Sub-Block.

“Expected Land Uses” means the total square footage in each Land Use Category expected within each Sub-Block in Improvement Area No. 1. The Expected Land Uses at the time of CFD Formation are identified in Attachment 2 and may be revised pursuant to Sections B, C, D, and E below.

“Expected Maximum Facilities Special Tax Revenues” means the aggregate Facilities Special Tax that can be levied based on application of the Base Facilities Special Tax to the Expected Land Uses. The Expected Maximum Facilities Special Tax Revenues for each Sub-Block at the time of CFD Formation are shown in Attachment 2 and may be revised pursuant to Sections B, C, D, and E below.

“Expected Taxable Property” means any Parcel within Improvement Area No. 1 that: (i) pursuant to the Development Approval Documents, was expected to be a Taxable Parcel, (ii) based on the Expected Land Uses and as determined by the Administrator, was assigned Expected

Maximum Facilities Special Tax Revenues, and (iii) subsequently falls within one or more of the categories that would otherwise be exempt from the Special Tax as set forth in Section H below.

“Facilities Special Tax” means a special tax levied in any Fiscal Year to pay the Facilities Special Tax Requirement.

“Facilities Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay principal and interest on Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments on the Bonds, (iii) replenish reserve funds created for the Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Facilities Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; and (vi) pay directly for Authorized Expenditures, including park maintenance, Sea Level Rise Improvements, and capital reserves, in the priority set forth in the Financing Plan, so long as such levy under this clause (vi) does not increase the Facilities Special Tax levied on Undeveloped Property. Notwithstanding the foregoing, in any Fiscal Year in which any portion of a Developer Maintenance Payment is delinquent, the Maximum Facilities Special Tax shall be levied on Undeveloped Property until the amount collected from Undeveloped Property that is used to pay for park maintenance is equal to the aggregate amount of delinquent Developer Maintenance Payments. The amounts referred to in clauses (i) and (ii) of the definition of Facilities Special Tax Requirement may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of the City, proceeds received by the CFD from the collection of penalties associated with delinquent Facilities Special Taxes; and (c) any other revenues available to pay such costs, each as determined in the sole discretion of the Administrator.

“Final Map” means a final map, or portion thereof, recorded by the County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) that creates individual lots on which Building Permits for new construction may be issued without further subdivision.

“Financing Plan” means the Financing Plan attached as Exhibit D to the DA and Exhibit EE to the DDA, as such plan may be amended or supplemented from time to time in accordance with the terms of the DA and DDA.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“Future Annexation Area” means that geographic area that, at the time of CFD Formation, was considered potential annexation area for the CFD and which was, therefore, identified as “future annexation area” on the recorded CFD boundary map. Such designation does not mean that any or all of the Future Annexation Area will annex into Improvement Area No. 1, but should property designated as Future Annexation Area choose to annex, the annexation may be processed pursuant to the annexation procedures in the Act for territory included in a future annexation area, as well as the procedures established by the Board.

“Hotel” means a structure or portion of a structure that constitutes a place of lodging, providing

temporary sleeping accommodations for travelers, which structure may include one or more of the following: spa services, restaurants, gift shops, meeting and convention facilities. Residential Units that are offered for rent to travelers (e.g., units offered through Airbnb) shall not be categorized as Hotel.

“Hotel Condominium” means a Residential Unit within a Hotel Project.

“Hotel Project” means a Development Project within which a building proposed to be constructed is either a Hotel or a residential or mixed-use building being developed in conjunction with a Hotel that will share common area and amenities with the Hotel. Notwithstanding the foregoing, if a Development Project includes multiple buildings, one of which is a Hotel, and one or more other buildings in the Development Project do not share common area or amenities with the Hotel and are not otherwise affiliated with the Hotel, such other building(s) shall be considered a separate Development Project for purposes of this RMA and shall be categorized as a Low-Rise Project, Mid-Rise Project, Tower Project, or Townhome Project based on the definitions set forth herein. If a Hotel Project is constructed on a Parcel that is owned by TIDA, such Parcel shall be treated as a Hotel Project, not Public Property, for purposes of this RMA.

“Hotel Square Footage” means the usable square footage within a building that is, or is expected to be, a Hotel, as reflected on a condominium plan, site plan, or Building Permit, as provided by the Developer or the City, or as expected pursuant to Development Approval Documents. All square footage that is not Residential Square Footage or Accessory Square Footage and shares an Assessor’s Parcel number within such a structure, including square footage of restaurants, meeting and convention facilities, gift shops, spas, offices, and other related uses, shall be categorized as Hotel Square Footage. Upon assignment of Assessor’s Parcel numbers to the Airspace Parcels for any Hotel Condominiums, the Hotel Condominiums shall be assigned a Maximum Special Tax based on application of the appropriate Base Special Tax for Hotel Condominiums, as set forth in Section C below. If there are separate Assessor’s Parcel numbers for the retail uses associated with the Hotel, the Base Special Tax for Commercial/Retail Square Footage shall be used to determine the Maximum Special Tax for such Parcels, and the Base Special Tax for Hotel Square Footage shall be used to determine the Maximum Special Tax for Parcels on which uses in the building other than Hotel Condominiums and retail uses are located, including office space associated with Hotel operations. The Administrator, in conjunction with the Review Authority, shall make the final determination as to the amount of Hotel Square Footage within a building, and such determination shall be conclusive and binding. Hotel Square Foot means a single square-foot unit of Hotel Square Footage.

“Housing Plan” means Exhibit E to the DDA, which sets forth the plan for development of Market Rate Units, Inclusionary Units, and Authority Housing Units on Treasure Island and Yerba Buena Island.

“Improvement Area No. 1” means Improvement Area No. 1 of the CFD, as it exists at CFD Formation and as expanded with future annexations to Improvement Area No. 1 (if any).

“Inclusionary Unit” means a Residential Unit that is, pursuant to the Housing Plan, subject to restrictions related to the affordability of the Residential Unit or income restrictions for its occupants, and is not an Authority Housing Unit.

“Indenture” means any indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Land Use Category” means, individually, Low-Rise Units, Mid-Rise Units, Tower Units, Treasure Island Townhome Units, Yerba Buena Island Townhome Units, Hotel Condominiums, Hotel Square Footage, or Commercial/Retail Square Footage.

“Land Use Change” means a change to the Expected Land Uses within Improvement Area No. 1 after CFD Formation.

“LDDA” means a Disposition and Development Agreement between TIDA and a Vertical Developer that has a leasehold interest in property that is subject to the Public Trust, as defined in the DDA.

“Low-Rise Project” means a Development Project that meets either of the following criteria: (i) the highest residential or mixed-use building proposed within the Development Project has a Building Height that is greater than 50 feet and less than or equal to 70 feet, or (ii) the highest residential or mixed-use building proposed within the Development Project has a Building Height that is less than or equal to 50 feet and one or more of the ground floor Residential Units within such building do not have a main entry door that is directly accessible from a public street, private street, or courtyard instead of from a common corridor.

All Residential Units within a Low-Rise Project, regardless of the height of each individual building within the Development Project, shall be categorized as Low-Rise Units for purposes of this RMA. For example, if a Development Project includes three separate buildings, the highest building is proposed to be 50 feet tall, and one or more of the ground floor Residential Units within the 50-foot tall building will not have a main entry door that is directly accessible from a street or courtyard, then the Residential Units in all three buildings in the Development Project will be taxed as Low-Rise Units. If a Development Project includes two buildings that have the same proposed Building Height, both buildings are less than 50 feet tall, and only one of the two buildings has ground floor Residential Units, all of which have main entry doors that will be directly accessible from a street or courtyard, the Residential Units within the Development Project will be categorized as Low-Rise Units and not Treasure Island Townhome Units or Yerba Buena Townhome Units.

“Low-Rise Unit” means a Residential Unit within a Low-Rise Project.

“Major Phase” is defined in the DDA.

“Major Phase Application” means the application and associated documents required to be submitted for each Major Phase Approval, as defined in the DDA.

“Market Rate Unit” means a Residential Unit that is not an Authority Housing Unit or Inclusionary Unit.

“Maximum Facilities Special Tax” means the greatest amount of Facilities Special Tax that can be levied on an Assessor’s Parcel in any Fiscal Year determined in accordance with Sections C, D, and E below.

“Maximum IA1 Revenues” means, at any point in time, the aggregate Maximum Facilities Special Tax that can be levied on all Taxable Parcels.

“Maximum Services Special Tax” means the greatest amount of Services Special Tax that can be levied on an Assessor’s Parcel in any Fiscal Year determined in accordance with Sections C, D, and E below.

“Maximum Special Tax” means, prior to the Transition Year, the Maximum Facilities Special Tax and, in the Transition Year and each Fiscal Year thereafter, the Maximum Services Special Tax. Notwithstanding the foregoing, if there are any delinquent Facilities Special Taxes to be collected from a Parcel in or after the Transition Year, such delinquent Facilities Special Taxes shall continue to be levied against the Parcel and shall, in addition to the Services Special Tax, be part of the Maximum Special Tax for the Parcel until paid.

“Mid-Rise Project” means a Development Project within which the highest residential or mixed-use building that includes Residential Units proposed for development has a Building Height that is greater than 70 feet but less than or equal to 125 feet. All Residential Units within a Mid-Rise Project, regardless of the height of each individual building within the Development Project, shall be categorized as Mid-Rise Units for purposes of this RMA. For example, if a Development Project proposes three buildings that are 90 feet, 60 feet, and 40 feet, respectively, all Residential Units within all three buildings will be categorized as Mid-Rise Units.

“Mid-Rise Unit” means a Residential Unit within a Mid-Rise Project.

“Planning Code” means the Planning Code of the City and County of San Francisco, as it may be amended from time to time.

“Project” is defined in the DDA.

“Proportionately” means, for Developed Property, that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all Parcels of Developed Property. For Vertical DDA Property, “Proportionately” means that the ratio of the actual Special Tax levied to the Maximum Special Tax authorized to be levied is equal for all Parcels of Vertical DDA Property. For Undeveloped Property, “Proportionately” means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Parcels of Undeveloped Property. For Expected Taxable Property, “Proportionately” means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Parcels of Expected Taxable Property.

“Public Property” means any property within the boundaries of Improvement Area No. 1 that is owned by the federal government, the State of California, TIDA, the City, or other public agency. Notwithstanding the foregoing, any property subject to an LDDA with a term of twenty (20) years

or more shall not, during the lease term, be considered Public Property and shall be taxed and classified according to the use on the Parcel(s) unless such Parcel is an Authority Housing Lot.

“Qualified Project Costs” has the meaning set forth in the Financing Plan and refers to the Project as a whole.

“Remainder Special Taxes” means, as calculated between September 1st and December 31st of any Fiscal Year, any Facilities Special Tax revenues that were collected in the prior Fiscal Year and were not needed to: (i) pay debt service on the Bonds that was due in the calendar year in which the Remainder Special Taxes are being calculated; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments on the Bonds; (iii) replenish reserve funds created for the Bonds under the Indenture; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses that have been incurred, or are expected to be incurred, by the City prior to the receipt of additional Facilities Special Tax proceeds, or (vi) apply towards park maintenance costs that are not fully funded because of delinquent Developer Maintenance Payments.

“Required Coverage” means the amount by which the Maximum IA1 Revenues must exceed the Bond debt service and priority Administrative Expenses (if any), as set forth in the Indenture, Certificate of Special Tax Consultant, or other formation or bond document that sets forth the minimum required debt service coverage.

“Residential Product Type” means a Low-Rise Unit, Mid-Rise Unit, Tower Unit, Treasure Island Townhome Unit, Yerba Buena Townhome Unit, or Hotel Condominium. If there is any confusion as to the Residential Product Type that applies to Residential Units within a Development Project, the Administrator shall coordinate with the Review Authority to make the determination, which shall be conclusive and binding.

“Residential Property” means, in any Fiscal Year, all Taxable Parcels for which Building Permits have been issued, or based on Development Approval Documents, are expected to be issued for construction of a structure that includes one or more Residential Units.

“Residential Square Footage” means the square footage of a Residential Unit or residential structure reflected on a condominium plan, site plan, or Building Permit, provided by the Developer or the City, or expected pursuant to Development Approval Documents. The Administrator, in conjunction with the Review Authority, shall make the final determination as to the amount of Residential Square Footage on a Taxable Parcel, and such determination shall be conclusive and binding. Residential Square Foot means a single square-foot unit of Residential Square Footage.

“Residential Unit” means a room or suite of two or more rooms that is designed for residential occupancy for 32 consecutive days or more, including provisions for sleeping, eating and sanitation. “Residential Unit” will include, but not be limited to, an individual townhome, condominium, flat, apartment, or loft unit, and individual units within a senior or assisted living facility.

“Review Authority” means, for Parcels within the Tidelands Trust Overlay Zone, the Executive Director of TIDA, and for Parcels outside the Tidelands Trust Overlay Zone, the City Planning Director, or an alternate designee from TIDA or the City who is responsible for approvals and entitlements of a Development Project.

“RMA” means this Rate and Method of Apportionment of Special Tax.

“Sea Level Rise Improvements” means public improvements necessary to ensure that shoreline, public facilities, and public access improvements will be protected due to sea level rise at the perimeters of Treasure Island and Yerba Buena Island.

“Services Special Tax” means a special tax levied in any Fiscal Year to pay the Services Special Tax Requirement.

“Services Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay the costs of operations and maintenance or other public services that are included as Authorized Expenditures; (ii) cure delinquencies in the payment of Services Special Taxes in the prior Fiscal Year; and (iii) pay Administrative Expenses.

“Special Tax” means, prior to the Transition Year, the Facilities Special Tax and, in and after the Transition Year, the Services Special Tax.

“Special Tax Requirement” means, prior to the Transition Year, the Facilities Special Tax Requirement and, in and after the Transition Year, the Services Special Tax Requirement. Notwithstanding the foregoing, if there are any delinquent Facilities Special Taxes to be collected from a Parcel in or after the Transition Year, such delinquent Facilities Special Taxes shall continue to be levied against the Parcel in addition to the Services Special Tax Requirement for that Fiscal Year.

“Special Use District” means the Treasure Island/Yerba Buena Island Special Use District, included as Section 249.52 of the Planning Code.

“Sub-Block” means a specific geographic area within Improvement Area No. 1 for which Expected Land Uses have been identified. Sub-Blocks and Expected Land Uses within Improvement Area No. 1 at the time of CFD Formation are identified in Attachments 1 and 2 of this RMA and may be revised pursuant to Sections B, C, D, and E below.

“Sub-Phase” is defined in the DDA.

“Sub-Phase Application” means the application and associated documents required to be submitted for each Sub-Phase Approval, as defined and set forth in the DDA.

“Taxable Parcel” means any Parcel within Improvement Area No. 1 that is not exempt from the Special Tax pursuant to law or Section H below.

“TICD” means Treasure Island Community Development, LLC, a California limited liability company, and its successors and permitted assigns under the DDA.

“TIDA” means the Treasure Island Development Authority, a California non-profit public benefit corporation, or any successor public agency designated by or under law, which may include the City or the San Francisco Port Commission.

“Tidelands Trust Overlay Zone” means the areas on Treasure Island and Yerba Buena Island that are subject to the Tidelands Trust after completion of all Tidelands Trust exchanges, as identified in figures set forth in the Special Use District.

“Tower Project” means a Development Project within which the highest residential or mixed-use building that includes Residential Units proposed for development has a Building Height that is greater than 125 feet. All Residential Units within a Tower Project, regardless of the height of each individual building within the Development Project, will be categorized as Tower Units for purposes of this RMA. For example, if a Development Project proposes three buildings that are 140 feet, 90 feet, and 40 feet, respectively, all Residential Units within all three buildings will be categorized as Tower Units.

“Tower Unit” means a Residential Unit within a Tower Project.

“Townhome Project” means a Development Project that meets both of the following criteria: (i) the highest residential or mixed-use building proposed for development has a Building Height that is less than or equal to 50 feet, and (ii) the main entry doors for all ground floor Residential Units within such building will be directly accessible from a public street, private street, or courtyard instead of from a common corridor. All Residential Units within a Townhome Project will be categorized as Treasure Island Townhome Units or Yerba Buena Townhome Units for purposes of this RMA.

“Transition Event” shall be deemed to have occurred when the Administrator determines that either of the following events have occurred: (i) all Bonds secured by the levy and collection of Facilities Special Taxes in the CFD have been fully repaid, all Administrative Expenses from prior Fiscal Years have been paid or reimbursed to the City, and the Capital Reserve Requirement has been fully funded, or (ii) all Bonds secured by the levy and collection of Facilities Special Taxes in the CFD have been fully repaid, all Administrative Expenses from prior Fiscal Years have been paid or reimbursed to the City, and the Facilities Special Tax has been levied within Improvement Area No. 1 for one hundred (100) Fiscal Years.

“Transition Year” means the first Fiscal Year in which the Administrator determines that the Transition Event occurred in the prior Fiscal Year.

“Treasure Island Townhome Unit” means a Residential Unit within a Townhome Project proposed for development on Treasure Island.

“Undeveloped Property” means, in any Fiscal Year, all Taxable Parcels that are not Developed Property, Vertical DDA Property, or Expected Taxable Property.

“Vertical DDA” means a Vertical DDA or a Vertical LDDA, as defined in the DDA, for a Taxable Parcel.

“Vertical DDA Property” means, in any Fiscal Year, any Parcel that is not yet Developed Property against which a Vertical DDA has been recorded, and for which the Developer or the Vertical Developer has, by June 30 of the prior Fiscal Year, notified the Administrator of such recording.

“Vertical Developer” means a developer that has entered into a Vertical DDA for construction of vertical improvements on a Taxable Parcel.

“Yerba Buena Townhome Unit” means a Residential Unit within a Townhome Project proposed for development on Yerba Buena Island.

B. DATA FOR CFD ADMINISTRATION

On or about July 1 of each Fiscal Year, the Administrator shall identify the current Assessor’s Parcel numbers for all Taxable Parcels. The Administrator shall also determine: (i) whether each Taxable Parcel is Developed Property, Vertical DDA Property, Undeveloped Property, or Expected Taxable Property, (ii) within which Sub-Block each Assessor’s Parcel is located, (iii) for Developed Property, the Residential Square Footage, Commercial/Retail Square Footage, and/or Hotel Square Footage on each Parcel, (iv) for Residential Property, the Residential Product Type and number of Market Rate Units and Inclusionary Units, (v) whether there are any delinquent Developer Maintenance Payments, and (vi) the Special Tax Requirement for the Fiscal Year.

The Administrator shall review Development Approval Documents and coordinate with TIDA, the Developer, and Vertical Developers to identify the number of Inclusionary Units within each building. If there are transfers of Inclusionary Units and Market Rate Units, the Administrator shall refer to Section D.2 to determine the Maximum Special Tax for each Parcel after such transfer. If, at any time after issuance of the first series of Bonds, it is determined that an increase in the number of Inclusionary Units will decrease Maximum IA1 Revenues to a point at which Required Coverage cannot be maintained, then some or all of the Inclusionary Units that were not originally part of the Expected Land Uses shall be designated as Expected Taxable Property and shall be subject to the levy of the Facilities Special Tax pursuant to Step 4 in Section F below. In such a case, the Administrator shall determine how many Inclusionary Units must be subject to the Facilities Special Tax in order to maintain Required Coverage, and TIDA and the City shall determine which Inclusionary Units will be Expected Taxable Property, and the Administrator shall update Attachment 2 accordingly.

If TIDA notifies the Administrator of a change in the number or location of Authority Housing Lots, then at the request of TIDA and the owner of any private Parcel(s) affected by the change, the Administrator shall (i) amend and replace Attachment 3 to reflect the then-current location and designation of Authority Housing Lots, and (ii) amend and replace Attachment 2 to reflect the then-current Expected Land Uses on, and the Expected Maximum Facilities Special Tax Revenues for, the Parcel(s) that are affected by the change. If, at any time after issuance of the first series of Bonds, it is determined that an increase in the number of Authority Housing Units will decrease Maximum IA1 Revenues to a point at which Required Coverage cannot be maintained, then some or all of the Authority Housing Lots that were not originally part of the Expected Land Uses shall

be designated as Expected Taxable Property and shall be subject to the levy of the Special Tax pursuant to Step 4 in Section F below. In such a case, the Administrator shall determine how many Authority Housing Units must be subject to the Special Tax in order to maintain Required Coverage, and TIDA shall determine which Authority Housing Lots will be Expected Taxable Property, and the Administrator shall update Attachment 2 accordingly.

If a Building Permit has been issued for development of a structure, and additional structures are anticipated to be built within the Sub-Block as shown in the Development Approval Documents, the Administrator shall, regardless of the definitions set forth herein, categorize the building(s) for which the Building Permit was issued as Developed Property and any remaining buildings for which Building Permits have not yet been issued as Vertical DDA Property for purposes of levying the Special Tax. If the buildings share an Assessor's Parcel, the Administrator shall take the sum of the Special Taxes determined for each building after application of the steps in Section F to determine the Special Tax levy for the Parcel.

In any Fiscal Year, if it is determined that (i) a parcel map or condominium plan was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created parcels into the then current tax roll), (ii) because of the date the map or plan was recorded, the Assessor does not yet recognize the newly-created parcels, and (iii) one or more of the newly-created parcels meets the definition of Developed Property or Vertical DDA Property, the Administrator shall calculate the Special Tax for the property affected by recordation of the map or plan by determining the Special Tax that applies separately to each newly-created parcel, then applying the sum of the individual Special Taxes to the Assessor's Parcel that was subdivided by recordation of the parcel map or condominium plan.

In addition to the tasks set forth above, on an ongoing basis, the Administrator will review the Development Approval Documents for property in Improvement Area No. 1 and communicate with the Developer regarding proposed Land Use Changes. The Administrator will, upon receipt of each recorded Vertical DDA, and upon any proposed Land Use Change that is made known to the Administrator, update Attachment 2 to reflect the then-current Expected Land Uses on, and Expected Maximum Facilities Special Tax Revenues for, each Sub-Block.

C. MAXIMUM SPECIAL TAX

1. *Undeveloped Property*

1a. **Facilities Special Tax**

Prior to the Transition Year, the Maximum Facilities Special Tax for Undeveloped Property in Improvement Area No. 1 shall be the Expected Maximum Facilities Special Tax Revenues shown in Attachment 2 of this RMA, as it may be amended as set forth herein. If, in any Fiscal Year, separate Assessor's Parcels have not yet been created for property within each Sub-Block, the Administrator shall sum the Expected Maximum Facilities Special Tax Revenues for all Sub-Blocks within an Assessor's Parcel to determine the Maximum Facilities Special Tax that shall apply to the Parcel in such Fiscal Year.

If an Assessor's Parcel contains a portion of one or more Sub-Blocks, the Maximum Facilities Special Tax shall be determined by allocating the Expected Maximum Facilities Special Tax Revenues for each Sub-Block proportionately among such Assessor's Parcels based on the Expected Land Uses on each Parcel, as determined by the Administrator. The Maximum IA1 Revenues after such allocation shall not be less than the Maximum IA1 Revenues prior to this allocation.

In the Transition Year and each Fiscal Year thereafter, no Facilities Special Tax shall be levied on Undeveloped Property in Improvement Area No. 1, unless there are delinquent Facilities Special Taxes on a Parcel of Undeveloped Property, in which case such delinquent Facilities Special Taxes can continue to be levied against the Parcel until they are collected.

1b. Services Special Tax

Prior to the Transition Year, there shall be no Services Special Tax levied on Undeveloped Property in Improvement Area No. 1. In the Transition Year and each Fiscal Year thereafter, the Maximum Services Special Tax for Undeveloped Property in Improvement Area No. 1 shall be \$65,200 per acre, which amount shall be escalated as set forth in Section D.2 below.

2. Vertical DDA Property

2a. Facilities Special Tax

Prior to the Transition Year, when a Parcel becomes Vertical DDA Property, the Administrator shall review the recorded Vertical DDA and coordinate with the Developer and/or the Vertical Developer to confirm the Expected Land Uses on the Sub-Block(s) covered by the Vertical DDA. Using the Base Facilities Special Taxes shown in Table 1 below, the Administrator shall calculate the Estimated Base Facilities Special Tax Revenues based on the Expected Land Uses reflected in the Vertical DDA and the square footage estimated by the Vertical Developer. Prior to issuance of the first series of Bonds, the Maximum Special Tax for each Parcel shall be the Estimated Base Facilities Special Tax Revenues for the Parcel.

**Table 1
Base Facilities Special Tax**

| Land Use Category | Base Facilities Special Tax Before the Transition Year (in Fiscal Year 2016-17 dollars) * | Base Facilities Special Tax In and After the Transition Year (in Fiscal Year 2016-17 dollars) * |
|----------------------------------|--|--|
| Low-Rise Units | \$6.13 per square foot | \$0.00 per square foot |
| Mid-Rise Units | \$7.10 per square foot | \$0.00 per square foot |
| Tower Units | \$8.14 per square foot | \$0.00 per square foot |
| Treasure Island Townhome Units | \$5.39 per square foot | \$0.00 per square foot |
| Yerba Buena Townhome Units | \$5.82 per square foot | \$0.00 per square foot |
| Hotel Condominiums | \$5.93 per square foot | \$0.00 per square foot |
| Commercial/Retail Square Footage | \$1.50 per square foot | \$0.00 per square foot |
| Hotel Square Footage | \$3.00 per square foot | \$0.00 per square foot |

* The Base Facilities Special Taxes shown above shall be escalated as set forth in Section D.1.

After issuance of the first series of Bonds, for the Sub-Block(s) included in the Vertical DDA, the Administrator shall compare the Estimated Base Facilities Special Tax Revenues to the Expected Maximum Facilities Special Tax Revenues for the Sub-Block as reflected in Attachment 2, and:

- *If the Estimated Base Facilities Special Tax Revenues are greater than or equal to the Expected Maximum Facilities Special Tax Revenues, then the Maximum Facilities Special Tax for the Vertical DDA Property shall be the Estimated Base Facilities Special Tax Revenues. The Administrator shall update Attachment 2 to reflect this amount as the Expected Maximum Facilities Special Tax Revenues for the Sub-Block(s) in the Vertical DDA.*
- *If the Estimated Base Facilities Special Tax Revenues are less than the Expected Maximum Facilities Special Tax Revenues, but the Maximum IA1 Revenues are still sufficient to provide Required Coverage, then the Maximum Facilities Special Tax for the Vertical DDA Property shall be the Estimated Base Facilities Special Tax Revenues. The Administrator shall revise Attachment 2 to reflect the decreased Expected Maximum Facilities Special Tax Revenues for the Sub-Block(s) within the Vertical DDA and the decreased Maximum IA1 Revenues.*
- *If the Estimated Base Facilities Special Tax Revenues are less than the Expected Maximum Facilities Special Tax Revenues, and such reduction causes the Maximum IA1 Revenues to be insufficient to provide Required Coverage, then the Base Facilities Special Taxes applied to each Land Use Category in the Vertical DDA shall be increased proportionately until the amount that can be levied on Expected Land Uses in the Vertical DDA, combined with the Expected Maximum Facilities Special Tax Revenues from other Sub-Blocks in*

Improvement Area No. 1, is sufficient to maintain Required Coverage. The Administrator shall revise Attachment 2 to reflect the new Expected Facilities Maximum Special Tax Revenues for the Sub-Block(s) within the Vertical DDA.

If it is determined that only a portion of a Sub-Block is included within a Vertical DDA, the Administrator shall refer to Attachments 1 and 2 to estimate the Expected Land Uses that should be assigned to the portion of the Sub-Block that is included within the Vertical DDA. The Administrator shall confirm this determination with the Review Authority, the Developer, and the Vertical Developer.

In the Transition Year and each Fiscal Year thereafter, no Facilities Special Tax shall be levied on Vertical DDA Property in Improvement Area No. 1, unless there are delinquent Facilities Special Taxes on a Parcel of Vertical DDA Property, in which case such delinquent Facilities Special Taxes can continue to be levied against the Parcel until they are collected.

2b. Services Special Tax

Prior to the Transition Year, there shall be no Services Special Tax levied on Vertical DDA Property in Improvement Area No. 1. In the Transition Year and each Fiscal Year thereafter, the Maximum Services Special Tax for a Parcel of Vertical DDA Property shall be determined by applying the Base Services Special Taxes identified in Table 2 below by the Expected Land Uses for the Parcel, as determined by the Administrator.

| Table 2 | | |
|-------------------------------------|--|--|
| Base Services Special Tax | | |
| Land Use Category | Base Services Special Tax Before the Transition Year (in Fiscal Year 2016-17 dollars) * | Base Services Special Tax In and After the Transition Year (in Fiscal Year 2016-17 dollars) * |
| Low-Rise Units | \$0.00 per square foot | \$1.69 per square foot |
| Mid-Rise Units | \$0.00 per square foot | \$1.96 per square foot |
| Tower Units | \$0.00 per square foot | \$2.26 per square foot |
| Treasure Island Townhome Units | \$0.00 per square foot | \$1.51 per square foot |
| Yerba Buena Townhome Units | \$0.00 per square foot | \$1.62 per square foot |
| Hotel Condominiums | \$0.00 per square foot | \$1.65 per square foot |
| Commercial/Retail Square Footage | \$0.00 per square foot | \$0.41 per square foot |
| Hotel Square Footage | \$0.00 per square foot | \$0.83 per square foot |

* The Base Services Special Taxes shown above shall be escalated as set forth in Section D.2.

3. *Developed Property*

3a. **Facilities Special Tax**

Prior to the Transition Year, when a Building Permit is issued, the Administrator shall apply the following steps to determine the Maximum Facilities Special Tax for each Taxable Parcel that has been or will be created for land uses within the building:

- Step 1.* Review the Building Permit, condominium plan, architectural drawings, information provided by the Developer and/or Vertical Developer, and any other documents that identify the Building Height, number of Residential Units, square footage within each Land Use Category, and expected layout of Airspace Parcels within the building(s) that will be constructed pursuant to the Building Permit. If additional Building Permits will be issued for other buildings that are within the same Development Project, coordinate with the Review Authority, the Developer, and the Vertical Developer to determine the Building Height for buildings that remain to be developed within the Development Project in order to determine the appropriate Residential Product Type for all Residential Units within the Development Project.
- Step 2.* Determine the Residential Square Footage of each Residential Unit that will be constructed pursuant to the Building Permit, as well as the Commercial/Retail Square Footage and Hotel Square Footage within the building(s).
- Step 3.* Identify the number of Inclusionary Units within the building, as well as the Residential Square Footage of each Inclusionary Unit.
- Step 4.* Using the information from the first three steps, the Administrator shall separately calculate the following:
 - For Market Rate Units in the building, multiply the applicable Base Facilities Special Tax from Table 1 for the Residential Product Type that applies to the Development Project by the total aggregate Residential Square Footage of all Market Rate Units expected within the building.
 - Multiply the Base Facilities Special Tax from Table 1 for Commercial/Retail Square Footage by the total Commercial/Retail Square Footage expected in the building.
 - Multiply the Base Facilities Special Tax from Table 1 for Hotel Square Footage by the total Hotel Square Footage expected in the building.
 - If, based on the Expected Land Uses, the Administrator determines that there is Expected Taxable Property within the building, multiply the applicable Base Facilities Special Tax from Table 1 based on what had

been anticipated on the Expected Taxable Property by the square footage of the Expected Land Uses for that property.

Prior to issuance of the first series of Bonds, the Maximum Facilities Special Tax for each Taxable Parcel in the building shall be determined by adding all of the amounts calculated above. Steps 5 and 6 below shall not apply.

After issuance of the first series of Bonds, the Administrator shall apply Steps 5 and 6 to determine the Maximum Facilities Special Tax for each Taxable Parcel.

Step 5. Sum the amounts calculated in Step 4 to determine the Estimated Base Facilities Special Tax Revenues for the building(s) for which a Building Permit was issued.

Step 6. Compare the Estimated Base Facilities Special Tax Revenues from Step 5 to the Expected Maximum Facilities Special Tax Revenues for the property, and apply one of the following, as applicable:

- *If the Estimated Base Facilities Special Tax Revenues are greater than or equal to the Expected Maximum Facilities Special Tax Revenues, then the Maximum Facilities Special Tax for each Taxable Parcel that has been or will be created shall be determined by multiplying the applicable Base Facilities Special Tax by the square footage of each Land Use Category expected on each Taxable Parcel within the building(s) for which the Building Permit has been issued. The Administrator shall update Attachment 2 to reflect the adjusted Expected Maximum Facilities Special Tax Revenues for the Sub-Block and the increased Maximum IA1 Revenues.*
- *If the Estimated Base Facilities Special Tax Revenues are less than the Expected Maximum Facilities Special Tax Revenues, but the Maximum IA1 Revenues are still sufficient to provide Required Coverage, then the Maximum Facilities Special Tax for each Taxable Parcel that has been or will be created shall be determined by multiplying the applicable Base Facilities Special Tax by the square footage of each Land Use Category expected on each Taxable Parcel within the building(s) for which the Building Permit has been issued. The Administrator shall revise Attachment 2 to reflect the decreased Expected Maximum Facilities Special Tax Revenues for the Sub-Block(s) and the decreased Maximum IA1 Revenues.*
- *If the Estimated Base Facilities Special Tax Revenues are less than the Expected Maximum Facilities Special Tax Revenues, and such reduction causes the Maximum IA1 Revenues to be insufficient to provide Required Coverage, then the Base Facilities Special Taxes that were applied in Step 4 shall be increased proportionately until the amount that can be levied on*

Taxable Parcels within the building for which the Building Permit was issued, combined with the Expected Maximum Facilities Special Tax Revenues from other Sub-Blocks in Improvement Area No. 1, is sufficient to maintain Required Coverage.

After proportionately increasing the Base Facilities Special Taxes to an amount that will maintain Required Coverage, the Administrator shall use these adjusted per-square foot rates to calculate the Maximum Facilities Special Tax for each Taxable Parcel that has been, or is expected to be, created within the building(s) for which the Building Permit has been issued. The Administrator shall also revise Attachment 2 to reflect the new Expected Maximum Facilities Special Tax Revenues.

Until individual Assessor's Parcels are created for each Residential Unit and for any Commercial/Retail Square Footage, and/or Hotel Square Footage, within a building, the Administrator shall sum the Facilities Special Tax that, pursuant to Section F below, would be levied on all land uses on a Parcel and levy this aggregate Facilities Special Tax amount on the Parcel.

In the Transition Year and each Fiscal Year thereafter, no Facilities Special Tax shall be levied on Developed Property in Improvement Area No. 1, unless there are delinquent Facilities Special Taxes on a Parcel of Developed Property, in which case such delinquent Facilities Special Taxes can continue to be levied against the Parcel until they are collected.

3b. Services Special Tax

Prior to the Transition Year, there shall be no Services Special Tax levied on Developed Property in Improvement Area No. 1. In the Transition Year, the Maximum Services Special Tax for a Parcel of Developed Property shall be determined by the Administrator as follows:

If the Parcel had been taxed as Developed Property in the Fiscal Year prior to the Transition Year and the Administrator is not aware of any changes to land uses on the Parcel since the Facilities Special Tax was levied, the Administrator shall, based on the information that was used to prepare the prior year's Facilities Special Tax levy, apply the Base Services Special Taxes from Table 2 to the square footage within each Land Use Category on each Parcel to calculate the Maximum Services Special Tax for each Parcel, which amount shall be escalated in future Fiscal Years as set forth in Section D.2 below.

If the Parcel had been taxed as Developed Property in the Fiscal Year prior to the Transition Year and the Administrator is aware of changes to the Land Use Categories or square footage on the Parcel since the Facilities Special Tax was levied, the Administrator shall update the land use information and apply the Base Services Special Taxes from Table 2 to the square footage within each Land Use Category on each Parcel to calculate the Maximum Services Special Tax for each Parcel which amount shall be escalated in future Fiscal Years as set forth in Section D.2 below.

If the Parcel becomes Developed Property after the Transition Year, the Administrator shall update the land use information and apply the Base Services Special Taxes from Table 2 to the square footage within each Land Use Category on each Parcel to calculate the Maximum Services Special Tax for each Parcel, which amount shall be escalated in future Fiscal Years as set forth in Section D.2 below.

4. *Expected Taxable Property*

4a. *Facilities Special Tax*

Prior to the Transition Year, the Maximum Facilities Special Tax assigned to any Parcel of Expected Taxable Property shall be the Expected Maximum Facilities Special Tax Revenues that were assigned to the Parcel (as determined by the Administrator) based on the Expected Land Uses prior to the Administrator determining that such Parcel had become Expected Taxable Property. In the Transition Year and each Fiscal Year thereafter, no Facilities Special Tax shall be levied on Expected Taxable Property.

4b. *Services Special Tax*

Prior to the Transition Year, there shall be no Services Special Tax levied on Expected Taxable Property. In the Transition Year and each Fiscal Year thereafter, the Maximum Services Special Tax assigned to any Parcel of Expected Taxable Property shall be determined by the Administrator by applying the Base Services Special Tax to each Land Use Category that is built on each Parcel of Expected Taxable Property, and such determination shall be conclusive and binding.

D. CHANGES TO THE MAXIMUM SPECIAL TAX

1. *Annual Escalation of Facilities Special Tax*

Beginning July 1, 2017 and each July 1 thereafter, the Base Facilities Special Taxes in Table 1, the Expected Maximum Facilities Special Tax Revenues in Attachment 2, and the Maximum Facilities Special Tax assigned to each Parcel in Improvement Area No. 1 shall be increased by 2% of the amount in effect in the prior Fiscal Year.

2. *Annual Escalation of Services Special Tax*

Beginning July 1, 2017 and each July 1 thereafter until the Transition Year, the Base Services Special Taxes in Table 2 shall be increased by 3.4% of the amount in effect in the prior Fiscal Year. On July 1 of the Transition Year and each July 1 thereafter, the Base Services Special Taxes and the Maximum Services Special Tax assigned to each Parcel in Improvement Area No. 1 shall be escalated by the Escalator.

3. *Inclusionary Unit and Market Rate Unit Transfers*

If, in any Fiscal Year after issuance of the first series of Bonds, the Administrator determines that a Residential Unit that had previously been designated as an Inclusionary Unit no longer qualifies as such, the Maximum Facilities Special Tax on the Residential Unit shall be increased to the Maximum Facilities Special Tax that would be levied on a Market Rate Unit of the same square footage. If, after issuance of the first series of Bonds, a Market Rate Unit becomes an Inclusionary Unit after it has been taxed in prior Fiscal Years as a Market Rate Unit and, by exempting the Inclusionary Unit, the Administrator determines that Maximum IA1 Revenues will be reduced to a point at which Required Coverage cannot be maintained, then the Inclusionary Unit shall be designated as Expected Taxable Property and shall be subject to the levy of the Facilities Special Tax pursuant to Step 4 in Section F below.

4. *Changes in Land Use Category on a Parcel of Developed Property*

If the square footage on any Parcel that had been taxed as Developed Property in a prior Fiscal Year is rezoned or otherwise changes Land Use Category, the Administrator shall multiply the applicable Base Special Taxes by the square footage within each of the new Land Use Category(ies); if the first series of Bonds has not yet been issued, this amount shall be the Maximum Special Tax for the Parcel. If the first series of Bonds has been issued, the Administrator shall apply the remainder of this Section D.4.

If the amount determined is greater than the Maximum Facilities Special Tax that applied to the Parcel prior to the Land Use Change, the Administrator shall increase the Maximum Facilities Special Tax for the Parcel to the amount calculated for the new Land Use Category(ies). If the amount determined is less than the Maximum Facilities Special Tax that applied prior to the Land Use Change, there will be no change to the Maximum Facilities Special Tax for the Parcel. Under no circumstances shall the Maximum Facilities Special Tax on any Parcel of Developed Property be reduced, regardless of changes in Land Use Category or square footage on the Parcel, including reductions in square footage that may occur due to demolition, fire, water damage, or acts of God.

5. *Reduction in Maximum Facilities Special Taxes Prior to First Bond Sale*

As set forth in, and subject to the requirements of, Section 2.3(n) of the Financing Plan, the Maximum Facilities Special Taxes assigned to Taxable Parcels in Improvement Area No. 1 may be proportionately or disproportionately reduced once prior to issuance of the first series of Bonds. Such reduction shall be made without a vote of the qualified CFD electors following: (i) initiation upon written request of TICD, and (ii) consultation with the City and TIDA regarding such request. The reduction shall be codified by recordation of an amended Notice of Special Tax Lien against all Taxable Parcels within Improvement Area No. 1.

E. ANNEXATIONS

If, in any Fiscal Year, a property owner within the Future Annexation Area wants to annex property into Improvement Area No. 1, the Administrator shall apply the following steps as part of the annexation proceedings:

- Step 1.** Working with City staff and the landowner, the Administrator shall determine the Expected Land Uses for the area to be annexed.
- Step 2.** The Administrator shall prepare and keep on file updated Attachments 1, 2, and 3 to reflect the annexed property and identify the revised Expected Land Uses and Maximum IA1 Revenues. After the annexation is complete, the application of Sections C and F of this RMA shall be based on the adjusted Expected Land Uses and Maximum IA1 Revenues including the newly annexed property.
- Step 3.** The Administrator shall ensure that a Notice of Special Tax Lien is recorded against all Parcels that are annexed to the CFD.

F. METHOD OF LEVY OF THE SPECIAL TAX

Each Fiscal Year, the Special Tax shall be levied according to the steps outlined below:

Step 1. In all Fiscal Years prior to and including the earlier of (i) the Fiscal Year in which the City or TIDA makes a finding that all Qualified Project Costs have been funded pursuant to the Financing Plan, or (ii) 42 years after the first series of Bonds was issued for Improvement Area No. 1, the Maximum Special Tax shall be levied on all Parcels of Developed Property regardless of debt service on Bonds (if any), and any Remainder Special Taxes collected shall be applied as set forth in the Financing Plan.

In all Fiscal Years after the earlier of: (i) the Fiscal Year in which the City or TIDA makes a finding that all Qualified Project Costs have been funded pursuant to the Financing Plan, or (ii) 42 years after the first series of Bonds was issued for Improvement Area No. 1, the Special Tax shall be levied Proportionately on each Parcel of Developed Property, up to 100% of the Maximum Special Tax for each Parcel of Developed Property until the amount levied is equal to the Special Tax Requirement.

Step 2. If additional revenue is needed after Step 1 in order to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Vertical DDA Property, up to 100% of the Maximum Special Tax for each Parcel of Vertical DDA Property for such Fiscal Year.

Step 3. If additional revenue is needed after Step 2 in order to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property, up to 100% of the Maximum Special Tax for each Parcel of Undeveloped Property for such Fiscal Year.

Step 4: If additional revenue is needed after Step 3 in order to meet the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of

Expected Taxable Property, up to 100% of the Maximum Special Tax for each Parcel of Expected Taxable Property.

G. COLLECTION OF SPECIAL TAX

Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that the City may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods. The Special Tax bill for any Parcel subject to a leasehold interest will be sent to the same party that receives the possessory interest tax bill associated with the leasehold.

The Facilities Special Tax shall be levied and collected until the earlier of: (i) the Fiscal Year in which the City determines that all Qualified Project Costs have been funded pursuant to the Financing Plan and all other Authorized Expenditures that will be funded by the CFD have been funded, and (ii) the Transition Year. The Services Special Tax shall be levied and collected in perpetuity beginning in the Transition Year. Pursuant to Section 53321(d) of the Act, the Facilities Special Tax levied against a Parcel used for private residential purposes shall under no circumstances increase more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel or Parcels and shall, in no event, exceed the Maximum Special Tax in effect for the Fiscal Year in which the Special Tax is being levied.

H. EXEMPTIONS

Notwithstanding any other provision of this RMA, no Special Tax shall be levied on: (i) Public Property or Association Property, except Public Property or Association Property that is determined to be Expected Taxable Property or a Hotel Project, (ii) Authority Housing Lots or Inclusionary Units unless any such lots or units have been determined to be Expected Taxable Property, (iii) Parcels that are or are intended to be used as streets, walkways, alleys, rights of way, parks, or open space, and (iv) the Yerba Buena Officers Quarters.

I. INTERPRETATION OF SPECIAL TAX FORMULA

The City may interpret, clarify, and revise this RMA to correct any inconsistency, vagueness, or ambiguity, by resolution and/or ordinance, as long as such interpretation, clarification, or revision does not materially affect the levy and collection of the Special Tax and any security for any Bonds.

J. SPECIAL TAX APPEALS

Any taxpayer who wishes to challenge the accuracy of computation of the Special Tax in any Fiscal Year may file an application with the Administrator. The Administrator, in consultation with the City Attorney, shall promptly review the taxpayer's application. If the Administrator concludes that the computation of the Special Tax was not correct, the Administrator shall correct the Special Tax levy and, if applicable in any case, a refund shall be granted. If the Administrator

concludes that the computation of the Special Tax was correct, then such determination shall be final and conclusive, and the taxpayer shall have no appeal to the Board from the decision of the Administrator.

The filing of an application or an appeal shall not relieve the taxpayer of the obligation to pay the Special Tax when due.



Nothing in this Section J shall be interpreted to allow a taxpayer to bring a claim that would otherwise be barred by applicable statutes of limitation set forth in the Act or elsewhere in applicable law.

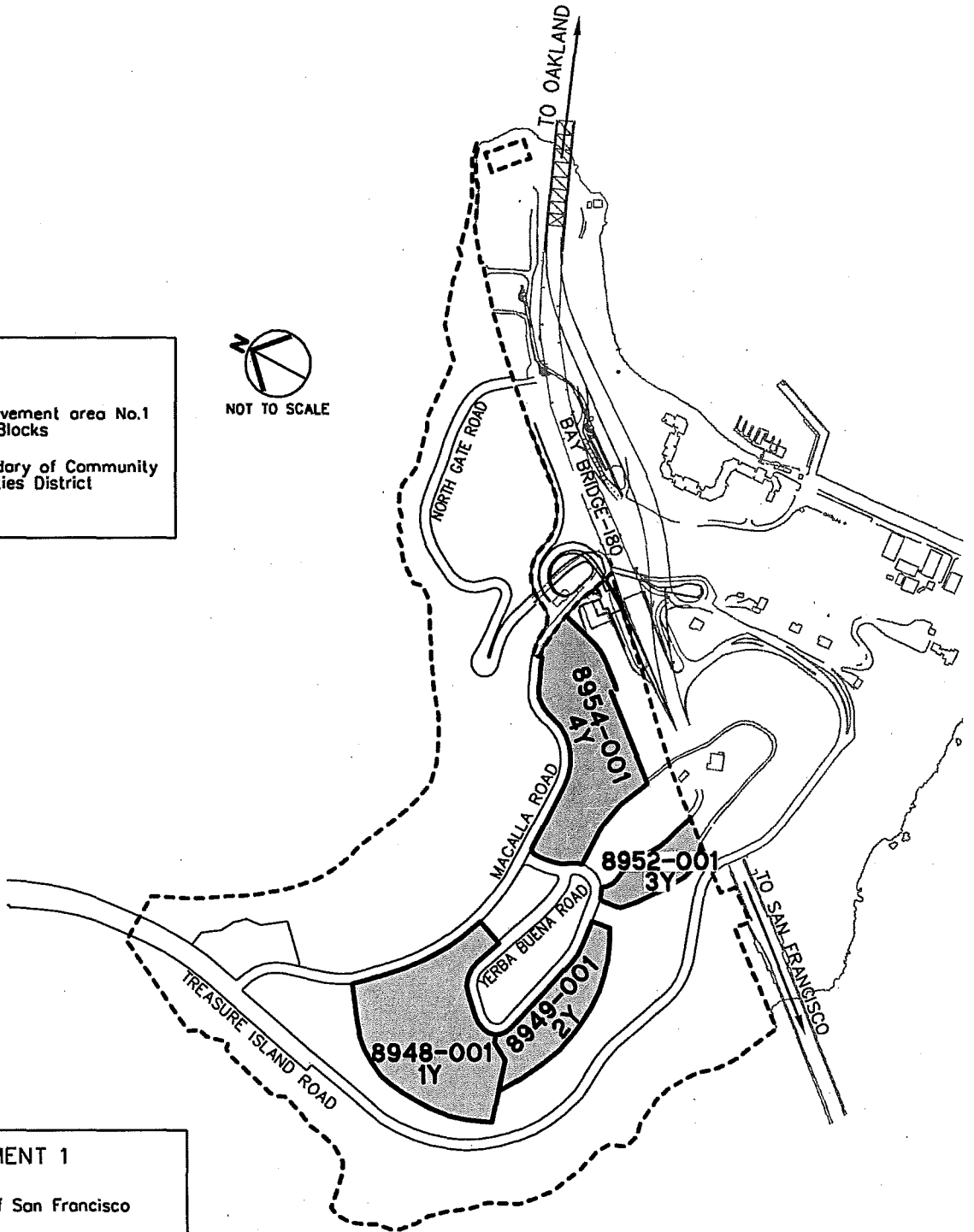
ATTACHMENT 1

**IMPROVEMENT AREA NO. 1 OF THE
CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(TREASURE ISLAND)**

**IDENTIFICATION OF SUB-BLOCKS IN
IMPROVEMENT AREA NO. 1**

Legend

-  Improvement area No.1 sub-Blocks
-  Boundary of Community Facilities District



ATTACHMENT 1

City and County of San Francisco

Community Facilities District No. 2016-1
(Treasure Island)

Identification of Sub-Blocks

ATTACHMENT 2

**IMPROVEMENT AREA NO. 1 OF THE
CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(TREASURE ISLAND)**

**EXPECTED LAND USES AND EXPECTED MAXIMUM FACILITIES SPECIAL TAX REVENUES
FOR EACH SUB-BLOCK IN IMPROVEMENT AREA NO. 1**

ATTACHMENT 2

**Improvement Area No. 1 of the
City and County of San Francisco
Community Facilities District No. 2016-1
(Treasure Island)**

Expected Land Uses and Expected Maximum Facilities Special Tax Revenues by Sub-Block

| Sub-Block /1 | Expected Land Use | Expected Number of Residential Units | Expected Square Footage | Base Facilities Special Tax (FY 2016-17) /2 | Expected Maximum Facilities Special Tax Revenues (FY 2016-17) /2 |
|---------------------|-------------------------------|---|--------------------------------|--|---|
| 1Y | Yerba Buena Townhome Project: | | | | |
| | Market Rate Unit | 94 | 223,515 | \$5.82 | \$1,300,857 |
| | Inclusionary Unit | <u>0</u> | 0 | \$0.00 | <u>\$0</u> |
| | Total | 94 | | | \$1,300,857 |
| 2Y | Hotel | <u>N/A</u> | 40,000 | \$3.00 | <u>\$120,000</u> |
| | Total | 0 | | | \$120,000 |
| 3Y | Yerba Buena Townhome Project: | | | | |
| | Market Rate Unit | 10 | 24,220 | \$5.82 | \$140,960 |
| | Inclusionary Unit | <u>0</u> | 0 | \$0.00 | <u>\$0</u> |
| | Total | 10 | | | \$140,960 |
| 4Y | Yerba Buena Townhome Project: | | | | |
| | Market Rate Unit | 58 | 127,158 | \$5.82 | \$740,060 |
| | Inclusionary Unit | 3 | 6,852 | \$0.00 | \$0 |
| | Low-Rise Project | | | | |
| | Market Rate Unit | 101 | 116,950 | \$6.13 | \$716,904 |
| | Inclusionary Unit | <u>11</u> | 13,495 | \$0.00 | <u>\$0</u> |
| | Total | 173 | | | \$1,456,963 |

| | | |
|--|------------|--------------------|
| Maximum IA1 Revenues (Fiscal Year 2016-17 \$) | 277 | \$3,018,781 |
|--|------------|--------------------|

/1 See Attachment 1 for the geographic area associated with each Sub-Block.

/2 Beginning July 1, 2017 and each July 1 thereafter the Base Facilities Special Taxes shall be escalated as set forth in Section D.1.

ATTACHMENT 3

**IMPROVEMENT AREA NO. 1 OF THE
CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(TREASURE ISLAND)**

**IDENTIFICATION OF AUTHORITY HOUSING LOTS
IN IMPROVEMENT AREA NO. 1**

[No Authority Housing Lots are expected within Improvement Area No. 1.]

**Resolutions of Intention to Establish
Treasure Island
Community Facilities District and
Infrastructure and Revitalization Financing District**

SUMMARY OF PROPOSED ACTION

The following staff report requests approval of the following resolutions necessary to initiate the formation of financing districts required to provide public financing of eligible expenses incurred in the development of the former Naval Station Treasure Island (the "Project Site"):

Resolution of Intention to establish City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and project areas therein to finance the construction and/or acquisition of facilities on Treasure Island and Yerba Buena Island; to provide for annexation; to call a public hearing on the formation of the district and project areas therein and to provide public notice thereof; and determining other matters in connection therewith.

Resolution authorizing and directing the Director of the Office of Public Finance, or designee thereof, to prepare an infrastructure financing plan for City and County of San Francisco Infrastructure Financing District No. 1 (Treasure Island) and project areas therein and determining other matters in connection therewith.

Resolution of intention to issue bonds for City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and determining other matters in connection therewith.

Resolution of Intention to establish City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island), Improvement Area No. 1 and a Future Annexation Area, and determining other matters in connection therewith.

Resolution of intention to incur bonded indebtedness and other debt in an amount not to exceed \$5.0 Billion for the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) and determining other matters in connection therewith.

BACKGROUND

On April 21, 2011, in a joint session with the San Francisco Planning Commission, the Treasure Island Development Authority ("TIDA") Board of Directors adopted a series of resolutions to approve numerous entitlement and transaction documents relating to the Treasure Island/Yerba Buena Island Development Project (collectively, the "Transaction and Entitlement Documents"), including a Development Agreement ("DA") and a Disposition and Development Agreement

("DDA") with the Treasure Island Community Development ("TICD"), and adopting environmental findings pursuant to the California Environmental Quality Act ("CEQA"). On June 7, 2011, the Board of Supervisors approved these same Transaction and Entitlement Documents.

The Transaction and Entitlement Documents contemplate a project (the "Project") under which TIDA acquires the Project Site from the Navy and conveys portions of the Project Site to TICD for redevelopment. The Project includes the development of 8,000 new homes (including 2,173 affordable units), 300 acres of parks and open space, roughly 550,000 square feet of commercial and retail space, and up to 500 hotel rooms. To facilitate the development, TICD is required to deliver a wide range of public improvements, including geotechnically stabilizing the Project Site; constructing new roadways, utilities, and other public infrastructure to support the Project; and constructing new ferry facilities, a new police/fire public safety building, and other community facilities.

Included as an Exhibit to both the DDA and DA was a Financing Plan (Treasure Island/Yerba Buena Island) (the "Financing Plan") which governs the disposition and development of the Project Site. The Financing Plan identifies certain financial goals for the Project and established the contractual framework for cooperation between TIDA, the City, and TICD in achieving those goals and implementing the Project.

The full text of the DA, DDA, Financing Plan and other entitlement and transaction documents for the Project can be found at:

<http://sftreasureisland.org/approved-plans-and-documents>

On May 29, 2015, TIDA accepted the first land transfer from the Navy comprising the northern half of Yerba Buena Island and approximately 60% of the Project Site on Treasure Island. In February 2016, development parcels in the initial subphase areas on Yerba Buena Island and the southwestern corner of Treasure Island were transferred to TICD, and in March 2016, TICD began demolition of existing structures on Yerba Buena Island. That demolition is now complete and demolition on Treasure Island has begun.

TICD has taken bids for the initial infrastructure contracts on Yerba Buena Island – for new water storage reservoirs and for new roadways and utility infrastructure – and those contractors will be mobilizing to begin construction in the coming weeks. Before the end of the calendar year, TICD anticipates bidding and awarding contracts for the soil stabilization and utility infrastructure in the initial subphase area on Treasure Island. TICD is also mobilizing consultants to begin the detailed design of infrastructure in the next subphase area.

DISCUSSION

Among other things, the Financing Plan calls for TIDA and the City to provide funding for certain public improvements by:

- (i) Forming requested Infrastructure and Revitalization Financing District(s) ("IRFD" or "IRFDs") and take related actions under applicable provisions of the

- Government Code of the State of California (the "IRFD Law") to pay for Qualified Project Costs;
- (ii) Forming requested Community Facilities District(s) ("CFD" or "CFDs") and take related actions under the Mello-Roos Community Facilities Act of 1982 (the "Mello-Roos Act") to pay for Qualified Project Costs, Ongoing Park Maintenance and Additional Community Facilities (including sea level rise adaptations); and
 - (iii) Issuing bonds and other debt for the IRFD(s) and CFD(s) and other public financing instruments described in the Financing Plan ("Public Financing").

The Financing Plan provided that the City and TIDA, following consultation with TICD, would select consultants necessary to implement their respective portions of the Financing Plan, including the formation of any IRFD and CFD, and that the City and TIDA's reasonable out-of-pocket costs that are not contingent upon the completion of a Public Financing will be advanced by TICD. In May 2015, the City and TICD entered into a deposit agreement under which TICD has advanced funding for City consultants to assist in the formation process.

Pursuant to the Financing Plan and deposit agreement, the City engaged Jones Hall, A Professional Law Corporation (bond counsel), Public Financial Management (municipal advisor), Goodwin Consulting Group (special tax consultant) and Keyser Marston Associates, Inc. (costs of services analysis, tax increment consultant) to assist in preparing the formation documents, and over the past year, TIDA, the Office of Public Finance and the City Attorney's Office have worked with TICD to complete the analyses necessary to initiate the process of forming the IRFD and CFD.

The City, TIDA and TICD now wish to commence the formation of an initial IRFD and CFD in conjunction with the start of development activities in the first subphase areas. The proposed initial boundaries of the IRFD are shown in Exhibit F, and the proposed initial boundaries of the proposed CFD are shown in Exhibit G. Both districts will be subject to expansion through future annexations as the project progresses.

INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT (IRFD)

The proposed Resolution of Intention to establish the IRFD declares the Board's intention to establish not only the CFD, but also project areas in the IRFD. The purpose of the project areas is to establish the time limits required by the IRFD Law in a manner that will align the IRFD's ability to leverage tax increment with the development cycle of specific portions of the Project. The proposed Resolution of Intention also establishes the terms under which property on Treasure Island may annex into the IRFD.

Under the terms set forth in the Financing Plan, the City will commit a portion of the incremental property tax revenues derived in the project area to the IRFD for the reimbursement of eligible project costs consistent with the terms and limitations of IRFD Law. The City receives 64.69% of the 1% Ad Valorem property tax; the remaining 35.31% of property tax revenues are directed to the State and special districts.

In the Financing Plan the City has committed 56.69% of the tax increment (the “Net Available Increment”) to the financing of the Project with 82.5% of those committed revenues being available to TICD for the reimbursement of eligible project expenses and 17.5% of the revenues being reserved for the use of TIDA and the City in financing affordable housing. The remaining 8% of City tax increment (the “Conditional City Increment”) is not dedicated to the Public Financing, but is subordinated to the debt service of bonds issued under the IRFD should insufficient increment be generated to meet the IRFD’s debt service obligation.

Over the life of the IRFD, the initial Project Areas are anticipated to generate up to \$1.53 billion in Net Available Increment and bonds with an aggregate principal amount of not more than \$780 million may be secured against the increment generated in these initial project areas (both figures are in nominal dollars).

COMMUNITY FACILITIES DISTRICT (CFD)

The proposed Resolution of Intention to establish the CFD declares the Board’s intention to establish not only the CFD, but also Improvement Area No. 1 within the CFD (Improvement Area No. 1 will include all the property that will be initially included in the CFD) and a Future Annexation Area for the CFD (to identify property that may be annexed into the CFD in the future). The purpose of establishing improvement areas within the CFD is to give the City and the developer of the Project the flexibility to establish different special tax rates to reflect market conditions as property is transferred from the Navy for development. The proposed Resolution of Intention also establishes the terms under which property on Treasure Island may annex into the IRFD.

The CFD would impose a Special Tax in addition to the general 1% Ad Valorem property tax on properties within the CFD. The CFD may pay for a broader range of eligible project costs than an IRFD and may also pay for services, but (unlike an IRFD) revenues cannot be used to finance affordable housing development.

Under the terms of the Financing Plan and DDA, the bulk of the special tax revenues from the CFD in the initial 42 years following its formation will be committed to reimbursing TICD for eligible capital expenditures and project costs consistent with the terms and limitations of the Mello-Roos Act.

Over its life, including this initial period, the CFD will also provide an on-going revenue stream for TIDA to maintain the parks and open spaces on Treasure Island and Yerba Buena Island and the operation and maintenance of other TIDA owned facilities. Beyond the initial 42-year period, the CFD is intended to fund sea level rise adaptations and to generate a capital reserve of up to \$250,000,000 (2016\$) upon which TIDA may draw to implement future sea level rise adaptations, and to establish a permanent source of funds for these maintenance activities.

After sufficient capital reserves have been established, but no later than FY 2117, the CFD is intended to generate up to \$13,000,000 (2016\$) annually only for operation and maintenance of TIDA facilities including the 300 acres of parks and open to be developed on Treasure Island and Yerba Buena Island as part of the Project.

SUMMARY OF ACTIONS

The formation of the CFD (including Improvement Area No. 1 and the Future Annexation Area) and IRFD (including the Project Areas described in the Resolution of Intention) and authorization to levy special taxes and incur bonded and other indebtedness will require a number of legislative hearings and actions by the Board of Supervisors. The first step in the formation process is adoption by the Board of Supervisors of the resolutions listed on the first page and attached to this report. The IRFD and CFD would then each be the subject of a public hearing and special elections of the qualified electors within each district. In these initial formations, the qualified electors would be the property owners – TIDA and TICD. Following the public hearing and vote, further Board of Supervisors actions would be required to formally establish each district.

It is proposed that the public hearings, election, and consideration of subsequent formation actions be calendared at a single meeting of the Board of Supervisors to the maximum extent possible. Below is a summary of key required legislative actions:

| <u>IRFD</u> | <u>CFD</u> |
|--|--|
| <ul style="list-style-type: none"> • <i>Resolution of Intention to Establish IRFD</i> • <i>Resolution Authorizing Preparation of an Infrastructure Financing Plan (IFP)</i> • <i>Resolution of Intention to Issue Bonds</i> • Prepare IFP (by Director of the Office of Public Finance) • Resolution Approving the IFP • Public Hearing • Resolution Proposing Formation of IRFD • Resolution Calling for Special Election • Election • Resolution Confirming Election Results • Ordinance Adopting IFP • Resolution Authorizing Bond Issuance | <ul style="list-style-type: none"> • <i>Resolution of Intention to Establish CFD</i> • <i>Resolution of Intention to Incur Bonded Indebtedness</i> • Prepare CFD Report (by Director of the Office of Public Finance) • Public Hearing • Resolution of Formation of the CFD and Future Annexation Area • Resolution of Necessity to Incur Bonded Indebtedness • Resolution Calling Special Election • Election • Resolution Confirming Election Results • Ordinance Ordering Levy of Special Taxes • Resolution Authorizing Bond Issuance |
| <p><u>Notes:</u></p> <ul style="list-style-type: none"> - Currently proposed resolutions listed in <i>italics</i>. - Additional legislative matters relating to the formation of either district and precedent to or following the Public Hearing, including the Elections, may be considered at the same meeting as the Public Hearing - At the conclusion of the formation process, TIDA intends to seek a Judicial Validation of the districts | |

SUMMARY OF DRAFT DOCUMENTS

Resolution of Intention to Establish Infrastructure and Revitalization Financing District (Exhibit A)

The Resolution of Intention to Establish an Infrastructure and Revitalization Financing District is the first step in the formation of the IRFD, and describes, among other things, the boundaries of the IRFD, the Project Areas included in the initial formation area, the parcels included in the initial Project Areas and the process for annexing properties into the IRFD. Included as an Exhibit to the Resolution of Intention is a list of the facilities and project costs that may be financed by the IRFD. The Resolution of Intention also makes CEQA findings and calls for a public hearing.

Resolution Authorizing Director of the Office of Public Finance to Prepare an Infrastructure Financing Plan related to an IRFD (Exhibit B)

The Infrastructure Financing Plan (the "IFP") is the key document intended to guide the function and administration of the IRFD. IRFD Law requires a resolution be adopted authorizing preparation of the IFP and further requires that the IFP be distributed to each land owner within the proposed district and each affected taxing agency at least 60 days prior to the public hearing on the proposed IRFD. In order to expedite the process of forming the IRFD and because much of the information contained in the IFP was required to inform the Resolution of Intention to Establish the IRFD (Exhibit A) and the Resolution of Intention to Issue Bonds (Exhibit C), the IFP has already been prepared and is included as Exhibit H to this report.

Resolution of Intention to Issue Bonds Related to IRFD (Exhibit C)

Resolution of Intention to Issue Bonds is the first step in the authorization of bonded indebtedness under the IRFD. This resolution establishes a not-to-exceed principal amount of \$780 million in debt from the initial Project Areas and calls for a special election of qualified electors (landowners) within the IRFD.

Resolution of Intention to Establish Community Facilities District (Exhibit D)

The Resolution of Intention to Establish the Community Facilities District is the first step in the formation of the CFD (including Improvement Area No. 1), and describes, among other things, the boundaries of the CFD and Improvement Area No. 1, the parcels included in the initial formation area (all of which are in Improvement Area No. 1), and the boundaries of the Future Annexation Area. The Rate and Method of Apportionment of Special Tax (the "Rate and Method") for the proposed CFD is an Exhibit to the proposed resolution. The Rate and Method identifies the Land Use Categories within the proposed district, the Special Tax that would be assessed on each type of development, and other terms for the administration of the CFD, including its eventual transition from using the Special Tax for facilities to services. Also included as an Exhibit to the Resolution of Intention is a list of the facilities and services that may be financed by the CFD, including initial improvements to be constructed by TICD, on-going operation and maintenance of open spaces by TIDA, and future sea level rise adaptations. The Resolution of Intention stipulates that the levy of the special tax will be subject to the approval of qualified electors (landowners) in the initial formation areas and calls for a public hearing.

Resolution of Intention to Incur Bonded Indebtedness (Exhibit E)

The Resolution of Intention to Incur Bonded Indebtedness for the CFD is the first step in the authorization of bonded indebtedness and other debt for the CFD. Based on an estimate of residential and non-residential development in the Project Site, including the Future Annexation Area, approximately \$55 million in special tax revenue (2016\$) will be generated on an annual basis at build-out. This resolution establishes a not-to-exceed principal amount of \$5 billion (nominal dollars) in debt over the maximum 99 year life as a Facilities CFD and calls for a public hearing.

Map of IRFD Boundaries (Exhibit F)

The proposed boundary map depicts the Project Areas to be initially included in the IRFD and the parcels within those Project Areas. The initial formation areas includes five Project Areas in the initial areas of development on Yerba Buena Island and the southwestern corner of Treasure Island.

Map of CFD Boundaries (Exhibit G)

The proposed boundary map includes the parcels to be initially included in the CFD, Improvement Area No. 1 and the Future Annexation Area. The parcels initially included in the CFD include all development parcels on Yerba Buena Island. The Future Annexation Area includes the entire Project Site to allow for a more efficient annexation process under the Mello-Roos Act. No parcel in the Future Annexation Area will annex into the CFD until the owner of the parcel votes in favor of annexation to the CFD, but it is intended that parcels will be annexed as development progresses and before parcels are transferred out of TICD ownership.

Infrastructure Financing Plan (Exhibit H)

IRFD Law requires that the IFP be distributed to each land owner within the proposed district and each affected taxing agency at least 60 days prior to the public hearing on the proposed IRFD. The IFP must also be approved by resolution prior to the public hearing and adopted by ordinance following the IRFD special election. In order to expedite the process of establishing the IRFD and to move the formation of the IRFD and the CFD forward on a common schedule, the IFP has been prepared and will be distributed to the land owners within the proposed district – TICD and TIDA – and to each taxing agency. Although only the City and County of San Francisco will be committing tax increment to the IRFD (i.e., be an “affected taxing agency”) the IFP will be distributed to all taxing agencies sharing in property tax revenues from the IRFD.

RECOMMENDATION

Staff recommends approval of the following initial resolutions for formation of the IRFD and CFD and required to provide for the public financing of eligible facilities and services related to the development of the Project Site:

- i. Resolution of Intention to establish City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and project areas therein to finance the construction and/or acquisition of facilities on Treasure Island and Yerba Buena Island; to provide for annexation; to call a public hearing on the

- formation of the district and project areas therein and to provide public notice thereof; and determining other matters in connection therewith.
- ii. Resolution authorizing and directing the Director of the Office of Public Finance, or designee thereof, to prepare an infrastructure financing plan for City and County of San Francisco Infrastructure Financing District No. 1 (Treasure Island) and project areas therein and determining other matters in connection therewith.
 - iii. Resolution of intention to issue bonds for City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and determining other matters in connection therewith.
 - iv. Resolution of Intention to establish City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island), Improvement Area No. 1 and a Future Annexation Area, and determining other matters in connection therewith.
 - v. Resolution of intention to incur bonded indebtedness and other debt in an amount not to exceed \$5.0 Billion for the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) and determining other matters in connection therewith.

EXHIBITS

- A. Resolution of Intention to Establish an Infrastructure and Revitalization Financing District
- B. Resolution Authorizing Director of the Office of Public Finance to Prepare an Infrastructure Financing Plan Related to an Infrastructure and Revitalization Financing District
- C. Resolution of Intention to Issue Bonds Related to Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
- D. Resolution of Intention to Establish Community Facilities District No. 2016-1 (Treasure Island)
- E. Resolution of Intention to Incur Bonded Indebtedness---Communities Facilities District No. 2016-1 (Treasure Island)
- F. Map of Infrastructure and Revitalization Financing District Boundaries
- G. Map of Community Facilities District Boundaries
- H. Infrastructure Financing Plan – Infrastructure and Revitalization Financing District No. 1 (Treasure Island)

Prepared by:

Robert Beck
Treasure Island Director,
Treasure Island Development Authority

Natalie Sesay
Director, Office of Public Finance

Exhibit A

**Resolution of Intention to Establish an
Infrastructure and Revitalization Financing District**

FILE NO.

RESOLUTION NO.

1 [Resolution of Intention to Establish an Infrastructure and Revitalization Financing District
2 No.1 (Treasure Island)]

3 **Resolution of Intention to establish City and County of San Francisco Infrastructure**
4 **and Revitalization Financing District No. 1 (Treasure Island) and project areas therein**
5 **to finance the construction and/or acquisition of facilities on Treasure Island and Yerba**
6 **Buena Island; to provide for annexation; to call a public hearing on the formation of the**
7 **district and project areas therein and to provide public notice thereof; and determining**
8 **other matters in connection therewith.**

9
10
11 WHEREAS, Naval Station Treasure Island ("NSTI") is a former United States Navy
12 base located in the City and County of San Francisco (the "City") that consists of two islands
13 connected by a causeway: (1) Treasure Island, and (2) an approximately 90-acre portion of
14 Yerba Buena Island; and

15 WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended
16 California Health and Safety Code Section 33492.5 and added Section 2.1 to Chapter 1333 of
17 the Statutes of 1968, the California Legislature: (i) designated the Treasure Island
18 Development Authority, a California non-profit public benefit corporation ("TIDA") as a
19 redevelopment agency under California redevelopment law with authority over NSTI upon
20 approval of the City's Board of Supervisors, and (ii) with respect to those portions of NSTI
21 which are subject to Tidelands Trust, vested in TIDA the authority to administer the public
22 trust for commerce, navigation and fisheries as to such property; and

23 WHEREAS, The Board of Supervisors approved the designation of TIDA as a
24 redevelopment agency for NSTI in 1997; and

1 WHEREAS, On January 24, 2012, the Board of Supervisors rescinded designation of
2 TIDA as the redevelopment agency for Treasure Island under California Community
3 Redevelopment Law in Resolution No. 11-12; and such rescission does not affect TIDA's
4 status as the Local Reuse Authority for NSTI or the Tidelands Trust trustee for the portions of
5 NSTI subject to the Tidelands Trust, or any of the other powers or authority; and

6 WHEREAS, The United States of America, acting by and through the Department of
7 the Navy ("Navy"), and TIDA entered into an Economic Conveyance Memorandum of
8 Agreement (as amended and supplemented from time to time, the "Conveyance Agreement")
9 that governs the terms and conditions for the transfer of NSTI from the Navy to TIDA; and
10 under the Conveyance Agreement, the Navy has and will convey NSTI to TIDA in phases
11 after the Navy has completed environmental remediation and issued a Finding of Suitability to
12 Transfer (as defined in the Conveyance Agreement) for specified parcels of NSTI or portions
13 thereof; and,

14 WHEREAS, Treasure Island Community Development, LLC ("Developer") and TIDA
15 have previously entered into a Disposition and Development Agreement (Treasure
16 Island/Yerba Buena Island) dated June 28, 2011 (the "DDA"), including a Financing Plan
17 (Treasure Island/Yerba Buena Island) (the "Financing Plan"), which governs the disposition
18 and development of a portion of NSTI (the "Project Site") after the Navy's transfer of NSTI to
19 TIDA in accordance with the Conveyance Agreement; and

20 WHEREAS, The DDA contemplates a project (the "Project") under which TIDA
21 acquires the Project Site from the Navy and conveys portions of the Project Site to Developer
22 for the purposes of: (i) alleviating blight in the Project Site through development of certain
23 improvements, (ii) geotechnically stabilizing the Project Site, (iii) constructing public
24 infrastructure to support the Project and other proposed uses on NSTI, (iv) constructing and
25 improving certain public parks and open spaces, (v) remediating certain existing hazardous

1 substances, and (vi) selling and ground leasing lots to vertical developers who will construct
2 residential units and commercial and public facilities; and

3 WHEREAS, On April 21, 2011, the Planning Commission by Motion No. 18325 and the
4 Board of Directors of TIDA, by Resolution No. 11-14-04/21, as co-lead agencies, certified the
5 completion of the Final Environmental Impact Report for the Project, and unanimously
6 approved a series of entitlement and transaction documents relating to the Project, including
7 certain environmental findings under the California Environmental Quality Act ("CEQA"), a
8 mitigation and monitoring and reporting program (the "MMRP"), and the DDA and other
9 transaction documents; and

10 WHEREAS, On June 7, 2011, in Motion No. M11-0092, the Board of Supervisors
11 unanimously affirmed certification of the Final Environmental Impact Report. On that same
12 date, the Board of Supervisors, in Resolution No. 246-11, adopted CEQA findings and the
13 MMRP, and made certain environmental findings under CEQA (collectively, the "FEIR"). Also
14 on that date, the Board of Supervisors, in Ordinance No. 95-11, approved the DDA and other
15 transaction documents, including the Transportation Plan and Infrastructure Plan; and

16 WHEREAS, TIDA and the Developer have been working diligently since then to
17 implement the Project consistent with the DDA, the MMRP and other documents; and,

18 WHEREAS, No additional environmental review is required because there are no
19 substantial changes to the project analyzed in the FEIR, no change in circumstances under
20 which the project is being undertaken, and no new information of substantial importance
21 indicating that new significant impacts would occur, that the impacts identified in the FEIR as
22 significant impacts would be substantially more severe, or that mitigation or alternatives
23 previously found infeasible are now feasible; and

24 WHEREAS, Developer and the City previously entered into a Development Agreement
25 related to the Project Site to eliminate uncertainty in the City's land use planning for the

1 Project Site and secure orderly development of the Project consistent with the DDA and other
2 applicable requirements, and the Financing Plan is also an exhibit to the Development
3 Agreement; and

4 WHEREAS, The Financing Plan identifies certain financial goals for the Project and the
5 contractual framework for cooperation between TIDA, the City, and Developer in achieving
6 those goals and implementing the Project; and,

7 WHEREAS, The Financing Plan, among other things, obligates TIDA and the City to
8 take all actions reasonably necessary for, and obligates Developer to cooperate reasonably
9 with the efforts of, (i) the City to form requested community facilities districts (each, a "CFD";
10 together, the "CFDs") and take related actions under the Mello-Roos Community Facilities Act
11 of 1982 (the "Mello-Roos Act") to pay for Qualified Project Costs, Ongoing Park Maintenance
12 and Additional Community Facilities (as those terms are defined in the Financing Plan), (ii) the
13 City to form requested infrastructure financing districts and take related actions under
14 applicable provisions of the Government Code of the State of California to pay for Qualified
15 Project Costs (although the Financing Plan refers to a different infrastructure financing act
16 than the IRFD Law (as defined below) because the IRFD Law had not been created at the
17 time, the City finds that the provisions of the Financing Plan discussing infrastructure financing
18 districts shall apply to the IRFD (as defined herein) and the IRFD Law) and (iii) the City to
19 issue bonds and other debt for the CFDs and the infrastructure financing districts and other
20 public financing instruments described in the Financing Plan (defined in the Financing Plan as
21 "Public Financing"); and

22 WHEREAS, Under Chapter 2.6 of Part 1 of Division 2 of Title 5 of the California
23 Government Code, commencing with Section 53369 (the "IRFD Law"), this Board of
24 Supervisors is authorized to establish an infrastructure and revitalization financing district and
25 to act as the legislative body for an infrastructure and revitalization financing district; and,

1 WHEREAS, Pursuant to IRFD Law Section 53369.5, an infrastructure and revitalization
2 financing district may be divided into project areas; and,

3 WHEREAS, Pursuant to the Financing Plan and the IRFD Law, the Board of
4 Supervisors wishes to establish an infrastructure and revitalization financing district and
5 project areas therein to finance certain facilities; and,

6 WHEREAS, The IRFD Law provides that the legislative body of an infrastructure and
7 revitalization financing district may, at any time, add territory to a district or amend the
8 infrastructure financing plan for the district by conducting the same procedures for the
9 formation of a district or approval of bonds as provided in the IRFD Law, and the Board of
10 Supervisors wishes to establish the procedure for future annexation of property on Yerba
11 Buena Island and Treasure Island into the proposed infrastructure district; and,

12 WHEREAS, IRFD Law Section 53369.14(d)(5) provides that the legislative body of a
13 proposed infrastructure and revitalization financing district may specify, by ordinance, the date
14 on which the allocation of tax increment will begin and IRFD Law Section 53369.5(b) provides
15 that project areas within a district may be subject to distinct limitations established under the
16 IRFD Law, and the Board of Supervisors accordingly wishes to specify the date on which the
17 allocation of tax increment will begin for the proposed infrastructure district on a project area-
18 by-project area basis; now, therefore, be it

19 RESOLVED, That this Board of Supervisors proposes to conduct proceedings to
20 establish an infrastructure and revitalization financing district pursuant to the IRFD Law, which
21 district shall include project areas as identified by this Board of Supervisors from time to time;
22 and, be it

23 FURTHER RESOLVED, That the name proposed for the infrastructure and
24 revitalization financing district is "City and County of San Francisco Infrastructure and
25 Revitalization Financing District No. 1 (Treasure Island)" (the "IRFD"); and, be it

1 FURTHER RESOLVED, That pursuant to IRFD Law Section 53369.5, the territory to
2 be initially included in the IRFD (as show on the map described below) is hereby designated
3 to include the following initial project areas (collectively, the "Initial Project Areas," and
4 together with any future project areas that may be established in the IRFD, the "Project
5 Areas"):

6 a. Project Area A of the City and County of San Francisco Infrastructure and
7 Revitalization Financing District No. 1 (Treasure Island) ("Project Area A");

8 b. Project Area B of the City and County of San Francisco Infrastructure and
9 Revitalization Financing District No. 1 (Treasure Island) ("Project Area B");

10 c. Project Area C of the City and County of San Francisco Infrastructure
11 and Revitalization Financing District No. 1 (Treasure Island) ("Project Area C");

12 d. Project Area D of the City and County of San Francisco Infrastructure and
13 Revitalization Financing District No. 1 (Treasure Island) ("Project Area D");

14 e. Project Area E of the City and County of San Francisco Infrastructure and
15 Revitalization Financing District No. 1 (Treasure Island) ("Project Area E"); and be it

16 FURTHER RESOLVED, That the proposed boundaries of the IRFD and each of the
17 Initial Project Areas are as shown on the map of the IRFD and the Initial Project Areas on file
18 with the Clerk of the Board of Supervisors, which boundaries are hereby preliminarily
19 approved and to which map reference is hereby made for further particulars; and, be it

20 FURTHER RESOLVED, That the type of facilities proposed to be financed by the IRFD
21 and the Project Areas pursuant to the IRFD Law shall consist of those listed as facilities on
22 Exhibit A hereto and hereby incorporated herein (the "Facilities"), and the Facilities are
23 authorized to be financed by the IRFD by IRFD Law Sections 53369.2 and 53369.3, and the
24 Board of Supervisors hereby finds each of the following: that the Facilities (i) are of
25 communitywide significance, (ii) will be constructed on a former military base and are

1 consistent with the authority reuse plan and have been or will be approved by TIDA (the
2 military base reuse authority), if applicable, (iii) will not supplant facilities already available
3 within the proposed boundaries of the IRFD, except for those that are essentially
4 nonfunctional, obsolete, hazardous, or in need of upgrading or rehabilitation, and (iv) will
5 supplement existing facilities as needed to serve new developments, and the Board of
6 Supervisors acknowledges and agrees that the Acquisition and Reimbursement Agreement
7 (Treasure Island/Yerba Buena Island) dated as of March 8, 2016, by and among the City and
8 County of San Francisco, TIDA, and the Developer (the "Acquisition Agreement") governs the
9 process for the City to acquire the Facilities using the proceeds of the IRFD; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors hereby declares that, pursuant
11 to the IRFD Law, incremental property tax revenue from the City to finance the Facilities, but
12 no tax increment revenues from the other affected taxing entities (as defined in the IRFD Law)
13 within the IRFD, if any, will be used by the IRFD to finance the Facilities, and the incremental
14 property tax financing will be described in an infrastructure financing plan (the "Infrastructure
15 Financing Plan") to be prepared for this Board of Supervisors under the IRFD Law; and, be it

16 FURTHER RESOLVED, That in accordance with IRFD Law Sections 53369.5(b) and
17 53369.14(d)(5), the Board of Supervisors shall establish, by ordinance, the date on which the
18 allocation of tax increment shall begin for the IRFD, which date shall be determined on a
19 Project Area-by-Project Area basis (each such date, the "Commencement Date"), and each
20 Project Area may accordingly have a different Commencement Date, with each
21 Commencement Date being the first day of the fiscal year following the fiscal year in which the
22 applicable Project Area has generated and the City has received (i) with respect to Project
23 Areas A, B and E, at least \$150,000 of tax increment, (ii) with respect to Project Areas C and
24 D, at least \$300,000 of tax increment, and (iii) with respect to all other Project Areas, the

25

1 amount of tax increment specified in the ordinance annexing such Project Area to the IRFD;
2 and, be it

3 FURTHER RESOLVED, That future annexations of property on Yerba Buena Island
4 and Treasure Island into the IRFD may occur at any time after formation of the IRFD, but only
5 if the Board of Supervisors has completed the procedures set forth in the Infrastructure
6 Financing Plan, which shall be based on the following: (i) this Board of Supervisors adopts a
7 resolution of intention to annex property (the "annexation territory") into the IRFD and
8 describes whether the annexation territory will be included in one of the then-existing Project
9 Areas or in a new Project Area and to issue Bonds, (ii) the resolution of intention is mailed to
10 each owner of land in the annexation territory and each affected taxing entity in the
11 annexation territory, if any, in substantial compliance with IRFD Law Sections 53369.11 and
12 53369.12, (iii) this Board of Supervisors designates TIDA to prepare an amendment to the
13 Infrastructure Financing Plan, if necessary, and the designated official prepares any such
14 amendment, in substantial compliance with IRFD Law Sections 53369.13 and 53369.14, (iv)
15 any amendment to the Infrastructure Financing Plan is sent to each owner of land and each
16 affected taxing entity (if any) within the annexation territory, in substantial compliance with
17 IRFD Law Sections 53369.15 and 53369.16, (v) this Board of Supervisors notices and holds a
18 public hearing on the proposed annexation, in substantial compliance with IRFD Law Sections
19 53369.17 and 53369.18, (vi) this Board of Supervisors adopts a resolution proposing the
20 adoption of any amendment to the Infrastructure Financing Plan and annexation of the
21 annexation territory to the IRFD, and submits the proposed annexation to the qualified
22 electors in the annexation territory, in substantial compliance with IRFD Law Sections
23 53369.20-53369.22, with the ballot measure to include the question of the proposed
24 annexation of the annexation territory into the IRFD, approval of the appropriations limit for the
25 IRFD and approval of the issuance of bonds for the IRFD, and (vii) after canvass of returns of

1 any election, and if two-thirds of the votes cast upon the question are in favor of the ballot
2 measure, this Board may, by ordinance, adopt the amendment to the Infrastructure Financing
3 Plan, if any, and approve the annexation of the annexation territory to the IRFD, in substantial
4 compliance with IRFD Law Section 53369.23; and, be it

5 FURTHER RESOLVED, That _____, _____, 2016 at __:00 p.m. or as soon as
6 possible thereafter, in the Board of Supervisors Chambers, 1 Dr. Carlton B. Goodlett Place,
7 City Hall, San Francisco, California, be, and the same are hereby appointed and fixed as the
8 time and place when and where this Board of Supervisors, as legislative body for the IRFD,
9 will conduct a public hearing on the proposed establishment of the IRFD and the Initial Project
10 Areas and the proposed future annexation of territory to the IRFD in the manner described in
11 this Resolution; and, be it

12 FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed
13 to mail a copy of this Resolution to each owner of land (as defined in the IRFD Law) within the
14 IRFD (but not to any affected taxing entities because there are none as of the date of this
15 Resolution), and in addition, in accordance with IRFD Law Section 53369.17, the Clerk of the
16 Board of Supervisors is hereby directed to cause notice of the public hearing to be published
17 not less than once a week for four successive weeks in a newspaper of general circulation
18 published in the City, and the notice shall state that the IRFD will be used to finance public
19 works, briefly describe the Facilities, briefly describe the proposed financial arrangements,
20 including the proposed commitment of incremental tax revenue, describe the boundaries of
21 the proposed IRFD and the Initial Project Areas, reference the process for future annexation,
22 and state the day, hour, and place when and where any persons having any objections to the
23 proposed Infrastructure Financing Plan, or the regularity of any of the prior proceedings, may
24 appear before this Board of Supervisors and object to the adoption of the proposed

25

1 Infrastructure Financing Plan for the IRFD and the Initial Project Areas or process for future
2 annexation to the IRFD by the Board of Supervisors; and, be it

3 FURTHER RESOLVED, That this Resolution shall in no way obligate the Board of
4 Supervisors to establish the IRFD or the Project Areas, and the establishment of the IRFD
5 and the Project Areas shall be subject to the approval of this Board of Supervisors by
6 resolution following the holding of the public hearing referred to above and a vote of the
7 qualified electors in the IRFD; and, be it

8 FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered
9 the FEIR and finds that the FEIR is adequate for its use for the actions taken by this resolution
10 and incorporates the FEIR and the CEQA findings contained in Board of Supervisors
11 Resolution No.246-11 by this reference; and, be it

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

20 FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of
21 Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City
22 are hereby authorized, for and in the name of and on behalf of the City, to do any and all
23 things and take any and all actions, including execution and delivery of any and all
24 documents, assignments, certificates, requisitions, agreements, notices, consents,
25 instruments of conveyance, warrants and documents, which they, or any of them, may deem

1 necessary or advisable in order to effectuate the purposes of this Resolution; provided
2 however that any such actions be solely intended to further the purposes of this Resolution,
3 and are subject in all respects to the terms of the Resolution; and, be it

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

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

11
12 APPROVED AS TO FORM:

13 DENNIS J. HERRERA
14 City Attorney

15 By: _____
16 MARK D. BLAKE
17 Deputy City Attorney
18 n:\speclas2016\0600537\01136468.docx

- 1 air valves, blowoffs, fire hydrants, cathodic protection, and tie-ins for onsite and offsite
2 low pressure water supply network intended for domestic use.
- 3 6. Water Tank Facilities – including, but not limited to, storage tanks, pumps, and
4 other facilities associated with water storage.
- 5 7. Recycled Water - including, but not limited to, main pipe, laterals, water meters,
6 water meter boxes, back flow preventers, gate valves, air valves, blowoffs, cathodic
7 protection, and tie-ins for recycled water supply network intended to provide
8 treated wastewater for use in irrigation of parks and landscaping as well as graywater
9 uses within buildings.
- 10 8. Storm Drainage System – including, but not limited to, main pipe, laterals,
11 manholes, catch basins, air vents, stormwater treatment facilities, connections to
12 existing systems, headwalls, outfalls, and lift stations for a network intended to convey
13 onsite and offsite separated storm water.
- 14 9. Separated Sanitary Sewer – including, but not limited to, main pipe, laterals,
15 manholes, traps, air vents, connections to existing systems, force main pipe and
16 associated valves and cleanouts, and pump and lift stations for a network intended to
17 convey separated sanitary sewage.
- 18 10. Joint Trench – including, but not limited to, the electrical substation, installation
19 of primary and secondary conduits, overhead poles, pull boxes, vaults, subsurface
20 enclosures, and anodes, for dry utilities including but not limited to electrical and
21 information systems.
- 22 11. Earthwork – including, but not limited to, importation of clean fill materials,
23 clearing and grubbing, slope stabilization, ground improvement, installation of geogrid,
24 surcharging, wick drains, excavation, rock fragmentation, placement of fill, compaction,
25 grading, erosion control, deep vibratory soil compaction, cement deep soil mix (CDSM)

1 columns and panels, stone columns, and post-construction stabilization such as
2 hydroseeding.

3 12. Retaining Walls – including, but not limited to, excavation, foundations,
4 construction of retaining walls, subdrainage, and backfilling.

5 13. Highway Ramps, Roadways, Pathways, Curb, and Gutter – including, but not
6 limited to, road subgrade preparation, aggregate base, concrete roadway base, asphalt
7 wearing surface, concrete curb, concrete gutter, medians, colored asphalt and
8 concrete, speed tables, class 1 and 2 bike facilities (e.g., cycle tracks), sawcutting,
9 grinding, conform paving, resurfacing, for onsite and offsite roadways.

10 14. Traffic – including, but not limited to, transit stops, transit facilities, transit buses
11 and ferries, bridge structures, permanent pavement marking and striping, traffic control
12 signage, traffic light signals, pedestrian traffic lighting, and contributions for offsite
13 traffic improvements.

14 15. Streetscape – including, but not limited to, subgrade preparation, aggregate
15 base, sidewalks, pavers, ADA curb ramps with detectable tiles, streetlights, light pole
16 foundations, landscaping, irrigation, street furniture, waste receptacles, newspaper
17 stands, and public art.

18 16. Shoreline Improvements – including, but not limited to, demolition, excavation,
19 installation of revetment, structural improvements of shoreline and revetment, and
20 structural repair for replacement or retrofit of shoreline structures.

21 17. Parks – including, but not limited to, ground improvement, subgrade preparation,
22 landscaping and trees, aggregate base, sidewalks, pavers, decomposed granite,
23 lighting, irrigation, furniture, decks, fountains, and restrooms.

1 18. Ferry Terminal – including, but not limited to, foundations, ferry shelter building,
2 signs, electronic toll collection system, breakwaters, pier, gangway, float, restroom,
3 bike storage

4 19. Hazardous Soil Removal – removal and disposal of contaminated soil.

5 20. Community Facilities – including, but not limited to, costs of police station, fire
6 station, community center spaces for uses including reading room/library, senior/adult
7 services, teen/youth center, outdoor performance and gathering spaces, community
8 gardens, public school, childcare centers, public recreational facilities including
9 ballfields, playing fields and sports centers, and publicly-owned parking garages.

10 21. Any other amounts specifically identified in the DDA as a Qualified Project Cost.

11 22. Hard Costs, Soft Costs and Pre-Development Costs, as defined in the
12 Conveyance Agreement, associated with the design, procurement, development and
13 construction of all Facilities listed herein.

14
15 B. Authorized Payments

16 1. Contribution to the City and other public agencies for open space improvements,
17 transportation and transit facilities, affordable housing design and construction, and
18 design and construction of ramps and access roads.

19
20 NOTE: The category of facilities labeled “Acquired from Third Parties” reflects current
21 assumptions of the City and TIDA. The IRFD shall be authorized to finance the listed
22 facilities whether they are acquired from third parties or constructed by the City or
23 TIDA.

Exhibit B

**Resolution Authorizing
Director of the Office of Public Finance to Prepare an
Infrastructure Financing Plan Related to an
Infrastructure and Revitalization Financing District**

FILE NO.

RESOLUTION NO.

1 [Resolution Authorizing Director of the Office of Public Finance to Prepare an Infrastructure
2 Financing Plan Related to an Infrastructure and Revitalization Financing District]

3 **Resolution authorizing and directing the Director of the Office of Public Finance, or**
4 **designee thereof, to prepare an infrastructure financing plan for City and County of San**
5 **Francisco Infrastructure Financing District No. 1 (Treasure Island) and project areas**
6 **therein and determining other matters in connection therewith.**

7
8
9 WHEREAS, Naval Station Treasure Island ("NSTI") is a former United States Navy
10 base located in the City and County of San Francisco (the "City") that consists of two islands
11 connected by a causeway: (1) Treasure Island, and (2) an approximately 90-acre portion of
12 Yerba Buena Island; and

13 WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended
14 California Health and Safety Code Section 33492.5 and added Section 2.1 to Chapter 1333 of
15 the Statutes of 1968, the California Legislature: (i) designated the Treasure Island
16 Development Authority, a California non-profit public benefit corporation ("TIDA"), as a
17 redevelopment agency under California redevelopment law with authority over NSTI upon
18 approval of the City's Board of Supervisors, and (ii) with respect to those portions of NSTI
19 which are subject to Tidelands Trust, vested in TIDA the authority to administer the public
20 trust for commerce, navigation and fisheries as to such property; and

21 WHEREAS, The Board of Supervisors approved the designation of TIDA as the
22 redevelopment agency for NSTI in 1997; and

23 WHEREAS, On January 24, 2012, the Board of Supervisors rescinded designation of
24 TIDA as the redevelopment agency for Treasure Island under California Community
25 Redevelopment Law in Resolution No. 11-12; but such rescission did not affect TIDA's status

1 as the Local Reuse Authority for NSTI or the Tidelands Trust trustee for the portions of NSTI
2 subject to the Tidelands Trust, or any of the other powers or authority; and

3 WHEREAS, The United States of America, acting by and through the Department of
4 the Navy ("Navy"), and TIDA entered into an Economic Conveyance Memorandum of
5 Agreement (as amended and supplemented from time to time, the "Conveyance Agreement")
6 that governs the terms and conditions for the transfer of NSTI from the Navy to TIDA; under
7 the Conveyance Agreement, the Navy has and will convey NSTI to TIDA in phases after the
8 Navy has completed environmental remediation and issued a Finding of Suitability to Transfer
9 (as defined in the Conveyance Agreement) for specified parcels of NSTI or portions thereof;
10 and

11 WHEREAS, Treasure Island Community Development, LLC ("Developer") and TIDA
12 previously entered into a Disposition and Development Agreement (Treasure Island/Yerba
13 Buena Island) dated June 28, 2011 (the "DDA"), including a Financing Plan (Treasure
14 Island/Yerba Buena Island) (the "Financing Plan"), which governs the disposition and
15 development of a portion of NSTI (the "Project Site") after the Navy's transfer of NSTI to TIDA
16 in accordance with the Conveyance Agreement; and

17 WHEREAS, The DDA contemplates a project (the "Project") under which TIDA
18 acquires the Project Site from the Navy and conveys portions of the Project Site to Developer
19 for the purposes of: (i) alleviating blight in the Project Site through development of certain
20 improvements, (ii) geotechnically stabilizing the Project Site, (iii) constructing public
21 infrastructure to support the Project and other proposed uses on NSTI, (iv) constructing and
22 improving certain public parks and open spaces, (v) remediating certain existing hazardous
23 substances, and (vi) selling and ground leasing lots to vertical developers who will construct
24 residential units and commercial and public facilities; and

25

1 WHEREAS, Developer and the City previously entered into a Development Agreement
2 related to the Project Site to eliminate uncertainty in the City's land use planning for the
3 Project Site and secure orderly development of the Project consistent with the DDA and other
4 applicable requirements, and the Financing Plan is also an exhibit to the Development
5 Agreement; and

6 WHEREAS, The Financing Plan identifies certain financial goals for the Project and the
7 contractual framework for cooperation between TIDA, the City, and Developer in achieving
8 those goals and implementing the Project; and

9 WHEREAS, The Financing Plan, among other things, obligates TIDA and the City to
10 take all actions reasonably necessary for, and obligates Developer to cooperate reasonably
11 with the efforts of, (i) the City to form requested community facilities districts (each, a "CFD";
12 together, the "CFDs") and take related actions under the Mello-Roos Community Facilities Act
13 of 1982 (the "Mello-Roos Act") to pay for Qualified Project Costs, Ongoing Park Maintenance
14 and Additional Community Facilities (as those terms are defined in the Financing Plan), (ii) the
15 City to form requested infrastructure financing districts and take related actions under
16 applicable provisions of the Government Code of the State of California to pay for Qualified
17 Project Costs and (iii) the City to issue bonds and other debt for the CFDs and the
18 infrastructure financing districts and other public financing instruments described in the
19 Financing Plan (defined in the Financing Plan as "Public Financing"); and,

20 WHEREAS, Under Chapter 2.6 of Part 1 of Division 2 of Title 5 of the California
21 Government Code, commencing with Section 53369 (the "IRFD Law"), this Board of
22 Supervisors is authorized to establish an infrastructure and revitalization financing district and
23 to act as the legislative body for an infrastructure and revitalization financing district; and,

24 WHEREAS, Pursuant to IRFD Law Section 53369.5, an infrastructure and revitalization
25 financing district may be divided into project areas; and,

1 WHEREAS, IRFD Law Section 53369.14(d)(5) provides that the legislative body of a
2 proposed infrastructure and revitalization financing district may specify, by ordinance, the date
3 on which the allocation of tax increment will begin and IRFD Law Section 53369.5(b) provides
4 that project areas within a district may be subject to distinct limitations established under the
5 IRFD Law, and the Board of Supervisors accordingly wishes to specify the date on which the
6 allocation of tax increment will begin for the proposed infrastructure district on a project area-
7 by-project area basis; and,

8 WHEREAS, On the date hereof, pursuant to the Financing Plan, the IRFD Law and a
9 resolution entitled "Resolution of Intention to establish City and County of San Francisco
10 Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and project areas
11 therein to finance the construction and/or acquisition of facilities on Treasure Island and Yerba
12 Buena Island; to provide for future annexation; to call a public hearing on the formation of the
13 district and project areas therein and to provide public notice thereof; and determining other
14 matters in connection therewith" (the "Resolution of Intention"), this Board of Supervisors
15 declared its intention to conduct proceedings to establish (i) the "City and County of San
16 Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)" (the
17 "IRFD"), (ii) "Project Area A of the City and County of San Francisco Infrastructure and
18 Revitalization Financing District No. 1 (Treasure Island)" ("Project Area A") as a project area
19 within the IRFD, (iii) "Project Area B of the City and County of San Francisco Infrastructure
20 and Revitalization Financing District No. 1 (Treasure Island)" ("Project Area B") as a project
21 area within the IRFD, (iv) "Project Area C of the City and County of San Francisco
22 Infrastructure and Revitalization Financing District No. 1 (Treasure Island)" ("Project Area C"),
23 (v) "Project Area D of the City and County of San Francisco Infrastructure and Revitalization
24 Financing District No. 1 (Treasure Island)" ("Project Area D"), (vi) "Project Area E of the City
25 and County of San Francisco Infrastructure and Revitalization Financing District No. 1

1 (Treasure Island)" ("Project Area E" and, together with Project Area A, Project Area B, Project
2 Area C and Project Area D, the "Initial Project Areas" and together with any future project
3 areas that may be established in the IRFD, the "Project Areas") as a project area within the
4 IRFD, pursuant to the IRFD Law; and,

5 WHEREAS, The IRFD Law requires this Board of Supervisors, after adopting the
6 Resolution of Intention, to designate and direct the City engineer or other appropriate official
7 to prepare an infrastructure plan; and,

8 WHEREAS, in the Resolution of Intention, this Board of Supervisors made certain
9 findings under the California Environmental Quality Act ("CEQA") about the Final
10 Environmental Impact Report ("FEIR") for the disposition and development of a portion of
11 Naval Station Treasure Island, and those findings are incorporated in this Resolution as if set
12 forth in their entirety herein; now, therefore, be it

13 RESOLVED, That the Director of the Office of Public Finance, or the designee of the
14 Director of the Office of Public Finance, is hereby authorized and directed to prepare, or
15 cause to be prepared, a report in writing for the IRFD and the Project Areas (the
16 "Infrastructure Financing Plan"), which is consistent with the general plan of the City and
17 includes all of the following:

18 (a) A map and legal description of the proposed IRFD and each of the Project
19 Areas.

20 (b) A description of the facilities required to serve the development proposed in the
21 area of the IRFD including those to be provided by the private sector, those to be provided by
22 governmental entities without assistance under the IRFD Law, those improvements and
23 facilities to be financed with assistance from the proposed IRFD and the Project Areas, and
24 those to be provided jointly (the "Facilities"). The description shall include the proposed
25 location, timing, and costs of the Facilities.

1 (c) A finding that the Facilities are of communitywide significance, will not supplant
2 facilities already available within the boundaries of the IRFD (except for those that are
3 essentially nonfunctional, obsolete, hazardous, or in need of upgrading or rehabilitation) and
4 will supplement existing facilities as needed to serve new developments.

5 (d) A financing section, which shall contain all of the following information:

6 (1) A specification of the maximum portion of the incremental tax revenue of the
7 City and of each affected taxing entity (as defined in the IRFD Law) proposed to be committed
8 to the each of the Project Areas for each year during which each Project Area will receive
9 incremental tax revenue; provided however such portion of incremental tax revenue need not
10 be the same for all affected taxing entities, and such portion may change over time.

11 (2) A projection of the amount of tax revenues expected to be received by the IRFD
12 in each of the Project Areas in each year during which the IRFD will receive tax revenues in
13 each Project Area, including an estimate of the amount of tax revenues attributable to each
14 affected taxing entity proposed to be committed to the IRFD for each year. If applicable, the
15 plan shall also include a specification of the maximum portion of the net available revenue of
16 the City proposed to be committed to the IRFD for each year during which the IRFD will
17 receive revenue, which portion may vary over time.

18 (3) A plan for financing the Facilities, including a detailed description of any
19 intention to incur debt.

20 (4) A limit on the total number of dollars of taxes that may be allocated to the IRFD
21 in each Project Area pursuant to the plan.

22 (5) A date on which the IRFD and each Project Area will cease to exist, by which
23 time all tax allocation to the IRFD in each Project Area will end. The date shall not be more
24 than 40 years from the date on which the ordinance forming the IRFD or the applicable
25

1 Project Area is adopted, or a later date, if specified by the ordinance, on which the allocation
2 of tax increment will begin.

3 (6) An analysis of the costs to the City of providing facilities and services to each
4 Project Area while the area within each Project Area is being developed and after the area
5 within each Project Area is developed. The plan shall also include an analysis of the tax, fee,
6 charge, and other revenues expected to be received by the City as a result of expected
7 development in the area of each Project Area.

8 (7) An analysis of the projected fiscal impact of each Project Area and the
9 associated development upon each affected taxing entity that is proposed to participate in
10 financing the IRFD.

11 (8) A plan for financing any potential costs that may be incurred by reimbursing a
12 developer of a project that is both located entirely within the boundaries of the IRFD and
13 qualifies for the Transit Priority Project Program, pursuant to Government Code Section
14 65470, including any permit and affordable housing expenses related to the project.

15 (9) If any dwelling units occupied by persons or families of low or moderate income
16 are proposed to be removed or destroyed in the course of private development or facilities
17 construction within the area of the IFD, a plan providing for replacement of those units and
18 relocation of those persons or families consistent with the requirements of Section 53369.6 of
19 the IRFD Law.

20 This Board of Supervisors reserves the right to approve supplements or amendments
21 to financing plans in the future with respect to any other Project Areas to be identified and
22 established by this Board of Supervisors within the IRFD in accordance with the IRFD Law;
23 and, be it

24 FURTHER RESOLVED, That the Infrastructure Financing Plan may provide for future
25 amendments of the plan in connection with the future annexation of territory on Yerba Buena

1 Island and Treasure Island into the IRFD, as described in the Resolution of Intention; and, be
2 it

3 FURTHER RESOLVED, That the Director of Public Finance, or the designee of the
4 Director of Public Finance, shall send the Infrastructure Financing Plan to (i) the planning
5 commission of the City, (ii) this Board of Supervisors, (iii) each owner of land within the
6 proposed IRFD and (iv) each affected taxing entity (if any); and, be it

7

8 FURTHER RESOLVED, The Director of the Public Finance, or designee thereof, shall
9 also send to the owners of land within the proposed IRFD and the affected taxing entities (if
10 any) any report required by the California Environmental Quality Act (Division 13
11 (commencing with Section 21000) of the Public Resources Code) that pertains to the
12 proposed Facilities or the proposed development project for which the Facilities are needed;
13 and, be it

14 FURTHER RESOLVED, That the Clerk of the Board of Supervisors shall make the
15 Infrastructure Financing Plan available for public inspection; and, be it

16 FURTHER RESOLVED, That the Director of Public Finance, or designee thereof, shall
17 consult with each affected taxing entity, and, at the request of any affected taxing entity, shall
18 meet with representatives of the affected taxing entity; and, be it

19 FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered
20 the FEIR and finds that the FEIR is adequate for its use for the actions taken by this resolution
21 and incorporates the FEIR and the CEQA findings contained in Board of Supervisors
22 Resolution No. 246-11 by this reference; and, be it

23 FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or
24 word of this resolution, or any application thereof to any person or circumstance, is held to be
25 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision

1 shall not affect the validity of the remaining portions or applications of this resolution, this
2 Board of Supervisors hereby declaring that it would have passed this resolution and each and
3 every section, subsection, sentence, clause, phrase, and word not declared invalid or
4 unconstitutional without regard to whether any other portion of this resolution or application
5 thereof would be subsequently declared invalid or unconstitutional; and, be it

6 FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of
7 Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City
8 are hereby authorized, for and in the name of and on behalf of the City, to do any and all
9 things and take any and all actions, including execution and delivery of any and all
10 documents, assignments, certificates, requisitions, agreements, notices, consents,
11 instruments of conveyance, warrants and documents, which they, or any of them, may deem
12 necessary or advisable in order to effectuate the purposes of this Resolution; provided
13 however that any such actions be solely intended to further the purposes of this Resolution,
14 and are subject in all respects to the terms of the Resolution; and, be it

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

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

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23 APPROVED AS TO FORM:
24 DENNIS J. HERRERA
City Attorney

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By: MARK D. BLAKE
Deputy City Attorney
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Exhibit C

**Resolution of Intention to Issue Bonds
Related to Infrastructure and Revitalization
Financing District No. 1 (Treasure Island)**

FILE NO.

RESOLUTION NO.

1 [Resolution of Intention to Issue Bonds Related to Infrastructure and Revitalization Financing
2 District No. 1 (Treasure Island)]

3 **Resolution of intention to issue bonds for City and County of San Francisco**
4 **Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and**
5 **determining other matters in connection therewith.**

6
7
8 WHEREAS, Naval Station Treasure Island ("NSTI") is a former United States Navy
9 base located in the City and County of San Francisco ("City") that consists of two islands
10 connected by a causeway: (1) Treasure Island, and (2) an approximately 90-acre portion of
11 Yerba Buena Island; and

12 WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended
13 California Health and Safety Code Section 33492.5 and added Section 2.1 to Chapter 1333 of
14 the Statutes of 1968, the California Legislature: (i) designated the Treasure Island
15 Development Authority, a California non-profit public benefit corporation ("TIDA") as a
16 redevelopment agency under California redevelopment law with authority over NSTI upon
17 approval of the City's Board of Supervisors, and (ii) with respect to those portions of NSTI
18 which are subject to Tidelands Trust, vested in TIDA the authority to administer the public
19 trust for commerce, navigation and fisheries as to such property; and

20 WHEREAS, The Board of Supervisors approved the designation of TIDA as the
21 redevelopment agency for NSTI in 1997; and

22 WHEREAS, On January 24, 2012, the Board of Supervisors rescinded designation of
23 TIDA as the redevelopment agency for Treasure Island under California Community
24 Redevelopment Law in Resolution No. 11-12; but such rescission did not affect TIDA's status
25

1 as the Local Reuse Authority for NSTI or the Tidelands Trust trustee for the portions of NSTI
2 subject to the Tidelands Trust, or any of the other powers or authority; and

3 WHEREAS, The United States of America, acting by and through the Department of
4 the Navy ("Navy"), and TIDA entered into an Economic Conveyance Memorandum of
5 Agreement (as amended and supplemented from time to time, the "Conveyance Agreement")
6 that governs the terms and conditions for the transfer of NSTI from the Navy to TIDA; under
7 the Conveyance Agreement, the Navy has and will convey NSTI to TIDA in phases after the
8 Navy has completed environmental remediation and issued a Finding of Suitability to Transfer
9 (as defined in the Conveyance Agreement) for specified parcels of NSTI or portions thereof;
10 and

11 WHEREAS, Treasure Island Community Development, LLC ("Developer") and TIDA
12 previously entered into a Disposition and Development Agreement (Treasure Island/Yerba
13 Buena Island) dated June 28, 2011 ("DDA"), including a Financing Plan (Treasure
14 Island/Yerba Buena Island) ("Financing Plan"), which governs the disposition and
15 development of a portion of NSTI ("Project Site") after the Navy's transfer of NSTI to TIDA in
16 accordance with the Conveyance Agreement; and

17 WHEREAS, The DDA contemplates a project ("Project") under which TIDA acquires
18 the Project Site from the Navy and conveys portions of the Project Site to Developer for the
19 purposes of: (i) alleviating blight in the Project Site through development of certain
20 improvements, (ii) geotechnically stabilizing the Project Site, (iii) constructing public
21 infrastructure to support the Project and other proposed uses on NSTI, (iv) constructing and
22 improving certain public parks and open spaces, (v) remediating certain existing hazardous
23 substances, and (vi) selling and ground leasing lots to vertical developers who will construct
24 residential units and commercial and public facilities; and

25

1 WHEREAS, Developer and the City previously entered into a Development Agreement
2 related to the Project Site to eliminate uncertainty in the City's land use planning for the
3 Project Site and secure orderly development of the Project consistent with the DDA and other
4 applicable requirements, and the Financing Plan is also an exhibit to the Development
5 Agreement; and

6 WHEREAS, The Financing Plan identifies certain financial goals for the Project and the
7 contractual framework for cooperation between TIDA, the City, and Developer in achieving
8 those goals and implementing the Project; and,

9 WHEREAS, The Financing Plan, among other things, obligates TIDA and the City to
10 take all actions reasonably necessary for, and obligates Developer to cooperate reasonably
11 with the efforts of: (i) the City to form requested community facilities districts (each, a "CFD";
12 together, the "CFDs") and take related actions under the Mello-Roos Community Facilities Act
13 of 1982 ("Mello-Roos Act") to pay for Qualified Project Costs, Ongoing Park Maintenance and
14 Additional Community Facilities (as those terms are defined in the Financing Plan), (ii) the City
15 to form requested infrastructure financing districts and take related actions under applicable
16 provisions of the Government Code of the State of California to pay for Qualified Project Costs
17 and (iii) the City to issue bonds and other debt for the CFDs and the infrastructure financing
18 districts and other public financing instruments described in the Financing Plan (defined in the
19 Financing Plan as "Public Financing"); and

20 WHEREAS, Under Chapter 2.6 of Part 1 of Division 2 of Title 5 of the California,
21 commencing with Government Code Section 53369 ("IRFD Law"), this Board of Supervisors is
22 authorized to establish an infrastructure and revitalization financing district and to act as the
23 legislative body for an infrastructure and revitalization financing district; and,

24 WHEREAS, Pursuant to IRFD Law Section 53369.5, an infrastructure and revitalization
25 financing district may be divided into project areas; and

1 WHEREAS, Pursuant to the Financing Plan and the IRFD Law, this Board of
2 Supervisors has adopted its "Resolution of intention to establish City and County of San
3 Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and
4 project areas therein to finance the construction and/or acquisition of facilities on Treasure
5 Island and Yerba Buena Island; to provide for annexation; to call a public hearing on the
6 formation of the district and project areas therein and to provide public notice thereof; and
7 determining other matters in connection therewith" ("Resolution of Intention to Establish
8 IRFD"), stating its intention to form (i) the "City and County of San Francisco Infrastructure
9 and Revitalization Financing District No. 1 (Treasure Island)" ("IRFD") pursuant to the IRFD
10 Law, (ii) "Project Area A of the City and County of San Francisco Infrastructure and
11 Revitalization Financing District No. 1 (Treasure Island)" ("Project Area A") as a project area
12 within the IRFD, (iii) "Project Area B of the City and County of San Francisco Infrastructure
13 and Revitalization Financing District No. 1 (Treasure Island)" ("Project Area B") as a project
14 area within the IRFD, (iv) "Project Area C of the City and County of San Francisco
15 Infrastructure and Revitalization Financing District No. 1 (Treasure Island)" ("Project Area C"),
16 (v) "Project Area D of the City and County of San Francisco Infrastructure and Revitalization
17 Financing District No. 1 (Treasure Island)" ("Project Area D"), (vi) "Project Area E of the City
18 and County of San Francisco Infrastructure and Revitalization Financing District No. 1
19 (Treasure Island)" ("Project Area E" and, together with Project Area A, Project Area B, Project
20 Area C and Project Area D, the "Initial Project Areas" and together with any future project
21 areas that may be established in the IRFD, the "Project Areas") as a project area within the
22 IRFD, for the purpose of financing certain facilities ("Facilities") as further provided in the
23 Resolution of Intention to Establish IRFD; and

24 WHEREAS, In the Resolution of Intention to Establish IRFD, this Board of Supervisors
25 declared its intent to provide for future annexations of property on Yerba Buena Island and

1 Treasure Island into the IRFD any time after formation of the IRFD, but only if the Board of
2 Supervisors has completed the procedures set forth in the Infrastructure Financing Plan,
3 which shall be based on the following: (i) this Board of Supervisors adopts a resolution of
4 intention to annex property (the "annexation territory") into the IRFD and describes whether
5 the annexation territory will be included in one of the then-existing Project Areas or in a new
6 Project Area and to issue bonds, (ii) the resolution of intention is mailed to each owner of land
7 in the annexation territory and each affected taxing entity in the annexation territory, in
8 substantial compliance with IRFD Law Sections 53369.11 and 53369.12, (iii) this Board of
9 Supervisors designates TIDA to prepare an amendment to the Infrastructure Financing Plan, if
10 necessary, and the designated official prepares any such amendment, in substantial
11 compliance with IRFD Law Sections 53369.13 and 53369.14, (iv) any amendment to the
12 Infrastructure Financing Plan is sent to each owner of land and each affected taxing entity (if
13 any) within the annexation territory, in substantial compliance with IRFD Law Sections
14 53369.15 and 53369.16, (v) this Board of Supervisors notices and holds a public hearing on
15 the proposed annexation, in substantial compliance with IRFD Law Sections 53369.17 and
16 53369.18, (vi) this Board of Supervisors adopts a resolution proposing the adoption of any
17 amendment to the Infrastructure Financing Plan and annexation of the annexation territory to
18 the IRFD, and submits the proposed annexation to the qualified electors in the annexation
19 territory, in substantial compliance with IRFD Law Sections 53369.20-53369.22, with the ballot
20 measure to include the question of the proposed annexation of the annexation territory into
21 the IRFD, approval of the appropriations limit for the IRFD and approval of the issuance of
22 bonds and other debt for the IRFD, and (vii) after canvass of returns of any election, and if
23 two-thirds of the votes cast upon the question are in favor of the ballot measure, this Board
24 may, by ordinance, adopt the amendment to the Infrastructure Financing Plan, if any, and
25

1 approve the annexation of the annexation territory to the IRFD, in substantial compliance with
2 IRFD Law Section 53369.23; and

3 WHEREAS, In the Resolution of Intention to Establish IRFD, this Board of Supervisors
4 made certain findings under the California Environmental Quality Act ("CEQA") about the Final
5 Environmental Impact Report ("FEIR") for the disposition and development of a portion of
6 Naval Station Treasure Island, and those findings are incorporated in this Resolution as if set
7 forth in their entirety herein; and

8 WHEREAS, In addition, this Board of Supervisors has adopted its "Resolution
9 authorizing and directing the Director of the Office of Public Finance, or designee of the
10 Director of the Office of Public Finance, to prepare an infrastructure financing plan for the City
11 and County of San Francisco Infrastructure and Revitalization Financing District No. 1
12 (Treasure Island) and project areas therein; and determining other matters in connection
13 therewith," ordering preparation of an infrastructure financing plan for the IRFD and the
14 Project Areas (the "Infrastructure Financing Plan") consistent with the requirements of the
15 IRFD Law; and,

16 WHEREAS, The Infrastructure Financing Plan includes a list of Facilities to be financed
17 by the IRFD and the Project Areas; and

18 WHEREAS, Pursuant to IRFD Law Section 53369.40, the Board of Supervisors may,
19 by majority vote, initiate proceedings to issue bonds pursuant to the IRFD Law by adopting a
20 resolution stating its intent to issue the bonds, and pursuant to IRFD Law Section 53369.14,
21 the Infrastructure Financing Plan must contain a detailed description of any intention to incur
22 debt for financing facilities for the IRFD; and

23 WHEREAS, United States Income Tax Regulations section 1.150-2 provides generally
24 that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are
25 used for reimbursement of expenditures made prior to the date of issuance of such debt

1 unless certain procedures are followed, one of which is a requirement that (with certain
2 exceptions), prior to the payment of any such expenditure, the issuer declares an intention to
3 reimburse such expenditure; and

4 WHEREAS, It is in the public interest and for the public benefit that the City declares its
5 official intent to reimburse the expenditures referenced herein; now, therefore, be it

6 RESOLVED, That the Board of Supervisors proposes issuing one or more series of
7 bonds or other debt ("Bonds") for the purpose of financing the costs of the Facilities, including
8 acquisition and improvement costs and all costs incidental to or connected with the
9 accomplishment of said purposes and of the financing thereof.

10 The Board of Supervisors hereby declares that it reasonably expects (i) to pay certain
11 costs of the Facilities prior to the date of issuance of the Bonds and (ii) to use a portion of the
12 proceeds of the Bonds for reimbursement of expenditures for the Facilities that are paid
13 before the date of issuance of the Bonds; and be it

14 FURTHER RESOLVED, That the Bonds will be paid from property tax revenues
15 allocated to the IRFD, including all of the Initial Project Areas; and be it

16 FURTHER RESOLVED, That the Board of Supervisors hereby estimates that the cost
17 of the Facilities will be \$3.12 billion (in 2016 dollars), and that the estimated costs of preparing
18 and issuing the Bonds will be equal to up to 10.0% of the par amount of the Bonds; and be it

19 FURTHER RESOLVED, That this Board of Supervisors intends to authorize the
20 issuance and sale of the Bonds in one or more series for the IRFD in the maximum aggregate
21 principal amount of (i) \$780 million plus (ii) the principal amount of Bonds approved by this
22 Board of Supervisors and the qualified electors of the annexation territory in connection with
23 the annexation of the annexation territory to the IRFD, so long as the Board makes the finding
24 specified in IRFD Law Section 53369.41(f), and the Bonds shall bear interest payable semi-
25 annually or in such other manner as this Board of Supervisors shall determine, at a rate not to

1 exceed the maximum rate of interest as may be authorized by applicable law at the time of
2 sale of the Bonds, and the maximum underwriter's discount of the Bonds shall be 2.0% of the
3 par amount of the Bonds; and be it

4 FURTHER RESOLVED, That the Board of Supervisors estimates, based on the
5 analysis set forth in the Infrastructure Financing Plan with respect to the Initial Project Areas,
6 that the incremental property tax revenues that are expected to be available to the IRFD from
7 the Initial Project Areas to pay principal of and interest on the Bonds is \$1.08 billion, and in
8 accordance with IRFD Law Section 53369.41(f), the Board of Supervisors hereby finds that
9 the amount necessary to pay principal of and interest on the initial maximum principal amount
10 of Bonds specified in clause (i) of the preceding paragraph is less than or equal to the
11 incremental property tax revenues that are expected to be available to the IRFD from the
12 Initial Project Areas to pay principal of and interest on the Bonds; and be it

13 FURTHER RESOLVED, That the Board of Supervisors will call a special landowner
14 election for _____, 2016, to consider the proposed authorization to issue Bonds. The
15 election will be consolidated with the election on the issue of the proposed formation of the
16 IRFD and the Initial Project Areas and approval of the proposed Infrastructure Financing Plan
17 and appropriations limit for each of the Initial Project Areas to be held on _____, 2016. The
18 Clerk of the Board of Supervisors is hereby designated as the official to conduct the election
19 in the IRFD and to receive all ballots until __:00 p.m. on _____, 2016, and pursuant to IRFD
20 Law Section 53369.20, the election shall be conducted by personal service or mail-delivered
21 ballot; and be it

22 FURTHER RESOLVED, That all references in this Resolution to Bonds shall be
23 deemed to include a reference to debt (as defined in the IRFD Law), to the extent applicable;
24 and be it

25

1 FURTHER RESOLVED, That this Resolution shall in no way obligate the Board of
2 Supervisors to propose establishment of the IRFD or the Project Areas or to authorize the
3 issuance of bonds for the IRFD, and the authorization to issue bonds shall be subject to the
4 approval of this Board of Supervisors by resolution following the elections of the qualified
5 electors described above; and be it

6 FURTHER RESOLVED, That the Clerk of the Board of Supervisors shall publish this
7 resolution once a day for at least seven successive days in a newspaper published in the City
8 and County of San Francisco at least six days a week, or at least once a week for two
9 successive weeks in a newspaper published in the City and County of San Francisco less
10 than six days a week, and if there are no newspapers meeting the foregoing criteria, this
11 resolution shall posted in three public places within the territory of the IRFD and the Project
12 Areas for two succeeding weeks; and be it

13 FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered
14 the FEIR and finds that the FEIR is adequate for its use for the actions taken by this resolution
15 and incorporates the FEIR and the CEQA findings contained in Board of Supervisors
16 Resolution No. 246-11 by this reference; and, be it

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

25

1 FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of
2 Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City
3 are hereby authorized, for and in the name of and on behalf of the City, to do any and all
4 things and take any and all actions, including execution and delivery of any and all
5 documents, assignments, certificates, requisitions, agreements, notices, consents,
6 instruments of conveyance, warrants and documents, which they, or any of them, may deem
7 necessary or advisable in order to effectuate the purposes of this Resolution; provided
8 however that any such actions be solely intended to further the purposes of this Resolution,
9 and are subject in all respects to the terms of the Resolution; and, be it

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

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

17 APPROVED AS TO FORM:
18 DENNIS J. HERRERA
19 City Attorney

20
21 By: _____
22 MARK D. BLAKE
23 Deputy City Attorney
24 n:\speclas2016\0600537\01133170.docx
25

Exhibit D

**Resolution of Intention to Establish
Community Facilities District No. 2016-1 (Treasure Island)**

FILE NO.

RESOLUTION NO.

1 [Resolution of Intention to Establish Community Facilities District No. 2016-1 (Treasure
2 Island)]

3 **Resolution of Intention to establish City and County of San Francisco Community**
4 **Facilities District No. 2016-1 (Treasure Island), Improvement Area No. 1 and a Future**
5 **Annexation Area, and determining other matters in connection therewith.**

6
7
8 WHEREAS, Naval Station Treasure Island ("NSTI") is a former United States Navy
9 base located in the City and County of San Francisco ("City") that consists of two islands
10 connected by a causeway: (1) Treasure Island, and (2) an approximately 90-acre portion of
11 Yerba Buena Island; and

12 WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended
13 California Health and Safety Code Section 33492.5 and added Section 2.1 to Chapter 1333 of
14 the Statutes of 1968 ("Act"), the California Legislature: (i) designated the Treasure Island
15 Development Authority ("TIDA"), as a redevelopment agency under California redevelopment
16 law with authority over NSTI upon approval of the City's Board of Supervisors, and (ii) with
17 respect to those portions of NSTI which are subject to Tidelands Trust, vested in TIDA the
18 authority to administer the public trust for commerce, navigation and fisheries as to such
19 property; and

20 WHEREAS, The Board of Supervisors approved the designation of TIDA as the
21 redevelopment agency for NSTI in 1997; and

22 WHEREAS, On January 24, 2012, the Board of Supervisors rescinded designation of
23 TIDA as the redevelopment agency for Treasure Island under California Community
24 Redevelopment Law in Resolution No. 11-12; but such rescission did not affect TIDA's status

1 as the Local Reuse Authority for NSTI or the Tidelands Trust trustee for the portions of NSTI
2 subject to the Tidelands Trust, or any of the other powers or authority; and

3 WHEREAS, The United States of America, acting by and through the Department of
4 the Navy ("Navy"), and TIDA entered into an Economic Conveyance Memorandum of
5 Agreement (as amended and supplemented from time to time, the "Conveyance Agreement")
6 that governs the terms and conditions for the transfer of NSTI from the Navy to TIDA; and
7 under the Conveyance Agreement, the Navy will convey NSTI to TIDA in phases after the
8 Navy has completed environmental remediation and issued a Finding of Suitability to Transfer
9 (as defined in the Conveyance Agreement) for specified parcels of NSTI or portions thereof;
10 and

11 WHEREAS, Treasure Island Community Development, LLC ("Developer") and TIDA
12 previously entered into a Disposition and Development Agreement (Treasure Island/Yerba
13 Buena Island), dated June 28, 2011 ("DDA"), including a Financing Plan (Treasure
14 Island/Yerba Buena Island) ("Financing Plan"), which governs the disposition and
15 development of a portion of NSTI ("Project Site") after the Navy's transfer of NSTI to TIDA in
16 accordance with the Conveyance Agreement; and

17 WHEREAS, The DDA contemplates a project ("Project") under which TIDA acquires
18 the Project Site from the Navy and conveys portions of the Project Site to Developer for the
19 purposes of: (i) alleviating blight in the Project Site through development of certain
20 improvements, (ii) geotechnically stabilizing the Project Site, (iii) constructing public
21 infrastructure to support the Project and other proposed uses on NSTI, (iv) constructing and
22 improving certain public parks and open spaces, (v) remediating certain existing hazardous
23 substances, and (vi) selling and ground leasing lots to vertical developers who will construct
24 residential units and commercial and public facilities; and

25

1 WHEREAS, On April 21, 2011, the Planning Commission by Motion No. 18325 and the
2 Board of Directors of TIDA, by Resolution No. 11-14-04/21, as co-lead agencies, certified the
3 completion of the Final Environmental Impact Report for the Project, and unanimously
4 approved a series of entitlement and transaction documents relating to the Project, including
5 certain environmental findings under the California Environmental Quality Act ("CEQA"), a
6 mitigation and monitoring and reporting program ("MMRP"), and the DDA and other
7 transaction documents; and

8 WHEREAS, On June 7, 2011, in Motion No. M11-0092, the Board of Supervisors
9 unanimously affirmed certification of the Final Environmental Impact Report, and on that same
10 date, the Board of Supervisors, in Resolution No. 246-11, adopted CEQA findings and the
11 MMRP, and made certain environmental findings under CEQA (collectively, "FEIR"), and also
12 on that date, the Board of Supervisors, in Ordinance No. 95-11, approved the DDA and other
13 transaction documents, including the Transportation Plan and Infrastructure Plan; and

14 WHEREAS, TIDA and the Developer have been working diligently since then to
15 implement the Project consistent with the DDA, the MMRP and other documents; and

16 WHEREAS, No additional environmental review is required because there are no
17 substantial changes to the project analyzed in the FEIR, no change in circumstances under
18 which the project is being undertaken, and no new information of substantial importance
19 indicating that new significant impacts would occur, that the impacts identified in the FEIR as
20 significant impacts would be substantially more severe, or that mitigation or alternatives
21 previously found infeasible are now feasible; and

22 WHEREAS, The City anticipates that future improvements will be necessary to ensure
23 that the shoreline, public facilities, and public access improvements will be protected should
24 sea level rise at the perimeter of the Project Site, and the Board of Supervisors desires to
25

1 provide a mechanism to pay directly for such improvements and/or establish a capital reserve
2 fund to finance such improvements; and

3 WHEREAS, Under the Mello-Roos Community Facilities Act of 1982, as amended,
4 constituting Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with California
5 Government Code Section 53311 ("Mello-Roos Act"), this Board of Supervisors is authorized
6 to establish a community facilities district and to act as the legislative body for a community
7 facilities district; and

8 WHEREAS, This Board of Supervisors now desires to proceed with the establishment
9 of a community facilities district in order to finance costs of public infrastructure and certain
10 public services necessary or incident to development within the proposed boundaries of the
11 proposed community facilities district, including, without limitation, future improvements
12 necessitated by sea level rise; and

13 WHEREAS, Pursuant to Mello-Roos Act Section 53339.2, this Board of Supervisors
14 further desires to undertake proceedings to provide for future annexation of territory to the
15 proposed community facilities district; now, therefore, be it

16 RESOLVED, That this Board of Supervisors proposes to conduct proceedings to
17 establish a community facilities district pursuant to the Mello-Roos Act, and hereby
18 determines that public convenience and necessity require that a future annexation area be
19 established pursuant to the Mello-Roos Act; and, be it

20 FURTHER RESOLVED, That the name proposed for the community facilities district is
21 "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)"
22 ("CFD"); and, be it

23 FURTHER RESOLVED, That pursuant to Mello-Roos Act Section 53350, the territory
24 to be initially included in the CFD (as shown on the map described below) is hereby
25 designated to include the following Improvement Area: "Improvement Area No. 1 of the City

1 and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)”
2 (“Improvement Area No. 1”); and, be it

3 FURTHER RESOLVED, That the name proposed for the territory proposed to be
4 annexed into the CFD in the future is “City and County of San Francisco Community Facilities
5 District No. 2016-1 (Treasure Island) (Future Annexation Area)” (“Future Annexation Area”),
6 and in connection with the annexation of all or a portion of the Future Annexation Area, this
7 Board of Supervisors shall follow the Annexation Approval Procedures described herein,
8 which may include a designation that the area to be annexed shall be annexed as a separate
9 improvement area; and, be it

10 FURTHER RESOLVED, That the proposed boundaries of the CFD, Improvement Area
11 No. 1 and the Future Annexation Area are as shown on the map of them on file with the Clerk
12 of the Board of Supervisors, which boundaries are hereby preliminarily approved and to which
13 map reference is hereby made for further particulars, and the Clerk of the Board of
14 Supervisors is hereby directed to record, or cause to be recorded, the map of the boundaries
15 of the CFD, Improvement Area No. 1 and the Future Annexation Area in the office of the
16 Assessor-Recorder for the City and County of San Francisco within 15 days of the date of
17 adoption of this Resolution; and, be it

18 FURTHER RESOLVED, That, from time to time, parcels within the Future Annexation
19 Area shall be annexed to the CFD only with the unanimous approval (each, a “Unanimous
20 Approval”) of the owner or owners of each parcel or parcels at the time that such parcel(s) are
21 annexed, and in accordance with the Annexation Approval Procedures described herein, and
22 the Board of Supervisors hereby determines that any property for which the owner or owners
23 execute a Unanimous Approval that is annexed into the CFD in accordance with the
24 Annexation Approval Procedures shall be added to the CFD and the Clerk of the Board of
25 Supervisors shall record (i) an amendment to the notice of special tax lien for the CFD

1 pursuant to Streets & Highways Code Section 3117.5 if the property is annexed to an existing
2 improvement area or (ii) a notice of special tax lien for the CFD pursuant to Streets &
3 Highways Code Section 3117.5 if the property annexed is designated as a new improvement
4 area; provided, however, the designation of property as Future Annexation Area and the
5 ability to annex property to the CFD based on a Unanimous Approval shall not limit, in any
6 way, the annexation of property in the Future Annexation Area to the CFD pursuant to other
7 provisions of the Mello-Roos Act; and, be it

8 FURTHER RESOLVED, That the type of public facilities proposed to be financed by
9 the CFD, Improvement Area No. 1 and the Future Annexation Area (including any area
10 therein designated to be annexed as a separate improvement area) pursuant to the Mello-
11 Roos Act shall consist of those listed as facilities on Exhibit A hereto and hereby incorporated
12 herein ("Facilities"), and this Board of Supervisors hereby determines that the Facilities are
13 necessary to meet increased demands placed upon local agencies as the result of
14 development occurring within the CFD, Improvement Area No. 1 and the Future Annexation
15 Area, and this Board of Supervisors hereby finds and determines that the public interest will
16 not be served by allowing the property owners in the CFD to enter into a contract in
17 accordance with Mello-Roos Act Section 53329.5(a), and notwithstanding the foregoing, this
18 Board of Supervisors, on behalf of the CFD, may enter into one or more contracts directly with
19 any of the property owners with respect to the construction and/or acquisition of the any
20 portion of the Facilities; and, be it

21 FURTHER RESOLVED, That the Director of the Office of Public Finance is hereby
22 authorized and directed to enter into joint community facilities agreements with any entity that
23 will own or operate any of the Facilities, as may be necessary to comply with the provisions of
24 Mello-Roos Act Sections 53316.2(a) and (b), and this Board of Supervisors' approval of a joint
25 community facilities agreement shall be conclusively evidenced by the execution and delivery

1 thereof by the Director of the Office of Public Finance, and this Board of Supervisors hereby
2 declares that such joint agreements will be beneficial to owners of property in the area of the
3 CFD; and, be it

4 FURTHER RESOLVED, That the type of services proposed to be financed by the CFD;
5 Improvement Area No. 1 and the Future Annexation Area (including any area therein
6 designated to be annexed as a separate improvement area) pursuant to the Mello-Roos Act
7 shall consist of those listed in Exhibit A hereto and hereby incorporated herein ("Services").
8 This Board of Supervisors hereby determines that the Services are necessary to meet
9 increased demands for such services placed upon local agencies as the result of
10 development occurring within the area of the CFD, Improvement Area No. 1 and the Future
11 Annexation Area; and, be it

12 FURTHER RESOLVED, That the Services are in addition to those provided in the
13 territory of the CFD, Improvement Area No. 1 and the Future Annexation Area as of the date
14 hereof and will not supplant services already available within the territory of the CFD,
15 Improvement Area No. 1 and the Future Annexation Area as of the date hereof, and the City
16 intends to provide the Services on an equal basis in the original territory of the CFD and
17 Improvement Area No. 1 and, when it has been annexed to the CFD, the Future Annexation
18 Area (including any area therein designated to be annexed as a separate improvement area);
19 and, be it

20 FURTHER RESOLVED, That except to the extent that funds are otherwise available,
21 the City will levy a special tax (the "Special Tax") to pay directly for the Facilities, including out
22 of a special-tax funded capital reserve established for the payment of Facilities, to pay the
23 principal and interest on bonds and other debt (as defined in the Mello-Roos Act) of the City
24 issued for Improvement Area No. 1 to finance the Facilities and to pay for the Services, and
25 the Special Tax will be secured by recordation of a continuing lien against all non-exempt real

1 property in the CFD and Improvement Area No. 1, will be levied annually within the CFD and
2 Improvement Area No. 1, and collected in the same manner as ordinary ad valorem property
3 taxes, or in such other manner as this Board of Supervisors or its designee shall determine,
4 including direct billing of the affected property owners; and, be it

5
6 FURTHER RESOLVED, That the proposed rate and method of apportionment of the
7 Special Tax among the parcels of real property within Improvement Area No. 1, in sufficient
8 detail to allow each landowner within Improvement Area No. 1 to estimate the maximum
9 amount such owner will have to pay, is described in Exhibit B attached hereto and hereby
10 incorporated herein ("Rate and Method"); and, be it

11 FURTHER RESOLVED, That the Special Tax to be levied in Improvement Area No. 1
12 (the "Improvement Area No. 1 Special Tax") shall not be levied in Improvement Area No. 1 to
13 finance Facilities after the fiscal year established therefor in the Rate and Method, and the
14 Improvement Area No. 1 Special Tax shall only be levied to finance Services thereafter,
15 except that an Improvement Area No. 1 Special Tax that was lawfully levied in or before the
16 final tax year and that remains delinquent may be collected in subsequent years. Under no
17 circumstances shall the Improvement Area No. 1 Special Tax levied against any parcel in
18 Improvement Area No. 1 to finance Facilities in any fiscal year used for private residential
19 purposes be increased in that fiscal year as a consequence of delinquency or default by the
20 owner of any other parcel or parcels within Improvement Area No. 1 by more than 10 percent;
21 and, be it

22 FURTHER RESOLVED, That a special tax to finance Facilities shall not be levied in
23 one or more future improvement areas formed to include territory that annexes into the CFD
24 from the Future Annexation Area (each, a "Future Improvement Area") after the fiscal year
25 established therefor in the rate and method for the Future Improvement Area, and the special

1 tax shall only be levied to finance Services thereafter, except that a special tax that was
2 lawfully levied in or before the final tax year and that remains delinquent may be collected in
3 subsequent years. Under no circumstances shall the special tax for financing Facilities levied
4 against any parcel in the Future Improvement Area in any fiscal year used for private
5 residential purposes be increased in that fiscal year as a consequence of delinquency or
6 default by the owner of any other parcel or parcels within the Future Improvement Area by
7 more than 10 percent; and, be it

8 FURTHER RESOLVED, That for Future Improvement Areas, a different rate and
9 method may be adopted for annexed territory if the annexed territory is designated as a
10 separate improvement area. No supplements to the Rate and Method for any of the Future
11 Improvement Areas and no new rate and method shall cause the maximum tax rate in the
12 then-existing territory of the CFD (including Improvement Area No. 1) to increase, and the
13 designation as an improvement area of any territory annexing to the CFD, the maximum
14 amount of bonded indebtedness and other debt for such improvement area, the rate and
15 method of apportionment of special tax for such improvement area (including the conditions
16 under which the obligation to pay the special tax may be prepaid and permanently satisfied, if
17 any), and the appropriations limit for such improvement area shall be identified and approved
18 in the Unanimous Approval executed by property owner(s) in connection with its annexation to
19 the CFD in accordance with the Annexation Approval Procedures described herein; and, be it

20 FURTHER RESOLVED, That the "Annexation Approval Procedures" governing
21 annexations of parcels in the Future Annexation Area into the CFD shall consist of the
22 following sets of procedures (specified in (A) and (B) that follow):

23 (A) The annexation and related matters described in the Unanimous Approval shall be
24 implemented and completed without the need for the approval of either the Board of Directors
25

1 of TIDA ("TIDA Board") or this Board of Supervisors as long as the following conditions are
2 met:

3 (1) The annexation is to an existing improvement area and the property proposed to
4 be annexed shall be subject to the same rate and method of apportionment of special tax and
5 the same bonded indebtedness limits as such existing improvement area; or

6 (2) The annexation is to a new improvement area and the following conditions
7 apply:

8 (i) The rate and method of apportionment of special tax for the new
9 improvement area is prepared by a special tax consultant retained by the City and paid
10 for by the property owners submitting the Unanimous Approval.

11 (ii) The rate and method of apportionment of special tax for the new
12 improvement area is consistent with the Financing Plan.

13 (iii) The rate and method of apportionment of special tax for the new
14 improvement area does not establish a maximum special tax rate for the initial fiscal
15 year in which the special tax may be levied for any category of property subject to the
16 special tax that is greater than 120% of the maximum special tax rate established for
17 the same category of property subject to the special tax for the same fiscal year
18 calculated pursuant to the Rate and Method (i.e., the rate and method of apportionment
19 of special tax for Improvement Area No. 1).

20 (iv) The rate and method of apportionment of special tax for the new
21 improvement area does not contain a type of special tax that was not included in the
22 Rate and Method (for example, a one-time special tax).

23 (v) The rate and method of apportionment of special tax for the new
24 improvement area contains the same terms for "Collection of Special Tax" (including
25 with respect to the term of the special tax) and for application of Remainder Special

1 Taxes (as defined in the Rate and Method) with respect to park maintenance costs as
2 the Rate and Method.

3 (vi) If the rate and method of apportionment of special tax for the new
4 improvement area includes a provision allowing prepayment of the special tax, in whole
5 or in part, the Director of the Office of Public Finance, after consulting with the special
6 tax consultant retained by the City and the City Attorney, shall be satisfied that such
7 prepayment provision will not adversely impact the financing of authorized Facilities
8 and Services; *provided*, that if the prepayment formula set forth in such rate and
9 method of apportionment has previously been approved by this Board, then such
10 prepayment formula may be replicated in the rate and method of apportionment for
11 such new improvement area without meeting such test.

12 If the foregoing conditions ((1) or (2), as applicable), are satisfied, as determined by the
13 Director of the Office of Public Finance and set forth in a written acceptance by the Director of
14 the Office of Public Finance delivered to the property owner(s) that executed the Unanimous
15 Approval and the Clerk of the Board of Supervisors, the Unanimous Approval shall be
16 deemed accepted by the City and the Clerk of the Board of Supervisors shall record an
17 amendment to the notice of special tax lien or a new notice of special tax lien for the CFD
18 pursuant to Streets & Highways Code Section 3117.5.

19 (B) For any annexation and related matters described in the Unanimous Approval that
20 does not meet the requirements of Section (A) above, the following procedures shall apply
21 (provided, however, that nothing in the following procedures shall prevent the property owners
22 of property to be annexed into the CFD from a Future Annexation Area from annexing
23 property to the CFD (including into a new improvement area) pursuant to Section (A) above
24 and then instituting change proceedings pursuant to Article 3 of the Mello-Roos Act to make
25 additional changes to the rate and method or other authorized purposes):

1 *First*, the owners(s) of property to be annexed into the CFD shall submit a Unanimous
2 Approval for each parcel or parcels to be annexed into the CFD to the Treasure Island
3 Director of TIDA, together with a statement as to whether the Unanimous Approval is
4 consistent with the Financing Plan and, if not, the reasons for such inconsistency.

5 *Second*, the Treasure Island Director shall have 30 days to either (a) submit the
6 Unanimous Approval to the TIDA Board, accompanied by a written staff report that includes a
7 statement from the Treasure Island Director as to whether the Unanimous Approval is
8 consistent with the Financing Plan and, if not, a description of the inconsistencies, the reasons
9 for such inconsistencies given by the Developer and the Treasure Island Director's
10 recommendation as to such inconsistencies or (b) notify the Developer that the Treasure
11 Island Director shall not submit the Unanimous Approval to the TIDA Board due to
12 inconsistencies with the Financing Plan.

13 *Third*, the TIDA Board shall, within 60 days of the receipt of any Unanimous Approval
14 by the Treasure Island Director pursuant to *Second* above, either (i) adopt a resolution
15 accepting the Unanimous Approval or (ii) adopt a resolution rejecting the Unanimous
16 Approval, with the sole basis for rejection being a detailed conclusion that the Unanimous
17 Approval is not consistent with the Financing Plan.

18 *Fourth*, if the TIDA Board adopts a resolution rejecting the Unanimous Approval, the
19 owner(s) of property to be annexed into the CFD may revise the Unanimous Approval and
20 resubmit it to the Treasure Island Director, who shall endeavor to submit the revised
21 Unanimous Approval to the TIDA Board, accompanied by a written staff report as outlined
22 above under *Second*, at the next available meeting of the TIDA Board, and the TIDA Board
23 shall consider the revised Unanimous Approval and either (i) adopt a resolution accepting the
24 revised Unanimous Approval or (ii) adopt a resolution rejecting the revised Unanimous
25 Approval, with the sole basis for rejection being a detailed conclusion that the revised

1 Unanimous Approval is not consistent with the Financing Plan, in which event the owner(s)
2 may further revise the Unanimous Approval and repeat the process described in this clause
3 *Fourth*. In lieu of submitting a revised Unanimous Approval to the Treasure Island Director,
4 the owner(s) of property to be annexed into the CFD may appeal the TIDA Board's decision to
5 reject the Unanimous Approval to this Board of Supervisors, with the sole basis for appeal
6 being that the Unanimous Approval should not have been rejected because the Unanimous
7 Approval is consistent with the Financing Plan.

8 *Fifth*, within 30 days of the adoption by the TIDA Board of a resolution accepting a
9 Unanimous Approval or an appeal of the TIDA Board's decision to reject a Unanimous
10 Approval, the Director of the Office of Public Finance shall submit said Unanimous Approval
11 as an information item to the Clerk of the Board of Supervisors, and, unless within 30 days of
12 the receipt of the Unanimous Approval by the Clerk, one of the members of this Board of
13 Supervisors asks for it to be placed on an agenda for consideration by the Board of
14 Supervisors (which consideration shall be limited to whether the Unanimous Approval is
15 consistent with the Financing Plan), the Unanimous Approval shall be deemed accepted by
16 the City and the Clerk of the Board of Supervisors shall record an amendment to the notice of
17 special tax lien for the CFD pursuant to Streets & Highways Code Section 3117.5 or a new
18 notice of special tax lien for the CFD pursuant to Streets & Highways Code Section 3117.5;
19 and, be it

20 FURTHER RESOLVED, That this Board of Supervisors hereby finds that the provisions
21 of Mello-Roos Act Sections 53313.6, 53313.7 and 53313.9 (relating to adjustments to *ad*
22 *valorem* property taxes and schools financed by a community facilities district) are
23 inapplicable to the proposed CFD, Improvement Area No. 1 and the Future Annexation Area;
24 and, be it

25

1 FURTHER RESOLVED, That as required by Mello-Roos Act Section 53339.3(d), this
2 Board of Supervisors hereby determines that the Special Tax proposed to pay for the
3 Facilities to be supplied within the Future Annexation Area financed with bonds that have
4 already been issued and that are secured by previously-existing areas of the CFD will be
5 equal to the Special Taxes levied to pay for the same Facilities in previously-existing areas of
6 the CFD and Improvement Area No. 1, except that (i) a higher Special Tax may be levied
7 within the Future Annexation Area to pay for the same Facilities to compensate for the interest
8 and principal previously paid from Special Taxes in the original area of the CFD and
9 Improvement Area No. 1, less any depreciation allocable to the financed Facilities and (ii) a
10 higher Special Tax may be levied in the Future Annexation Area to pay for new or additional
11 Facilities, with or without bond financing, and as required by Mello-Roos Act Section
12 53339.3(d), this Board of Supervisors hereby further determines that the Special Tax
13 proposed to pay for Services to be supplied within the Future Annexation Area shall be equal
14 to any Special Tax levied to pay for the same Services in the existing CFD and Improvement
15 Area No. 1, except that a higher or lower tax may be levied within the Future Annexation Area
16 to the extent that the actual cost of providing the Services in the Future Annexation Area is
17 higher or lower than the cost of providing those Services in the existing CFD and
18 Improvement Area No. 1. In so finding, this Board of Supervisors does not intend to limit its
19 ability to levy a Special Tax within the Future Annexation Area to provide new or additional
20 services beyond those supplied within the existing CFD and Improvement Area No. 1 or its
21 ability to implement changes pursuant to Article 3 of the Mello-Roos Act within one or more
22 improvement areas; and, be it

23 FURTHER RESOLVED, That except as may otherwise be provided by law or by the
24 Rate and Method, all lands owned by any public entity, including the United States, the State
25 of California and/or the City, or any departments or political subdivisions thereof, shall be

1 omitted from the levy of the Special Tax to be made to cover the costs and expenses of the
2 Facilities, the Services, the CFD or Improvement Area No. 1. In the event that a portion of the
3 property within Improvement Area No. 1 shall become for any reason exempt, wholly or in
4 part, from the levy of the Special Tax, this Board of Supervisors will, on behalf of the CFD,
5 increase the levy to the extent necessary upon the remaining property within Improvement
6 Area No. 1 which is not exempt in order to yield the required debt service payments and other
7 annual expenses of Improvement Area No. 1, if any, subject to the provisions of the Rate and
8 Method; and, be it

9 FURTHER RESOLVED, That except as may otherwise be provided by law or by the
10 rate and method of apportionment for a Future Improvement Area, all lands owned by any
11 public entity, including the United States, the State of California and/or the City, or any
12 departments or political subdivisions thereof, shall be omitted from the levy of the special tax
13 to be made to cover the costs and expenses of the Facilities, the Services and the Future
14 Improvement Area. In the event that a portion of the property within the Future Improvement
15 Area shall become for any reason exempt, wholly or in part, from the levy of the special tax,
16 this Board of Supervisors will, on behalf of the CFD, increase the levy to the extent necessary
17 upon the remaining property within the Future Improvement Area which is not exempt in order
18 to yield the required debt service payments and other annual expenses of the Future
19 Improvement Area, if any, subject to the provisions of the rate and method of apportionment
20 of the special tax; and, be it

21 FURTHER RESOLVED, That the levy of the Improvement Area No. 1 Special Tax shall
22 be subject to the approval of the qualified electors of Improvement Area No. 1 at a special
23 election, and the proposed voting procedure shall be by mailed or hand-delivered ballot
24 among the landowners in the proposed Improvement Area No. 1, with each owner having one
25

1 vote for each acre or portion of an acre such owner owns in Improvement Area No. 1 not
2 exempt from the Improvement Area No. 1 Special Tax; and, be it

3 FURTHER RESOLVED, That a special tax shall be levied in the Future Annexation
4 Area only with the Unanimous Approval of the owner or owners of each parcel or parcels at
5 the time that parcel or those parcels are annexed into the CFD and in accordance with the
6 Annexation Approval Procedures; and, be it

7 FURTHER RESOLVED, That it is the intention of this Board of Supervisors, acting as
8 the legislative body of the CFD, to cause bonds of the City and other debt (as defined in the
9 Mello-Roos Act) to be issued for Improvement Area No. 1 pursuant to the Mello-Roos Act to
10 finance in whole or in part the construction and/or acquisition of the Facilities, and the bonds
11 and other debt shall be in the aggregate principal amount of not to exceed \$250 million
12 ("Improvement Area No. 1 Indebtedness Limit"), shall be issued in such series and bear
13 interest payable semi-annually or in such other manner as this Board of Supervisors shall
14 determine, at a rate not to exceed the maximum rate of interest as may be authorized by
15 applicable law at the time of sale of each series of bonds and other debt, and shall mature not
16 to exceed 40 years from the date of the issuance thereof; and, be it

17 FURTHER RESOLVED, That it is the intention of this Board of Supervisors, acting as
18 the legislative body of the CFD, to cause bonds of the City and other debt (as defined in the
19 Mello-Roos Act) to be issued for that portion of the CFD that is not included in Improvement
20 Area No. 1 to finance in whole or in part the construction and/or acquisition of the Facilities,
21 and the bonds and other debt shall be in the aggregate principal amount of not to exceed
22 \$4.75 billion ("Non-Improvement Area No. 1 Indebtedness Limit"), shall be issued in such
23 series and bear interest payable semi-annually or in such other manner as this Board of
24 Supervisors shall determine, at a rate not to exceed the maximum rate of interest as may be
25

1 authorized by applicable law at the time of sale of each series of bonds and other debt, and
2 shall mature not to exceed 40 years from the date of the issuance thereof; and, be it

3 FURTHER RESOLVED, That in the event all or a portion of the Future Annexation
4 Area is annexed as one or more Future Improvement Areas, the designation as an
5 improvement area of any territory annexing to the CFD, the maximum amount of bonded
6 indebtedness and other debt for such improvement area, the rate and method of
7 apportionment of special tax for such improvement area and the appropriations limit for such
8 improvement area shall be identified and approved in the Unanimous Approval executed by
9 property owners in connection with their annexation to the CFD in accordance with the
10 Annexation Approval Procedures. In that event, the amount of the maximum indebtedness for
11 the Future Improvement Area shall be subtracted from the Non-Improvement Area No. 1
12 Indebtedness Limit, which shall result in a reduction in the Non-Improvement Area No. 1
13 Indebtedness Limit; and, be it

14 FURTHER RESOLVED, That it is the intention of this Board of Supervisors, acting as
15 the legislative body for the CFD, to cause bonds and other debt of the City to be issued for the
16 Future Improvement Areas pursuant to the Mello-Roos Act to finance in whole or in part the
17 construction and/or acquisition of the Facilities, and the bonds and other debt shall be in the
18 aggregate principal amount designated at the time of annexation, shall be issued in such
19 series and bear interest payable semi-annually or in such other manner as this Board of
20 Supervisors shall determine, at a rate not to exceed the maximum rate of interest as may be
21 authorized by applicable law at the time of sale of each series of bonds and other debt, and
22 shall mature not to exceed 40 years from the date of the issuance thereof; and, be it

23 FURTHER RESOLVED, That the City's Director of the Office of Public Finance, as the
24 officer having charge and control of the Facilities and the Services in and for the CFD,
25 Improvement Area No. 1 and the Future Annexation Area, is hereby directed to study said

1 proposed Facilities and Services and to make, or cause to be made, and file with the Clerk of
2 the Board of Supervisors a report in writing ("CFD Report") presenting the following:

3
4 (a) A description of the Facilities and the Services by type which will be
5 required to adequately meet the needs of the CFD (which is proposed to consist initially
6 of Improvement Area No. 1) and the Future Annexation Area.

7 (b) An estimate of the fair and reasonable cost of the Facilities including the
8 cost of acquisition of lands, rights-of-way and easements, any physical facilities required
9 in conjunction therewith and incidental expenses in connection therewith, including the
10 costs of the proposed bond financing and other debt and all other related costs as
11 provided in Mello-Roos Act Section 53345.3.

12 (c) An estimate of the fair and reasonable cost of the Services and incidental
13 expenses in connection therewith, and all other related costs.

14 The CFD Report shall be made a part of the record of the public hearing specified below; and,
15 be it

16 FURTHER RESOLVED, _____, _____ 20__ at __:00 p.m. or as soon as possible
17 thereafter, in the Board of Supervisors Chambers, 1 Dr. Carlton B. Goodlett Place, San
18 Francisco, California, be, and the same are hereby appointed and fixed as the time and place
19 when and where this Board of Supervisors, as legislative body for the CFD, will conduct a
20 public hearing on the establishment of the CFD, Improvement Area No. 1 and the Future
21 Annexation Area and consider and finally determine whether the public interest, convenience
22 and necessity require the formation of the CFD, Improvement Area No. 1, the Future
23 Annexation Area and the levy of the Special Tax, including the Improvement Area No. 1
24 Special Tax; and, be it

25 FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed
to cause notice of the public hearing to be given by publication one time in a newspaper
published in the area of the CFD and the Future Annexation Area. The publication shall be

1 completed at least seven days before the date of the public hearing specified above. The
2 notice shall be substantially in the form specified in Mello-Roos Act Section 53322, with the
3 form summarizing the provisions hereof hereby specifically approved; and, be it

4 FURTHER RESOLVED, That Mello-Roos Act Section 53314.9 provides that, either
5 before or after formation of the CFD, the City may accept advances of funds and may provide,
6 by resolution, for the use of those funds, including but not limited to pay any cost incurred by
7 the local agency in creating the CFD, and may agree to reimburse the advances under all of
8 the following conditions: (A) the proposal to repay the advances is included both in the
9 resolution of intention and the resolution of formation to establish the CFD; and (B) any
10 proposed special tax is approved by the qualified electors of the CFD and, if the qualified
11 electors of the CFD do not approve the proposed special tax, the City shall return any funds
12 which have not been committed for any authorized purpose by the time of the election and, in
13 furtherance of Mello-Roos Act Section 53314.9, the Board of Supervisors previously approved
14 the execution and delivery of a Deposit and Reimbursement Agreement ("Deposit
15 Agreement") among the City, TIDA and the Developer; and, be it

16 FURTHER RESOLVED, That Mello-Roos Act Section 53314.9 provides that, either
17 before or after formation of the CFD, the City may accept work in-kind from any source,
18 including, but not limited to, private persons or private entities, may provide, by resolution, for
19 the use of that work in-kind for any authorized purpose and this Board of Supervisors may
20 enter into an agreement, by resolution, with the person or entity advancing the work in-kind, to
21 reimburse the person or entity for the value, or cost, whichever is less, of the work in-kind, as
22 determined by this Board of Supervisors, with or without interest, under the conditions
23 specified in the Mello-Roos Act. Any work in-kind must be performed or constructed as if the
24 work had been performed or constructed under the direction and supervision, or under the
25 authority of, the City and, in furtherance of Mello-Roos Act Section 53314.9, the Board of

1 Supervisors previously approved the execution and delivery of an Acquisition and
2 Reimbursement Agreement among the City, TIDA and the Developer; and, be it

3 FURTHER RESOLVED, That this Board of Supervisors reserves to itself the right and
4 authority set forth in Mello-Roos Act Section 53344.1, subject to any limitations set forth in any
5 bond resolution or trust indenture related to the issuance of bonds; and, be it

6 FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered
7 the FEIR and finds that the FEIR is adequate for its use for the actions taken by this resolution
8 and incorporates the FEIR and the CEQA findings contained in Board of Supervisors
9 Resolution No.246-11 by this reference; and, be it

10 FURTHER RESOLVED, That this Resolution shall in no way obligate this Board of
11 Supervisors of the City to form the CFD, Improvement Area No. 1 or the Future Annexation
12 Area. The formation of the CFD, Improvement Area No. 1 and the Future Annexation Area
13 shall be subject to the approval of this Board of Supervisors by resolution following the holding
14 of the public hearing referred to above; and, be it

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

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

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

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

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

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

17
18 By: _____
19 Mark D. Blake
20 Deputy City Attorney
21 n:\speclas2016\0600537\01133165.docx

EXHIBIT A

CITY AND COUNTY OF SAN FRANCISCO
Community Facilities District No. 2016-1
(Treasure Island)

DESCRIPTION OF FACILITIES AND SERVICES TO BE FINANCED BY
THE CFD AND EACH IMPROVEMENT AREA THEREIN

FACILITIES

It is intended that the CFD, Improvement Area No. 1, and each Future Improvement Area will be authorized to finance all or a portion of the costs of the acquisition, construction and improvement of any of the following types of facilities:

A. Facilities Acquired from Third Parties

1. Acquisition - includes acquisition of land for public improvements.
2. Abatement - includes abatement of hazardous materials and disposal of waste.
3. Demolition - removal of below-grade, at-grade, and above-grade facilities, and recycling or disposal of waste.
4. Supplemental Fire Water Supply System - including, but not limited to, main pipe, laterals, valves, fire hydrants, cathodic protection, manifolds, air-gap back flow preventer, wharf fire hydrants, portable water pumper, and tie-ins for onsite water supply network that is unique to San Francisco intended for fire suppression.
5. Low Pressure Water - including, but not limited to, main pipe, pressure reducing stations, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blowoffs, fire hydrants, cathodic protection,

and tie-ins for onsite and offsite low pressure water supply network intended for domestic use.

6. Water Tank Facilities – including, but not limited to, storage tanks, pumps, and other facilities associated with water storage.

7. Recycled Water - including, but not limited to, main pipe, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blowoffs, cathodic protection, and tie-ins for recycled water supply network intended to provide treated wastewater for use in irrigation of parks and landscaping as well as graywater uses within buildings.

8. Storm Drainage System – including, but not limited to, main pipe, laterals, manholes, catch basins, air vents, stormwater treatment facilities, connections to existing systems, headwalls, outfalls, and lift stations for a network intended to convey onsite and offsite separated storm water.

9. Separated Sanitary Sewer – including, but not limited to, main pipe, laterals, manholes, traps, air vents, connections to existing systems, force main pipe and associated valves and cleanouts, and pump and lift stations for a network intended to convey separated sanitary sewage.

10. Joint Trench – including, but not limited to, the electrical substation, installation of primary and secondary conduits, overhead poles, pull boxes, vaults, subsurface enclosures, and anodes, for dry utilities including but not limited to electrical and information systems.

11. Earthwork – including, but not limited to, importation of clean fill materials, clearing and grubbing, slope stabilization, ground improvement, installation of geogrid, surcharging, wick drains, excavation, rock fragmentation, placement of fill, compaction, grading, erosion control, deep vibratory soil compaction, cement

deep soil mix (CDSM) columns and panels, stone columns, and post-construction stabilization such as hydroseeding.

12. Retaining Walls – including, but not limited to, excavation, foundations, construction of retaining walls, subdrainage, and backfilling.

13. Highway Ramps, Roadways, Pathways, Curb, and Gutter – including, but not limited to, road subgrade preparation, aggregate base, concrete roadway base, asphalt wearing surface, concrete curb, concrete gutter, medians, colored asphalt and concrete, speed tables, class 1 and 2 bike facilities (e.g., cycle tracks); sawcutting, grinding, conform paving, resurfacing, for onsite and offsite roadways.

14. Traffic – including, but not limited to, transit stops, transit facilities, transit buses and ferries, bridge structures, permanent pavement marking and striping, traffic control signage, traffic light signals, pedestrian traffic lighting, and contributions for offsite traffic improvements.

15. Streetscape – including, but not limited to, subgrade preparation, aggregate base, sidewalks, pavers, ADA curb ramps with detectable tiles, streetlights, light pole foundations, landscaping, irrigation, street furniture, waste receptacles, newspaper stands, and public art.

16. Shoreline Improvements – including, but not limited to, demolition, excavation, installation of revetment, structural improvements of shoreline and revetment, and structural repair for replacement or retrofit of shoreline structures.

17. Parks – including, but not limited to, ground improvement, subgrade preparation, landscaping and trees, aggregate base, sidewalks, pavers, decomposed granite, lighting, irrigation, furniture, decks, fountains, and restrooms.

1 18. Ferry Terminal – including, but not limited to, foundations, ferry shelter
2 building, signs, electronic toll collection system, breakwaters, pier, gangway,
3 float, restroom, bike storage

4 19. Hazardous Soil Removal – removal and disposal of contaminated soil.

5 20. Community Facilities – including, but not limited to, costs of police station,
6 fire station, community center spaces for uses including reading room/library,
7 senior/adult services, teen/youth center, outdoor performance and gathering
8 spaces, community gardens, public school, childcare centers, public recreational
9 facilities including ballfields, playing fields and sports centers, and publicly-owned
10 parking garages.

11 21. Any other amounts specifically identified in the DDA as a Qualified Project
12 Cost.

13 22. Hard Costs, Soft Costs and Pre-Development Costs, as defined in the
14 Conveyance Agreement, associated with the design, procurement, development
15 and construction of all Facilities listed herein.

16 B. Authorized Payments

17 1. Contribution to the City and other public agencies for costs related to open
18 space improvements, transportation and transit facilities, and design and
19 construction of ramps and access roads.

20 C. Facilities Constructed by the City or TIDA

21 1. Sea Level Rise Adaptations – including, but not limited to, demolition,
22 excavation, and installation of revetment; structural improvements of shoreline
23 and revetment; construction, improvement or relocation of shoreline structures,
24
25

seawalls, stormwater pump stations and outfalls; earthwork, grading and landscaping; and the development of intertidal zones or wetlands.

2. Facility Capital Improvements – upgrade, reconstruction, or replacement of publicly-owned assets on Treasure Island and Yerba Buena Island, including, but not limited to, buildings, hangars, school facilities, living quarters, parks, improvements for sea-level rise, piers, and the Acquisition Facilities described in Section A of this Exhibit A.

NOTE: The categories of facilities labeled “Facilities Acquired from Third Parties” and “Facilities Constructed by the City or TIDA” reflect current assumptions of the City and TIDA. The CFD shall be authorized to finance the listed facilities whether they are acquired from third parties or constructed by the City or TIDA.

SERVICES

1
2 Special taxes collected in the CFD, Improvement Area No. 1, and each Future
3 Improvement Area will finance, in whole or in part, the following services ("services"
4 shall have the meaning given that term in the Mello-Roos Community Facilities Act of
5 1982):

- 6
7 • The costs of operating and maintaining Improvements constructed pursuant
8 to the Parks and Open Space Plan within the Project Site, including
9 installing landscaping, all personnel or third-party maintenance costs, costs
10 of maintaining irrigation systems and other equipment directly related to
11 maintenance, maintenance or replacement as needed of landscape areas,
12 water features, bathrooms, trash receptacles, park benches, planting
13 containers, picnic tables, and other equipment or fixtures installed in areas
14 to be maintained, insurance costs, and any other related overhead costs,
15 along with TIDA personnel, administrative, and overhead costs related to
16 maintenance or to contracting for and managing third-party maintenance.
17 The terms used in this paragraph have the meaning given them in the
18 Financing Plan.
- 19 • Operating and maintaining TIDA owned structures and facilities within the
20 Project Site, including but not limited to Building 1, Hangers 2 & 3, Pier 1,
21 the Historic Officers' Quarters, Quarters 10 & 62, the Torpedo Building,
22 Chapel, gymnasium, roadways, paths and walkways. Costs include but are
23 not limited to all personnel or third-party maintenance costs, costs of
24 maintaining systems and other equipment directly related to maintenance,
25 as needed, of building systems, roofs, building envelope, and interiors,
insurance costs, and any other related overhead costs, along with TIDA
personnel, administrative, and overhead costs related to maintenance or to
contracting for and managing third-party maintenance. The terms used in
this paragraph have the meaning given them in the Financing Plan.

OTHER

1 The CFD, Improvement Area No. 1, and each Future Improvement Area may also
2 finance any of the following:

3
4 1. Bond related expenses, including underwriters discount, reserve fund,
5 capitalized interest, letter of credit fees and expenses, bond and disclosure counsel fees
6 and expenses, bond remarketing costs, and all other incidental expenses.

7
8 2. Administrative fees of the City and the bond trustee or fiscal agent related to
9 the CFD, Improvement Area No. 1, and each Future Improvement Area and the Bonds.

10
11 3. Reimbursement of costs related to the formation of the CFD, Improvement
12 Area No. 1, and each Future Improvement Area advanced by the City, the landowner(s)
13 in the CFD, Improvement Area No. 1, and each Future Improvement Area, or any party
14 related to any of the foregoing, as well as reimbursement of any costs advanced by the
15 City, the landowner(s) in the CFD, Improvement Area No. 1, and each Future
16 Improvement Area or any party related to any of the foregoing, for facilities, fees or
17 other purposes or costs of the CFD, Improvement Area No. 1, and each Future
18 Improvement Area.

19
20 4. Funding a capital reserve fund to finance the Facilities described in this
21 Exhibit.

EXHIBIT B

CITY AND COUNTY OF SAN FRANCISCO
Community Facilities District No. 2016-1
(Treasure Island)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
IMPROVEMENT AREA NO. 1

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EXHIBIT B

IMPROVEMENT AREA NO. 1 OF THE CITY AND COUNTY OF SAN FRANCISCO COMMUNITY FACILITIES DISTRICT NO. 2016-1 (TREASURE ISLAND)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Taxable Parcel in Improvement Area No. 1 of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) shall be levied and collected according to the tax liability determined by the Administrator through the application of the appropriate amount or rate for Taxable Parcels, as described below. All Taxable Parcels in Improvement Area No. 1 shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to Improvement Area No. 1.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Accessory Square Footage**” means, within a non-residential building on a Taxable Parcel, any square footage within the building that is not used directly as part of the business or hotel operations, including, but not limited to, walkways, elevator shafts, mezzanines, corridors, and stairwells.

“**Act**” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, (commencing with Section 53311), Division 2 of Title 5 of the California Government Code.

“**Administrative Expenses**” means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of the City and TIDA carrying out duties with respect to the CFD and the Bonds, including, but not limited to, levying and collecting the Special Tax, the fees and expenses of legal counsel, charges levied by the City Controller’s Office and/or the City Treasurer and Tax Collector’s Office, costs related to property owner inquiries regarding the Special Tax, costs associated with appeals or requests for interpretation associated with the Special Tax and this RMA, amounts needed to pay rebate to the federal government with respect to the Bonds, costs associated with complying with any continuing disclosure requirements for the City and any major property owner, costs associated with foreclosure and collection of delinquent Special Taxes, and all other costs and expenses of the City and TIDA in any way related to the establishment or administration of the CFD.

“**Administrator**” means the Director of the Office of Public Finance or his/her designee who shall be responsible for administering the Special Tax according to this RMA.

“Airspace Parcel” means a parcel with an assigned Assessor’s Parcel number that constitutes vertical space of an underlying land parcel.

“Assessor’s Parcel” or **“Parcel”** means a lot or parcel, including an Airspace Parcel, shown on an Assessor’s Parcel Map with an assigned Assessor’s Parcel number.

“Assessor’s Parcel Map” means an official map of the County Assessor designating Parcels by Assessor’s Parcel number.

“Association Property” means any property within the boundaries of Improvement Area No. 1 that is owned in fee or by easement by a homeowners association or property owners association and does not fall within a Land Use Category, not including any such property that is located directly under a residential structure.

“Authority Housing Lot” means the lots identified as owned or expected to be owned by TIDA, as originally shown in the Housing Plan, and as may be amended in the Development Approval Documents. Authority Housing Lots expected within Improvement Area No. 1 at the time of CFD Formation are identified in Attachment 3 hereto.

“Authority Housing Unit” means a Residential Unit developed on an Authority Housing Lot.

“Authorized Expenditures” means those public facilities and public services authorized to be funded by the CFD as set forth in the documents adopted by the Board at CFD Formation, as may be amended from time to time.

“Base Facilities Special Tax” means, for any Land Use Category, the per-square foot Facilities Special Tax for square footage within such Land Use Category, as identified in Section C.2a below.

“Base Services Special Tax” means, for any Land Use Category, the per-square foot Services Special Tax for square footage within such Land Use Category, as identified in Section C.2b below.

“Base Special Tax” means, collectively, the Base Facilities Special Tax and Base Services Special Tax.

“Board” means the Board of Supervisors of the City, acting as the legislative body of CFD No. 2016-1.

“Bonds” means bonds or other debt (as defined in the Act), whether in one or more series, that are issued or assumed by or for Improvement Area No. 1 to finance Authorized Expenditures and are secured by the Facilities Special Tax.

“Building Height” means the proposed height, as defined in the D4D, of a residential, non-residential, or mixed-use structure, as set forth on the Building Permit issued for the building, or if the height is not clearly indicated on the Building Permit, the height determined by reference to the Sub-Phase Application, Vertical DDA, condominium plan, or architectural drawings for the building. If there is any question as to the Building Height of any building in the CFD, the

Administrator shall coordinate with the Review Authority to make the determination, and such determination shall be conclusive and binding.

“Building Permit” means a permit that allows for vertical construction of a building or buildings, which shall not include a separate permit issued for construction of the foundation thereof.

“Capital Reserve Requirement” means, for the Project as a whole, the target amount of capital reserves to be established for Sea Level Rise Improvements, which shall be \$250 million in Fiscal Year 2016-17 dollars, escalating, on July 1, 2017 and on each July 1 thereafter, by the Escalator.

“Capitalized Interest” means funds in any capitalized interest account available to pay debt service on Bonds.

“CFD” or **“CFD No. 2016-1”** means the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island).

“CFD Formation” means the date on which the Board approved documents to form the CFD.

“City” means the City and County of San Francisco, California.

“Commercial/Retail Square Footage” means the net saleable or net leasable square footage within a building that is or is expected to be square footage of a commercial establishment that sells general merchandise, hard goods, food and beverage, personal services, and other items directly to consumers, including but not limited to, museums, restaurants, bars, entertainment venues, health clubs, spas, laundromats, dry cleaners, repair shops, storage facilities, and parcel delivery shops. In addition, any other square footage in a building that is used for commercial, office, or industrial business operations and is not Accessory Square Footage or Association Property shall be taxed as Commercial/Retail Square Footage. Commercial/Retail Square Footage shall be determined based on reference to the condominium plan, site plan, Building Permit, or Development Approval Documents, or as provided by the Developer or the City. The Administrator, in conjunction with the Review Authority, shall make the final determination as to the amount of Commercial/Retail Square Footage on any Parcel within Improvement Area No. 1, and such determination shall be conclusive and binding. Commercial/Retail Square Foot means a single square-foot unit of Commercial/Retail Square Footage. Incidental retail or commercial uses in an otherwise exempt building (e.g., a snack bar in a recreation center on Association Property) shall not constitute Commercial/Retail Square Footage.

“County” means the City and County of San Francisco, California.

“D4D” means the Treasure Island and Yerba Buena Island Design for Development, approved by the Planning Commission and TIDA, and dated June 28, 2011, and as amended from time to time.

“DA” means the Development Agreement Relative to Treasure Island/Yerba Buena Island, including all exhibits and attachments, executed by the City and TICD, dated June 28, 2011, and as amended from time to time.

“DDA” means the Disposition and Development Agreement (Treasure Island/Verba Buena Island), including all exhibits and attachments, executed by TIDA and TICD, dated June 28, 2011, and as amended from time to time.

“Developed Property” means, in any Fiscal Year, all Taxable Parcels for which a Building Permit was issued prior to June 30 of the preceding Fiscal Year, but not prior to January 1, 2015.

“Developer” means the developer of a Major Phase or Sub-Phase located in Improvement Area No. 1, which shall not include a Vertical Developer that has entered into a Vertical DDA.

“Developer Maintenance Payment” means a payment that TIDA requires to be made by the Developer to pay for Ongoing Park Maintenance as described in and pursuant to Section 2.7 of the Financing Plan.

“Development Approval Documents” means, collectively, any Major Phase Application, Sub-Phase Application, Vertical DDA, tentative subdivision map, Final Map, Review Authority approval, or other such approved or recorded document or plan that identifies the type of structure(s), acreage, square footage, and/or number of Residential Units approved for development on Taxable Parcels.

“Development Project” means a residential, non-residential, or mixed-use development that includes one or more buildings that are planned and entitled in a single application to the City.

“Escalator” means the lesser of the following: (i) the increase, if any, in the Consumer Price Index (CPI) for All Urban Consumers in the San Francisco-Oakland-San Jose region (base years 1982-1984=100) published by the Bureau of Labor Statistics of the United States Department of Labor, or, if such index is no longer published, a similar escalator that is determined by TIDA and the City to be appropriate, and (ii) five percent (5%).

“Estimated Base Facilities Special Tax Revenues” means, at any point in time, the amount calculated by the Administrator by multiplying the Base Facilities Special Tax by square footage within each Land Use Category proposed for development on a Parcel or within a Sub-Block.

“Expected Land Uses” means the total square footage in each Land Use Category expected within each Sub-Block in Improvement Area No. 1. The Expected Land Uses at the time of CFD Formation are identified in Attachment 2 and may be revised pursuant to Sections B, C, D, and E below.

“Expected Maximum Facilities Special Tax Revenues” means the aggregate Facilities Special Tax that can be levied based on application of the Base Facilities Special Tax to the Expected Land Uses. The Expected Maximum Facilities Special Tax Revenues for each Sub-Block at the time of CFD Formation are shown in Attachment 2 and may be revised pursuant to Sections B, C, D, and E below.

“Expected Taxable Property” means any Parcel within Improvement Area No. 1 that: (i) pursuant to the Development Approval Documents, was expected to be a Taxable Parcel, (ii) based on the Expected Land Uses and as determined by the Administrator, was assigned Expected

Maximum Facilities Special Tax Revenues, and (iii) subsequently falls within one or more of the categories that would otherwise be exempt from the Special Tax as set forth in Section H below.

“Facilities Special Tax” means a special tax levied in any Fiscal Year to pay the Facilities Special Tax Requirement.

“Facilities Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay principal and interest on Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments on the Bonds, (iii) replenish reserve funds created for the Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Facilities Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; and (vi) pay directly for Authorized Expenditures, including park maintenance, Sea Level Rise Improvements, and capital reserves, in the priority set forth in the Financing Plan, so long as such levy under this clause (vi) does not increase the Facilities Special Tax levied on Undeveloped Property. Notwithstanding the foregoing, in any Fiscal Year in which any portion of a Developer Maintenance Payment is delinquent, the Maximum Facilities Special Tax shall be levied on Undeveloped Property until the amount collected from Undeveloped Property that is used to pay for park maintenance is equal to the aggregate amount of delinquent Developer Maintenance Payments. The amounts referred to in clauses (i) and (ii) of the definition of Facilities Special Tax Requirement may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of the City, proceeds received by the CFD from the collection of penalties associated with delinquent Facilities Special Taxes; and (c) any other revenues available to pay such costs, each as determined in the sole discretion of the Administrator.

“Final Map” means a final map, or portion thereof, recorded by the County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) that creates individual lots on which Building Permits for new construction may be issued without further subdivision.

“Financing Plan” means the Financing Plan attached as Exhibit D to the DA and Exhibit EE to the DDA, as such plan may be amended or supplemented from time to time in accordance with the terms of the DA and DDA.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“Future Annexation Area” means that geographic area that, at the time of CFD Formation, was considered potential annexation area for the CFD and which was, therefore, identified as “future annexation area” on the recorded CFD boundary map. Such designation does not mean that any or all of the Future Annexation Area will annex into Improvement Area No. 1, but should property designated as Future Annexation Area choose to annex, the annexation may be processed pursuant to the annexation procedures in the Act for territory included in a future annexation area, as well as the procedures established by the Board.

“Hotel” means a structure or portion of a structure that constitutes a place of lodging, providing

temporary sleeping accommodations for travelers, which structure may include one or more of the following: spa services, restaurants, gift shops, meeting and convention facilities. Residential Units that are offered for rent to travelers (e.g., units offered through Airbnb) shall not be categorized as Hotel.

“Hotel Condominium” means a Residential Unit within a Hotel Project.

“Hotel Project” means a Development Project within which a building proposed to be constructed is either a Hotel or a residential or mixed-use building being developed in conjunction with a Hotel that will share common area and amenities with the Hotel. Notwithstanding the foregoing, if a Development Project includes multiple buildings, one of which is a Hotel, and one or more other buildings in the Development Project do not share common area or amenities with the Hotel and are not otherwise affiliated with the Hotel, such other building(s) shall be considered a separate Development Project for purposes of this RMA and shall be categorized as a Low-Rise Project, Mid-Rise Project, Tower Project, or Townhome Project based on the definitions set forth herein. If a Hotel Project is constructed on a Parcel that is owned by TIDA, such Parcel shall be treated as a Hotel Project, not Public Property, for purposes of this RMA.

“Hotel Square Footage” means the usable square footage within a building that is, or is expected to be, a Hotel, as reflected on a condominium plan, site plan, or Building Permit, as provided by the Developer or the City, or as expected pursuant to Development Approval Documents. All square footage that is not Residential Square Footage or Accessory Square Footage and shares an Assessor’s Parcel number within such a structure, including square footage of restaurants, meeting and convention facilities, gift shops, spas, offices, and other related uses, shall be categorized as Hotel Square Footage. Upon assignment of Assessor’s Parcel numbers to the Airspace Parcels for any Hotel Condominiums, the Hotel Condominiums shall be assigned a Maximum Special Tax based on application of the appropriate Base Special Tax for Hotel Condominiums, as set forth in Section C below. If there are separate Assessor’s Parcel numbers for the retail uses associated with the Hotel, the Base Special Tax for Commercial/Retail Square Footage shall be used to determine the Maximum Special Tax for such Parcels, and the Base Special Tax for Hotel Square Footage shall be used to determine the Maximum Special Tax for Parcels on which uses in the building other than Hotel Condominiums and retail uses are located, including office space associated with Hotel operations. The Administrator, in conjunction with the Review Authority, shall make the final determination as to the amount of Hotel Square Footage within a building, and such determination shall be conclusive and binding. Hotel Square Foot means a single square-foot unit of Hotel Square Footage.

“Housing Plan” means Exhibit E to the DDA, which sets forth the plan for development of Market Rate Units, Inclusionary Units, and Authority Housing Units on Treasure Island and Yerba Buena Island.

“Improvement Area No. 1” means Improvement Area No. 1 of the CFD, as it exists at CFD Formation and as expanded with future annexations to Improvement Area No. 1 (if any).

“Inclusionary Unit” means a Residential Unit that is, pursuant to the Housing Plan, subject to restrictions related to the affordability of the Residential Unit or income restrictions for its occupants, and is not an Authority Housing Unit.

“Indenture” means any indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Land Use Category” means, individually, Low-Rise Units, Mid-Rise Units, Tower Units, Treasure Island Townhome Units, Yerba Buena Island Townhome Units, Hotel Condominiums, Hotel Square Footage, or Commercial/Retail Square Footage.

“Land Use Change” means a change to the Expected Land Uses within Improvement Area No. 1 after CFD Formation.

“LDDA” means a Disposition and Development Agreement between TIDA and a Vertical Developer that has a leasehold interest in property that is subject to the Public Trust, as defined in the DDA.

“Low-Rise Project” means a Development Project that meets either of the following criteria: (i) the highest residential or mixed-use building proposed within the Development Project has a Building Height that is greater than 50 feet and less than or equal to 70 feet, or (ii) the highest residential or mixed-use building proposed within the Development Project has a Building Height that is less than or equal to 50 feet and one or more of the ground floor Residential Units within such building do not have a main entry door that is directly accessible from a public street, private street, or courtyard instead of from a common corridor.

All Residential Units within a Low-Rise Project, regardless of the height of each individual building within the Development Project, shall be categorized as Low-Rise Units for purposes of this RMA. For example, if a Development Project includes three separate buildings, the highest building is proposed to be 50 feet tall, and one or more of the ground floor Residential Units within the 50-foot tall building will not have a main entry door that is directly accessible from a street or courtyard, then the Residential Units in all three buildings in the Development Project will be taxed as Low-Rise Units. If a Development Project includes two buildings that have the same proposed Building Height, both buildings are less than 50 feet tall, and only one of the two buildings has ground floor Residential Units, all of which have main entry doors that will be directly accessible from a street or courtyard, the Residential Units within the Development Project will be categorized as Low-Rise Units and not Treasure Island Townhome Units or Yerba Buena Townhome Units.

“Low-Rise Unit” means a Residential Unit within a Low-Rise Project.

“Major Phase” is defined in the DDA.

“Major Phase Application” means the application and associated documents required to be submitted for each Major Phase Approval, as defined in the DDA.

“Market Rate Unit” means a Residential Unit that is not an Authority Housing Unit or Inclusionary Unit.

“Maximum Facilities Special Tax” means the greatest amount of Facilities Special Tax that can be levied on an Assessor’s Parcel in any Fiscal Year determined in accordance with Sections C, D, and E below.

“Maximum IA1 Revenues” means, at any point in time, the aggregate Maximum Facilities Special Tax that can be levied on all Taxable Parcels.

“Maximum Services Special Tax” means the greatest amount of Services Special Tax that can be levied on an Assessor’s Parcel in any Fiscal Year determined in accordance with Sections C, D, and E below.

“Maximum Special Tax” means, prior to the Transition Year, the Maximum Facilities Special Tax and, in the Transition Year and each Fiscal Year thereafter, the Maximum Services Special Tax. Notwithstanding the foregoing, if there are any delinquent Facilities Special Taxes to be collected from a Parcel in or after the Transition Year, such delinquent Facilities Special Taxes shall continue to be levied against the Parcel and shall, in addition to the Services Special Tax, be part of the Maximum Special Tax for the Parcel until paid.

“Mid-Rise Project” means a Development Project within which the highest residential or mixed-use building that includes Residential Units proposed for development has a Building Height that is greater than 70 feet but less than or equal to 125 feet. All Residential Units within a Mid-Rise Project, regardless of the height of each individual building within the Development Project, shall be categorized as Mid-Rise Units for purposes of this RMA. For example, if a Development Project proposes three buildings that are 90 feet, 60 feet, and 40 feet, respectively, all Residential Units within all three buildings will be categorized as Mid-Rise Units.

“Mid-Rise Unit” means a Residential Unit within a Mid-Rise Project.

“Planning Code” means the Planning Code of the City and County of San Francisco, as it may be amended from time to time.

“Project” is defined in the DDA.

“Proportionately” means, for Developed Property, that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all Parcels of Developed Property. For Vertical DDA Property, “Proportionately” means that the ratio of the actual Special Tax levied to the Maximum Special Tax authorized to be levied is equal for all Parcels of Vertical DDA Property. For Undeveloped Property, “Proportionately” means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Parcels of Undeveloped Property. For Expected Taxable Property, “Proportionately” means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Parcels of Expected Taxable Property.

“Public Property” means any property within the boundaries of Improvement Area No. 1 that is owned by the federal government, the State of California, TIDA, the City, or other public agency. Notwithstanding the foregoing, any property subject to an LDDA with a term of twenty (20) years

or more shall not, during the lease term, be considered Public Property and shall be taxed and classified according to the use on the Parcel(s) unless such Parcel is an Authority Housing Lot.

“Qualified Project Costs” has the meaning set forth in the Financing Plan and refers to the Project as a whole.

“Remainder Special Taxes” means, as calculated between September 1st and December 31st of any Fiscal Year, any Facilities Special Tax revenues that were collected in the prior Fiscal Year and were not needed to: (i) pay debt service on the Bonds that was due in the calendar year in which the Remainder Special Taxes are being calculated; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments on the Bonds; (iii) replenish reserve funds created for the Bonds under the Indenture; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses that have been incurred, or are expected to be incurred, by the City prior to the receipt of additional Facilities Special Tax proceeds, or (vi) apply towards park maintenance costs that are not fully funded because of delinquent Developer Maintenance Payments.

“Required Coverage” means the amount by which the Maximum IA1 Revenues must exceed the Bond debt service and priority Administrative Expenses (if any), as set forth in the Indenture, Certificate of Special Tax Consultant, or other formation or bond document that sets forth the minimum required debt service coverage.

“Residential Product Type” means a Low-Rise Unit, Mid-Rise Unit, Tower Unit, Treasure Island Townhome Unit, Yerba Buena Townhome Unit, or Hotel Condominium. If there is any confusion as to the Residential Product Type that applies to Residential Units within a Development Project, the Administrator shall coordinate with the Review Authority to make the determination, which shall be conclusive and binding.

“Residential Property” means, in any Fiscal Year, all Taxable Parcels for which Building Permits have been issued, or based on Development Approval Documents, are expected to be issued for construction of a structure that includes one or more Residential Units.

“Residential Square Footage” means the square footage of a Residential Unit or residential structure reflected on a condominium plan, site plan, or Building Permit, provided by the Developer or the City, or expected pursuant to Development Approval Documents. The Administrator, in conjunction with the Review Authority, shall make the final determination as to the amount of Residential Square Footage on a Taxable Parcel, and such determination shall be conclusive and binding. Residential Square Foot means a single square-foot unit of Residential Square Footage.

“Residential Unit” means a room or suite of two or more rooms that is designed for residential occupancy for 32 consecutive days or more, including provisions for sleeping, eating and sanitation. “Residential Unit” will include, but not be limited to, an individual townhome, condominium, flat, apartment, or loft unit, and individual units within a senior or assisted living facility.

“Review Authority” means, for Parcels within the Tidelands Trust Overlay Zone, the Executive Director of TIDA, and for Parcels outside the Tidelands Trust Overlay Zone, the City Planning Director, or an alternate designee from TIDA or the City who is responsible for approvals and entitlements of a Development Project.

“RMA” means this Rate and Method of Apportionment of Special Tax.

“Sea Level Rise Improvements” means public improvements necessary to ensure that shoreline, public facilities, and public access improvements will be protected due to sea level rise at the perimeters of Treasure Island and Yerba Buena Island.

“Services Special Tax” means a special tax levied in any Fiscal Year to pay the Services Special Tax Requirement.

“Services Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay the costs of operations and maintenance or other public services that are included as Authorized Expenditures; (ii) cure delinquencies in the payment of Services Special Taxes in the prior Fiscal Year; and (iii) pay Administrative Expenses:

“Special Tax” means, prior to the Transition Year, the Facilities Special Tax and, in and after the Transition Year, the Services Special Tax.

“Special Tax Requirement” means, prior to the Transition Year, the Facilities Special Tax Requirement and, in and after the Transition Year, the Services Special Tax Requirement. Notwithstanding the foregoing, if there are any delinquent Facilities Special Taxes to be collected from a Parcel in or after the Transition Year, such delinquent Facilities Special Taxes shall continue to be levied against the Parcel in addition to the Services Special Tax Requirement for that Fiscal Year.

“Special Use District” means the Treasure Island/Yerba Buena Island Special Use District, included as Section 249.52 of the Planning Code.

“Sub-Block” means a specific geographic area within Improvement Area No. 1 for which Expected Land Uses have been identified. Sub-Blocks and Expected Land Uses within Improvement Area No. 1 at the time of CFD Formation are identified in Attachments 1 and 2 of this RMA and may be revised pursuant to Sections B, C, D, and E below.

“Sub-Phase” is defined in the DDA.

“Sub-Phase Application” means the application and associated documents required to be submitted for each Sub-Phase Approval, as defined and set forth in the DDA.

“Taxable Parcel” means any Parcel within Improvement Area No. 1 that is not exempt from the Special Tax pursuant to law or Section H below.

“TICD” means Treasure Island Community Development, LLC, a California limited liability company, and its successors and permitted assigns under the DDA.

“TIDA” means the Treasure Island Development Authority, a California non-profit public benefit corporation, or any successor public agency designated by or under law, which may include the City or the San Francisco Port Commission.

“Tidelands Trust Overlay Zone” means the areas on Treasure Island and Yerba Buena Island that are subject to the Tidelands Trust after completion of all Tidelands Trust exchanges, as identified in figures set forth in the Special Use District.

“Tower Project” means a Development Project within which the highest residential or mixed-use building that includes Residential Units proposed for development has a Building Height that is greater than 125 feet. All Residential Units within a Tower Project, regardless of the height of each individual building within the Development Project, will be categorized as Tower Units for purposes of this RMA. For example, if a Development Project proposes three buildings that are 140 feet, 90 feet, and 40 feet, respectively, all Residential Units within all three buildings will be categorized as Tower Units.

“Tower Unit” means a Residential Unit within a Tower Project.

“Townhome Project” means a Development Project that meets both of the following criteria: (i) the highest residential or mixed-use building proposed for development has a Building Height that is less than or equal to 50 feet, and (ii) the main entry doors for all ground floor Residential Units within such building will be directly accessible from a public street, private street, or courtyard instead of from a common corridor. All Residential Units within a Townhome Project will be categorized as Treasure Island Townhome Units or Yerba Buena Townhome Units for purposes of this RMA.

“Transition Event” shall be deemed to have occurred when the Administrator determines that either of the following events have occurred: (i) all Bonds secured by the levy and collection of Facilities Special Taxes in the CFD have been fully repaid, all Administrative Expenses from prior Fiscal Years have been paid or reimbursed to the City, and the Capital Reserve Requirement has been fully funded, or (ii) all Bonds secured by the levy and collection of Facilities Special Taxes in the CFD have been fully repaid, all Administrative Expenses from prior Fiscal Years have been paid or reimbursed to the City, and the Facilities Special Tax has been levied within Improvement Area No. 1 for one hundred (100) Fiscal Years.

“Transition Year” means the first Fiscal Year in which the Administrator determines that the Transition Event occurred in the prior Fiscal Year.

“Treasure Island Townhome Unit” means a Residential Unit within a Townhome Project proposed for development on Treasure Island.

“Undeveloped Property” means, in any Fiscal Year, all Taxable Parcels that are not Developed Property, Vertical DDA Property, or Expected Taxable Property.

“Vertical DDA” means a Vertical DDA or a Vertical LDDA, as defined in the DDA, for a Taxable Parcel.

“Vertical DDA Property” means, in any Fiscal Year, any Parcel that is not yet Developed Property against which a Vertical DDA has been recorded, and for which the Developer or the Vertical Developer has, by June 30 of the prior Fiscal Year, notified the Administrator of such recording.

“Vertical Developer” means a developer that has entered into a Vertical DDA for construction of vertical improvements on a Taxable Parcel.

“Yerba Buena Townhome Unit” means a Residential Unit within a Townhome Project proposed for development on Yerba Buena Island.

B. DATA FOR CFD ADMINISTRATION

On or about July 1 of each Fiscal Year, the Administrator shall identify the current Assessor’s Parcel numbers for all Taxable Parcels. The Administrator shall also determine: (i) whether each Taxable Parcel is Developed Property, Vertical DDA Property, Undeveloped Property, or Expected Taxable Property, (ii) within which Sub-Block each Assessor’s Parcel is located, (iii) for Developed Property, the Residential Square Footage, Commercial/Retail Square Footage, and/or Hotel Square Footage on each Parcel, (iv) for Residential Property, the Residential Product Type and number of Market Rate Units and Inclusionary Units, (v) whether there are any delinquent Developer Maintenance Payments, and (vi) the Special Tax Requirement for the Fiscal Year.

The Administrator shall review Development Approval Documents and coordinate with TIDA, the Developer, and Vertical Developers to identify the number of Inclusionary Units within each building. If there are transfers of Inclusionary Units and Market Rate Units, the Administrator shall refer to Section D.2 to determine the Maximum Special Tax for each Parcel after such transfer. If, at any time after issuance of the first series of Bonds, it is determined that an increase in the number of Inclusionary Units will decrease Maximum IA1 Revenues to a point at which Required Coverage cannot be maintained, then some or all of the Inclusionary Units that were not originally part of the Expected Land Uses shall be designated as Expected Taxable Property and shall be subject to the levy of the Facilities Special Tax pursuant to Step 4 in Section F below. In such a case, the Administrator shall determine how many Inclusionary Units must be subject to the Facilities Special Tax in order to maintain Required Coverage, and TIDA and the City shall determine which Inclusionary Units will be Expected Taxable Property, and the Administrator shall update Attachment 2 accordingly.

If TIDA notifies the Administrator of a change in the number or location of Authority Housing Lots, then at the request of TIDA and the owner of any private Parcel(s) affected by the change, the Administrator shall (i) amend and replace Attachment 3 to reflect the then-current location and designation of Authority Housing Lots, and (ii) amend and replace Attachment 2 to reflect the then-current Expected Land Uses on, and the Expected Maximum Facilities Special Tax Revenues for, the Parcel(s) that are affected by the change. If, at any time after issuance of the first series of Bonds, it is determined that an increase in the number of Authority Housing Units will decrease Maximum IA1 Revenues to a point at which Required Coverage cannot be maintained, then some or all of the Authority Housing Lots that were not originally part of the Expected Land Uses shall

be designated as Expected Taxable Property and shall be subject to the levy of the Special Tax pursuant to Step 4 in Section F below. In such a case, the Administrator shall determine how many Authority Housing Units must be subject to the Special Tax in order to maintain Required Coverage, and TIDA shall determine which Authority Housing Lots will be Expected Taxable Property, and the Administrator shall update Attachment 2 accordingly.

If a Building Permit has been issued for development of a structure, and additional structures are anticipated to be built within the Sub-Block as shown in the Development Approval Documents, the Administrator shall, regardless of the definitions set forth herein, categorize the building(s) for which the Building Permit was issued as Developed Property and any remaining buildings for which Building Permits have not yet been issued as Vertical DDA Property for purposes of levying the Special Tax. If the buildings share an Assessor's Parcel, the Administrator shall take the sum of the Special Taxes determined for each building after application of the steps in Section F to determine the Special Tax levy for the Parcel.

In any Fiscal Year, if it is determined that (i) a parcel map or condominium plan was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created parcels into the then current tax roll), (ii) because of the date the map or plan was recorded, the Assessor does not yet recognize the newly-created parcels, and (iii) one or more of the newly-created parcels meets the definition of Developed Property or Vertical DDA Property, the Administrator shall calculate the Special Tax for the property affected by recordation of the map or plan by determining the Special Tax that applies separately to each newly-created parcel, then applying the sum of the individual Special Taxes to the Assessor's Parcel that was subdivided by recordation of the parcel map or condominium plan.

In addition to the tasks set forth above, on an ongoing basis, the Administrator will review the Development Approval Documents for property in Improvement Area No. 1 and communicate with the Developer regarding proposed Land Use Changes. The Administrator will, upon receipt of each recorded Vertical DDA, and upon any proposed Land Use Change that is made known to the Administrator, update Attachment 2 to reflect the then-current Expected Land Uses on, and Expected Maximum Facilities Special Tax Revenues for, each Sub-Block.

C. MAXIMUM SPECIAL TAX

1. Undeveloped Property

1a. Facilities Special Tax

Prior to the Transition Year, the Maximum Facilities Special Tax for Undeveloped Property in Improvement Area No. 1 shall be the Expected Maximum Facilities Special Tax Revenues shown in Attachment 2 of this RMA, as it may be amended as set forth herein. If, in any Fiscal Year, separate Assessor's Parcels have not yet been created for property within each Sub-Block, the Administrator shall sum the Expected Maximum Facilities Special Tax Revenues for all Sub-Blocks within an Assessor's Parcel to determine the Maximum Facilities Special Tax that shall apply to the Parcel in such Fiscal Year.

If an Assessor's Parcel contains a portion of one or more Sub-Blocks, the Maximum Facilities Special Tax shall be determined by allocating the Expected Maximum Facilities Special Tax Revenues for each Sub-Block proportionately among such Assessor's Parcels based on the Expected Land Uses on each Parcel, as determined by the Administrator. The Maximum IA1 Revenues after such allocation shall not be less than the Maximum IA1 Revenues prior to this allocation.

In the Transition Year and each Fiscal Year thereafter, no Facilities Special Tax shall be levied on Undeveloped Property in Improvement Area No. 1, unless there are delinquent Facilities Special Taxes on a Parcel of Undeveloped Property, in which case such delinquent Facilities Special Taxes can continue to be levied against the Parcel until they are collected.

1b. Services Special Tax

Prior to the Transition Year, there shall be no Services Special Tax levied on Undeveloped Property in Improvement Area No. 1. In the Transition Year and each Fiscal Year thereafter, the Maximum Services Special Tax for Undeveloped Property in Improvement Area No. 1 shall be \$65,200 per acre, which amount shall be escalated as set forth in Section D.2 below.

2. Vertical DDA Property

2a. Facilities Special Tax

Prior to the Transition Year, when a Parcel becomes Vertical DDA Property, the Administrator shall review the recorded Vertical DDA and coordinate with the Developer and/or the Vertical Developer to confirm the Expected Land Uses on the Sub-Block(s) covered by the Vertical DDA. Using the Base Facilities Special Taxes shown in Table 1 below, the Administrator shall calculate the Estimated Base Facilities Special Tax Revenues based on the Expected Land Uses reflected in the Vertical DDA and the square footage estimated by the Vertical Developer. Prior to issuance of the first series of Bonds, the Maximum Special Tax for each Parcel shall be the Estimated Base Facilities Special Tax Revenues for the Parcel.

| Table 1 | | |
|-------------------------------------|--|--|
| Base Facilities Special Tax | | |
| Land Use Category | Base Facilities Special Tax Before the Transition Year (in Fiscal Year 2016-17 dollars) * | Base Facilities Special Tax In and After the Transition Year (in Fiscal Year 2016-17 dollars) * |
| Low-Rise Units | \$6.13 per square foot | \$0.00 per square foot |
| Mid-Rise Units | \$7.10 per square foot | \$0.00 per square foot |
| Tower Units | \$8.14 per square foot | \$0.00 per square foot |
| Treasure Island Townhome Units | \$5.39 per square foot | \$0.00 per square foot |
| Yerba Buena Townhome Units | \$5.82 per square foot | \$0.00 per square foot |
| Hotel Condominiums | \$5.93 per square foot | \$0.00 per square foot |
| Commercial/Retail Square Footage | \$1.50 per square foot | \$0.00 per square foot |
| Hotel Square Footage | \$3.00 per square foot | \$0.00 per square foot |

* The Base Facilities Special Taxes shown above shall be escalated as set forth in Section D.1.

After issuance of the first series of Bonds, for the Sub-Block(s) included in the Vertical DDA, the Administrator shall compare the Estimated Base Facilities Special Tax Revenues to the Expected Maximum Facilities Special Tax Revenues for the Sub-Block as reflected in Attachment 2, and:

- *If the Estimated Base Facilities Special Tax Revenues are greater than or equal to the Expected Maximum Facilities Special Tax Revenues, then the Maximum Facilities Special Tax for the Vertical DDA Property shall be the Estimated Base Facilities Special Tax Revenues. The Administrator shall update Attachment 2 to reflect this amount as the Expected Maximum Facilities Special Tax Revenues for the Sub-Block(s) in the Vertical DDA.*
- *If the Estimated Base Facilities Special Tax Revenues are less than the Expected Maximum Facilities Special Tax Revenues, but the Maximum IA1 Revenues are still sufficient to provide Required Coverage, then the Maximum Facilities Special Tax for the Vertical DDA Property shall be the Estimated Base Facilities Special Tax Revenues. The Administrator shall revise Attachment 2 to reflect the decreased Expected Maximum Facilities Special Tax Revenues for the Sub-Block(s) within the Vertical DDA and the decreased Maximum IA1 Revenues.*
- *If the Estimated Base Facilities Special Tax Revenues are less than the Expected Maximum Facilities Special Tax Revenues, and such reduction causes the Maximum IA1 Revenues to be insufficient to provide Required Coverage, then the Base Facilities Special Taxes applied to each Land Use Category in the Vertical DDA shall be increased proportionately until the amount that can be levied on Expected Land Uses in the Vertical DDA, combined with the Expected Maximum Facilities Special Tax Revenues from other Sub-Blocks in*

Improvement Area No. 1, is sufficient to maintain Required Coverage. The Administrator shall revise Attachment 2 to reflect the new Expected Facilities Maximum Special Tax Revenues for the Sub-Block(s) within the Vertical DDA.

If it is determined that only a portion of a Sub-Block is included within a Vertical DDA, the Administrator shall refer to Attachments 1 and 2 to estimate the Expected Land Uses that should be assigned to the portion of the Sub-Block that is included within the Vertical DDA. The Administrator shall confirm this determination with the Review Authority, the Developer, and the Vertical Developer.

In the Transition Year and each Fiscal Year thereafter, no Facilities Special Tax shall be levied on Vertical DDA Property in Improvement Area No. 1, unless there are delinquent Facilities Special Taxes on a Parcel of Vertical DDA Property, in which case such delinquent Facilities Special Taxes can continue to be levied against the Parcel until they are collected.

2b. Services Special Tax

Prior to the Transition Year, there shall be no Services Special Tax levied on Vertical DDA Property in Improvement Area No. 1. In the Transition Year and each Fiscal Year thereafter, the Maximum Services Special Tax for a Parcel of Vertical DDA Property shall be determined by applying the Base Services Special Taxes identified in Table 2 below by the Expected Land Uses for the Parcel, as determined by the Administrator.

| Table 2 Base Services Special Tax | | |
|--|--|--|
| Land Use Category | Base Services Special Tax Before the Transition Year (in Fiscal Year 2016-17 dollars) * | Base Services Special Tax In and After the Transition Year (in Fiscal Year 2016-17 dollars) * |
| Low-Rise Units | \$0.00 per square foot | \$1.69 per square foot |
| Mid-Rise Units | \$0.00 per square foot | \$1.96 per square foot |
| Tower Units | \$0.00 per square foot | \$2.26 per square foot |
| Treasure Island Townhome Units | \$0.00 per square foot | \$1.51 per square foot |
| Yerba Buena Townhome Units | \$0.00 per square foot | \$1.62 per square foot |
| Hotel Condominiums | \$0.00 per square foot | \$1.65 per square foot |
| Commercial/Retail Square Footage | \$0.00 per square foot | \$0.41 per square foot |
| Hotel Square Footage | \$0.00 per square foot | \$0.83 per square foot |

* The Base Services Special Taxes shown above shall be escalated as set forth in Section D.2.

3. *Developed Property*

3a. **Facilities Special Tax**

Prior to the Transition Year, when a Building Permit is issued, the Administrator shall apply the following steps to determine the Maximum Facilities Special Tax for each Taxable Parcel that has been or will be created for land uses within the building:

- Step 1.* Review the Building Permit, condominium plan, architectural drawings, information provided by the Developer and/or Vertical Developer, and any other documents that identify the Building Height, number of Residential Units, square footage within each Land Use Category, and expected layout of Airspace Parcels within the building(s) that will be constructed pursuant to the Building Permit. If additional Building Permits will be issued for other buildings that are within the same Development Project, coordinate with the Review Authority, the Developer, and the Vertical Developer to determine the Building Height for buildings that remain to be developed within the Development Project in order to determine the appropriate Residential Product Type for all Residential Units within the Development Project.
- Step 2.* Determine the Residential Square Footage of each Residential Unit that will be constructed pursuant to the Building Permit, as well as the Commercial/Retail Square Footage and Hotel Square Footage within the building(s).
- Step 3.* Identify the number of Inclusionary Units within the building, as well as the Residential Square Footage of each Inclusionary Unit.
- Step 4.* Using the information from the first three steps, the Administrator shall separately calculate the following:
 - For Market Rate Units in the building, multiply the applicable Base Facilities Special Tax from Table 1 for the Residential Product Type that applies to the Development Project by the total aggregate Residential Square Footage of all Market Rate Units expected within the building.
 - Multiply the Base Facilities Special Tax from Table 1 for Commercial/Retail Square Footage by the total Commercial/Retail Square Footage expected in the building.
 - Multiply the Base Facilities Special Tax from Table 1 for Hotel Square Footage by the total Hotel Square Footage expected in the building.
 - If, based on the Expected Land Uses, the Administrator determines that there is Expected Taxable Property within the building, multiply the applicable Base Facilities Special Tax from Table 1 based on what had

been anticipated on the Expected Taxable Property by the square footage of the Expected Land Uses for that property.

Prior to issuance of the first series of Bonds, the Maximum Facilities Special Tax for each Taxable Parcel in the building shall be determined by adding all of the amounts calculated above. Steps 5 and 6 below shall not apply.

After issuance of the first series of Bonds, the Administrator shall apply Steps 5 and 6 to determine the Maximum Facilities Special Tax for each Taxable Parcel.

Step 5. Sum the amounts calculated in Step 4 to determine the Estimated Base Facilities Special Tax Revenues for the building(s) for which a Building Permit was issued.

Step 6. Compare the Estimated Base Facilities Special Tax Revenues from Step 5 to the Expected Maximum Facilities Special Tax Revenues for the property, and apply one of the following, as applicable:

- *If the Estimated Base Facilities Special Tax Revenues are greater than or equal to the Expected Maximum Facilities Special Tax Revenues, then the Maximum Facilities Special Tax for each Taxable Parcel that has been or will be created shall be determined by multiplying the applicable Base Facilities Special Tax by the square footage of each Land Use Category expected on each Taxable Parcel within the building(s) for which the Building Permit has been issued. The Administrator shall update Attachment 2 to reflect the adjusted Expected Maximum Facilities Special Tax Revenues for the Sub-Block and the increased Maximum IA1 Revenues.*
- *If the Estimated Base Facilities Special Tax Revenues are less than the Expected Maximum Facilities Special Tax Revenues, but the Maximum IA1 Revenues are still sufficient to provide Required Coverage, then the Maximum Facilities Special Tax for each Taxable Parcel that has been or will be created shall be determined by multiplying the applicable Base Facilities Special Tax by the square footage of each Land Use Category expected on each Taxable Parcel within the building(s) for which the Building Permit has been issued. The Administrator shall revise Attachment 2 to reflect the decreased Expected Maximum Facilities Special Tax Revenues for the Sub-Block(s) and the decreased Maximum IA1 Revenues.*
- *If the Estimated Base Facilities Special Tax Revenues are less than the Expected Maximum Facilities Special Tax Revenues, and such reduction causes the Maximum IA1 Revenues to be insufficient to provide Required Coverage, then the Base Facilities Special Taxes that were applied in Step 4 shall be increased proportionately until the amount that can be levied on*

Taxable Parcels within the building for which the Building Permit was issued, combined with the Expected Maximum Facilities Special Tax Revenues from other Sub-Blocks in Improvement Area No. 1, is sufficient to maintain Required Coverage.

After proportionately increasing the Base Facilities Special Taxes to an amount that will maintain Required Coverage, the Administrator shall use these adjusted per-square foot rates to calculate the Maximum Facilities Special Tax for each Taxable Parcel that has been, or is expected to be, created within the building(s) for which the Building Permit has been issued. The Administrator shall also revise Attachment 2 to reflect the new Expected Maximum Facilities Special Tax Revenues.

Until individual Assessor's Parcels are created for each Residential Unit and for any Commercial/Retail Square Footage, and/or Hotel Square Footage, within a building, the Administrator shall sum the Facilities Special Tax that, pursuant to Section F below, would be levied on all land uses on a Parcel and levy this aggregate Facilities Special Tax amount on the Parcel.

In the Transition Year and each Fiscal Year thereafter, no Facilities Special Tax shall be levied on Developed Property in Improvement Area No. 1, unless there are delinquent Facilities Special Taxes on a Parcel of Developed Property, in which case such delinquent Facilities Special Taxes can continue to be levied against the Parcel until they are collected.

3b. Services Special Tax

Prior to the Transition Year, there shall be no Services Special Tax levied on Developed Property in Improvement Area No. 1. In the Transition Year, the Maximum Services Special Tax for a Parcel of Developed Property shall be determined by the Administrator as follows:

If the Parcel had been taxed as Developed Property in the Fiscal Year prior to the Transition Year and the Administrator is not aware of any changes to land uses on the Parcel since the Facilities Special Tax was levied, the Administrator shall, based on the information that was used to prepare the prior year's Facilities Special Tax levy, apply the Base Services Special Taxes from Table 2 to the square footage within each Land Use Category on each Parcel to calculate the Maximum Services Special Tax for each Parcel, which amount shall be escalated in future Fiscal Years as set forth in Section D.2 below.

If the Parcel had been taxed as Developed Property in the Fiscal Year prior to the Transition Year and the Administrator is aware of changes to the Land Use Categories or square footage on the Parcel since the Facilities Special Tax was levied, the Administrator shall update the land use information and apply the Base Services Special Taxes from Table 2 to the square footage within each Land Use Category on each Parcel to calculate the Maximum Services Special Tax for each Parcel which amount shall be escalated in future Fiscal Years as set forth in Section D.2 below.

If the Parcel becomes Developed Property after the Transition Year, the Administrator shall update the land use information and apply the Base Services Special Taxes from Table 2 to the square footage within each Land Use Category on each Parcel to calculate the Maximum Services Special Tax for each Parcel, which amount shall be escalated in future Fiscal Years as set forth in Section D.2 below.

4. *Expected Taxable Property*

4a. *Facilities Special Tax*

Prior to the Transition Year, the Maximum Facilities Special Tax assigned to any Parcel of Expected Taxable Property shall be the Expected Maximum Facilities Special Tax Revenues that were assigned to the Parcel (as determined by the Administrator) based on the Expected Land Uses prior to the Administrator determining that such Parcel had become Expected Taxable Property. In the Transition Year and each Fiscal Year thereafter, no Facilities Special Tax shall be levied on Expected Taxable Property.

4b. *Services Special Tax*

Prior to the Transition Year, there shall be no Services Special Tax levied on Expected Taxable Property. In the Transition Year and each Fiscal Year thereafter, the Maximum Services Special Tax assigned to any Parcel of Expected Taxable Property shall be determined by the Administrator by applying the Base Services Special Tax to each Land Use Category that is built on each Parcel of Expected Taxable Property, and such determination shall be conclusive and binding.

D. CHANGES TO THE MAXIMUM SPECIAL TAX

1. *Annual Escalation of Facilities Special Tax*

Beginning July 1, 2017 and each July 1 thereafter, the Base Facilities Special Taxes in Table 1, the Expected Maximum Facilities Special Tax Revenues in Attachment 2, and the Maximum Facilities Special Tax assigned to each Parcel in Improvement Area No. 1 shall be increased by 2% of the amount in effect in the prior Fiscal Year.

2. *Annual Escalation of Services Special Tax*

Beginning July 1, 2017 and each July 1 thereafter until the Transition Year, the Base Services Special Taxes in Table 2 shall be increased by 3.4% of the amount in effect in the prior Fiscal Year. On July 1 of the Transition Year and each July 1 thereafter, the Base Services Special Taxes and the Maximum Services Special Tax assigned to each Parcel in Improvement Area No. 1 shall be escalated by the Escalator.

3. *Inclusionary Unit and Market Rate Unit Transfers*

If, in any Fiscal Year after issuance of the first series of Bonds, the Administrator determines that a Residential Unit that had previously been designated as an Inclusionary Unit no longer qualifies as such, the Maximum Facilities Special Tax on the Residential Unit shall be increased to the Maximum Facilities Special Tax that would be levied on a Market Rate Unit of the same square footage. If, after issuance of the first series of Bonds, a Market Rate Unit becomes an Inclusionary Unit after it has been taxed in prior Fiscal Years as a Market Rate Unit and, by exempting the Inclusionary Unit, the Administrator determines that Maximum IA1 Revenues will be reduced to a point at which Required Coverage cannot be maintained, then the Inclusionary Unit shall be designated as Expected Taxable Property and shall be subject to the levy of the Facilities Special Tax pursuant to Step 4 in Section F below.

4. *Changes in Land Use Category on a Parcel of Developed Property*

If the square footage on any Parcel that had been taxed as Developed Property in a prior Fiscal Year is rezoned or otherwise changes Land Use Category, the Administrator shall multiply the applicable Base Special Taxes by the square footage within each of the new Land Use Category(ies); if the first series of Bonds has not yet been issued, this amount shall be the Maximum Special Tax for the Parcel. If the first series of Bonds has been issued, the Administrator shall apply the remainder of this Section D.4.

If the amount determined is greater than the Maximum Facilities Special Tax that applied to the Parcel prior to the Land Use Change, the Administrator shall increase the Maximum Facilities Special Tax for the Parcel to the amount calculated for the new Land Use Category(ies). If the amount determined is less than the Maximum Facilities Special Tax that applied prior to the Land Use Change, there will be no change to the Maximum Facilities Special Tax for the Parcel. Under no circumstances shall the Maximum Facilities Special Tax on any Parcel of Developed Property be reduced, regardless of changes in Land Use Category or square footage on the Parcel, including reductions in square footage that may occur due to demolition, fire, water damage, or acts of God.

5. *Reduction in Maximum Facilities Special Taxes Prior to First Bond Sale*

As set forth in, and subject to the requirements of, Section 2.3(n) of the Financing Plan, the Maximum Facilities Special Taxes assigned to Taxable Parcels in Improvement Area No. 1 may be proportionately or disproportionately reduced once prior to issuance of the first series of Bonds. Such reduction shall be made without a vote of the qualified CFD electors following: (i) initiation upon written request of TICD, and (ii) consultation with the City and TIDA regarding such request. The reduction shall be codified by recordation of an amended Notice of Special Tax Lien against all Taxable Parcels within Improvement Area No. 1.

E. ANNEXATIONS

If, in any Fiscal Year, a property owner within the Future Annexation Area wants to annex property into Improvement Area No. 1, the Administrator shall apply the following steps as part of the annexation proceedings:

- Step 1.** Working with City staff and the landowner, the Administrator shall determine the Expected Land Uses for the area to be annexed.
- Step 2.** The Administrator shall prepare and keep on file updated Attachments 1, 2, and 3 to reflect the annexed property and identify the revised Expected Land Uses and Maximum IA1 Revenues. After the annexation is complete, the application of Sections C and F of this RMA shall be based on the adjusted Expected Land Uses and Maximum IA1 Revenues including the newly annexed property.
- Step 3.** The Administrator shall ensure that a Notice of Special Tax Lien is recorded against all Parcels that are annexed to the CFD.

F. METHOD OF LEVY OF THE SPECIAL TAX

Each Fiscal Year, the Special Tax shall be levied according to the steps outlined below:

- Step 1.* In all Fiscal Years prior to and including the earlier of (i) the Fiscal Year in which the City or TIDA makes a finding that all Qualified Project Costs have been funded pursuant to the Financing Plan, or (ii) 42 years after the first series of Bonds was issued for Improvement Area No. 1, the Maximum Special Tax shall be levied on all Parcels of Developed Property regardless of debt service on Bonds (if any), and any Remainder Special Taxes collected shall be applied as set forth in the Financing Plan.

In all Fiscal Years after the earlier of: (i) the Fiscal Year in which the City or TIDA makes a finding that all Qualified Project Costs have been funded pursuant to the Financing Plan, or (ii) 42 years after the first series of Bonds was issued for Improvement Area No. 1, the Special Tax shall be levied Proportionately on each Parcel of Developed Property, up to 100% of the Maximum Special Tax for each Parcel of Developed Property until the amount levied is equal to the Special Tax Requirement.
- Step 2.* If additional revenue is needed after Step 1 in order to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Vertical DDA Property, up to 100% of the Maximum Special Tax for each Parcel of Vertical DDA Property for such Fiscal Year.
- Step 3.* If additional revenue is needed after Step 2 in order to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property, up to 100% of the Maximum Special Tax for each Parcel of Undeveloped Property for such Fiscal Year.
- Step 4:* If additional revenue is needed after Step 3 in order to meet the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of

Expected Taxable Property, up to 100% of the Maximum Special Tax for each Parcel of Expected Taxable Property.

G. COLLECTION OF SPECIAL TAX

Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that the City may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods. The Special Tax bill for any Parcel subject to a leasehold interest will be sent to the same party that receives the possessory interest tax bill associated with the leasehold.

The Facilities Special Tax shall be levied and collected until the earlier of: (i) the Fiscal Year in which the City determines that all Qualified Project Costs have been funded pursuant to the Financing Plan and all other Authorized Expenditures that will be funded by the CFD have been funded, and (ii) the Transition Year. The Services Special Tax shall be levied and collected in perpetuity beginning in the Transition Year. Pursuant to Section 53321(d) of the Act, the Facilities Special Tax levied against a Parcel used for private residential purposes shall under no circumstances increase more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel or Parcels and shall, in no event, exceed the Maximum Special Tax in effect for the Fiscal Year in which the Special Tax is being levied.

H. EXEMPTIONS

Notwithstanding any other provision of this RMA, no Special Tax shall be levied on: (i) Public Property or Association Property, except Public Property or Association Property that is determined to be Expected Taxable Property or a Hotel Project, (ii) Authority Housing Lots or Inclusionary Units unless any such lots or units have been determined to be Expected Taxable Property, (iii) Parcels that are or are intended to be used as streets, walkways, alleys, rights of way, parks, or open space, and (iv) the Yerba Buena Officers Quarters.

I. INTERPRETATION OF SPECIAL TAX FORMULA

The City may interpret, clarify, and revise this RMA to correct any inconsistency, vagueness, or ambiguity, by resolution and/or ordinance, as long as such interpretation, clarification, or revision does not materially affect the levy and collection of the Special Tax and any security for any Bonds.

J. SPECIAL TAX APPEALS

Any taxpayer who wishes to challenge the accuracy of computation of the Special Tax in any Fiscal Year may file an application with the Administrator. The Administrator, in consultation with the City Attorney, shall promptly review the taxpayer's application. If the Administrator concludes that the computation of the Special Tax was not correct, the Administrator shall correct the Special Tax levy and, if applicable in any case, a refund shall be granted. If the Administrator

concludes that the computation of the Special Tax was correct, then such determination shall be final and conclusive, and the taxpayer shall have no appeal to the Board from the decision of the Administrator.

The filing of an application or an appeal shall not relieve the taxpayer of the obligation to pay the Special Tax when due.



Nothing in this Section J shall be interpreted to allow a taxpayer to bring a claim that would otherwise be barred by applicable statutes of limitation set forth in the Act or elsewhere in applicable law.

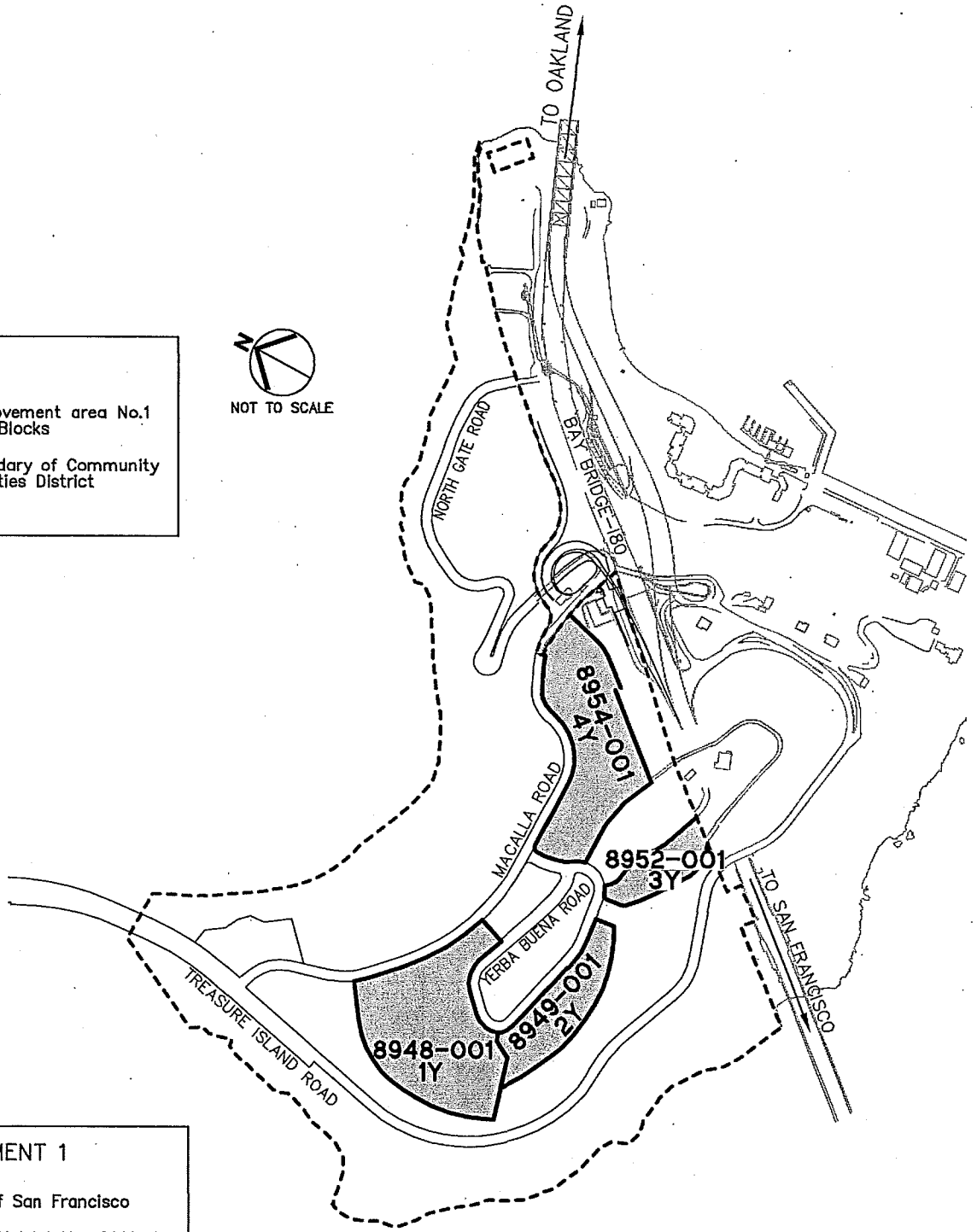
ATTACHMENT 1

**IMPROVEMENT AREA NO. 1 OF THE
CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(TREASURE ISLAND)**

**IDENTIFICATION OF SUB-BLOCKS IN
IMPROVEMENT AREA NO. 1**

Legend

-  Improvement area No.1 sub-Blocks
-  Boundary of Community Facilities District



ATTACHMENT 1

City and County of San Francisco
 Community Facilities District No. 2016-1
 (Treasure Island)

Identification of Sub-Blocks

ATTACHMENT 2

**IMPROVEMENT AREA NO. 1 OF THE
CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(TREASURE ISLAND)**

**EXPECTED LAND USES AND EXPECTED MAXIMUM FACILITIES SPECIAL TAX REVENUES
FOR EACH SUB-BLOCK IN IMPROVEMENT AREA NO. 1**

ATTACHMENT 2

**Improvement Area No. 1 of the
City and County of San Francisco
Community Facilities District No. 2016-1
(Treasure Island)**

Expected Land Uses and Expected Maximum Facilities Special Tax Revenues by Sub-Block

| Sub-Block /1 | Expected Land Use | Expected Number of Residential Units | Expected Square Footage | Base Facilities Special Tax (FY 2016-17) /2 | Expected Maximum Facilities Special Tax Revenues (FY 2016-17) /2 |
|---------------------|-------------------------------|---|--------------------------------|--|---|
| 1Y | Yerba Buena Townhome Project: | | | | |
| | Market Rate Unit | 94 | 223,515 | \$5.82 | \$1,300,857 |
| | Inclusionary Unit | <u>0</u> | 0 | \$0.00 | <u>\$0</u> |
| | Total | 94 | | | \$1,300,857 |
| 2Y | Hotel | <u>N/A</u> | 40,000 | \$3.00 | <u>\$120,000</u> |
| | Total | 0 | | | \$120,000 |
| 3Y | Yerba Buena Townhome Project: | | | | |
| | Market Rate Unit | 10 | 24,220 | \$5.82 | \$140,960 |
| | Inclusionary Unit | <u>0</u> | 0 | \$0.00 | <u>\$0</u> |
| | Total | 10 | | | \$140,960 |
| 4Y | Yerba Buena Townhome Project: | | | | |
| | Market Rate Unit | 58 | 127,158 | \$5.82 | \$740,060 |
| | Inclusionary Unit | 3 | 6,852 | \$0.00 | \$0 |
| | Low-Rise Project | | | | |
| | Market Rate Unit | 101 | 116,950 | \$6.13 | \$716,904 |
| | Inclusionary Unit | <u>11</u> | 13,495 | \$0.00 | <u>\$0</u> |
| | Total | 173 | | | \$1,456,963 |

| | | |
|--|------------|--------------------|
| Maximum IA1 Revenues (Fiscal Year 2016-17 \$) | 277 | \$3,018,781 |
|--|------------|--------------------|

/1 See Attachment 1 for the geographic area associated with each Sub-Block.

/2 Beginning July 1, 2017 and each July 1 thereafter the Base Facilities Special Taxes shall be escalated as set forth in Section D.1.

ATTACHMENT 3

**IMPROVEMENT AREA NO. 1 OF THE
CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT No. 2016-1
(TREASURE ISLAND)**

**IDENTIFICATION OF AUTHORITY HOUSING LOTS
IN IMPROVEMENT AREA NO. 1**

[No Authority Housing Lots are expected within Improvement Area No. 1.]

Exhibit E

**Resolution of Intention to Incur Bonded Indebtedness
Communities Facilities District No. 2016-1 (Treasure Island)**

FILE NO.

RESOLUTION NO.

1 [Resolution of Intention to Incur Bonded Indebtedness---Communities Facilities District No.
2016-1 (Treasure Island)]

3 **Resolution of intention to incur bonded indebtedness and other debt in an amount not**
4 **to exceed \$5.0 Billion for the City and County of San Francisco Community Facilities**
5 **District No. 2016-1 (Treasure Island) and determining other matters in connection**
6 **therewith.**

7
8
9 WHEREAS, Pursuant to the Mello-Roos Community Facilities Act of 1982, as
10 amended, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with
11 California Government Code Section 53311 ("Mello-Roos Act"), this Board of Supervisors
12 ("Board of Supervisors") of the City and County of San Francisco ("City"), State of California,
13 has this date adopted its "Resolution of intention to establish City and County of San
14 Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("Resolution of Intention
15 to Establish"), stating its intention to form (i) "City and County of San Francisco Community
16 Facilities District No. 2016-1 (Treasure Island)" ("CFD"), (ii) "Improvement Area No. 1 of the
17 City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)"
18 ("Improvement Area No. 1") and (iii) a future annexation area for the CFD ("Future Annexation
19 Area") for the purpose of financing certain public improvements ("Facilities") and certain public
20 services, as further provided in the Resolution of Intention to Establish; and

21 WHEREAS, In the Resolution of Intention to Establish, this Board of Supervisors made
22 certain findings under the California Environmental Quality Act ("CEQA") about the Final
23 Environmental Impact Report ("FEIR") for the disposition and development of a portion of
24 Naval Station Treasure Island, and those findings are incorporated in this Resolution as if set
25 forth in their entirety herein; and

1 WHEREAS, In the Resolution of Intention to Establish, this Board of Supervisors
2 determined that it may be necessary to designate additional improvement areas when territory
3 in the Future Annexation Area annexes into the CFD (each, a "Future Improvement Area");
4 and

5 WHEREAS, This Board of Supervisors estimates the amount required for the financing
6 of the costs of the Facilities in the territory of the CFD and the Future Annexation Area to be
7 the sum of not to exceed \$5.0 billion; and

8 WHEREAS, In order to finance the costs of the Facilities it is necessary to incur
9 bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the amount of not
10 to exceed \$5.0 billion on behalf of the CFD and the improvement areas therein (including
11 Future Improvement Areas); and

12 WHEREAS, It is in the public interest and for the public benefit that the City declares its
13 official intent to reimburse the expenditures referenced herein; now, therefore, be it

14 RESOLVED, That in order to finance the costs of the Facilities, it is necessary for the
15 City to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the
16 following amounts:

17 (i) For Improvement Area No. 1, an amount not to exceed \$250 million
18 ("Improvement Area No. 1 Indebtedness Limit").

19 (ii) For the portion of the CFD that is not in Improvement Area No. 1, an amount not
20 to exceed \$4.75 billion ("Non-Improvement Area No. 1 Indebtedness Limit").

21 However, in the event all or a portion of the Future Annexation Area is annexed as one
22 or more Future Improvement Areas, the maximum indebtedness of each such Future
23 Improvement Area shall be identified and approved in the unanimous approval executed by
24 property owners in connection with their annexation to the CFD at the time of the annexation
25 (each, a "Unanimous Approval") and in accordance with the Annexation Approval Procedures

1 described in the Resolution of Intention to Establish, and the amount of the maximum
2 indebtedness for the Future Improvement Area shall be subtracted from the Non-Improvement
3 Area No. 1 Indebtedness Limit, which shall result in a corresponding reduction in the Non-
4 Improvement Area No. 1 Indebtedness Limit; and, be it

5 FURTHER RESOLVED, That the bonded indebtedness and other debt is proposed to
6 be incurred for the purpose of financing the costs of the Facilities, including acquisition and
7 improvement costs and all costs incidental to or connected with the accomplishment of said
8 purposes and of the financing thereof, as permitted by Mello-Roos Act Section 53345.3; and,
9 be it

10 FURTHER RESOLVED, That this Board of Supervisors, acting as legislative body for
11 the CFD, intends to authorize the issuance and sale of bonds and other debt in one or more
12 series in the maximum aggregate principal amount of not to exceed the sum of the
13 Improvement Area No. 1 Indebtedness Limit bearing interest payable semi-annually or in such
14 other manner as this Board of Supervisors shall determine, at a rate not to exceed the
15 maximum rate of interest as may be authorized by applicable law at the time of sale of such
16 bonds and other debt, and maturing not to exceed 40 years from the date of the issuance of
17 the bonds and other debt; and, be it

18 FURTHER RESOLVED, That this Board of Supervisors, acting as legislative body for
19 the CFD, intends to authorize the issuance and sale of bonds and other debt in one or more
20 series in the maximum aggregate principal amount with respect to the Future Improvement
21 Areas to be determined at the time of annexation (not to exceed the Non-Improvement Area
22 No. 1 Indebtedness Limit in the aggregate), bearing interest payable semi-annually or in such
23 other manner as this Board of Supervisors shall determine, at a rate not to exceed the
24 maximum rate of interest as may be authorized by applicable law at the time of sale of each
25

1 series of bonds and other debt, and maturing not to exceed 40 years from the date of the
2 issuance of the respective series of bonds and other debt; and, be it

3 FURTHER RESOLVED, That [ROF Date] at _:00 p.m. or as soon as possible
4 thereafter, in the Board of Supervisors Chambers, 1 Dr. Carlton B. Goodlett Place, San
5 Francisco, California, be, and the same are hereby appointed and fixed as the time and place
6 when and where this Board of Supervisors, as legislative body for the CFD, will conduct a
7 public hearing on the proposed debt issue and consider and finally determine whether the
8 public interest, convenience and necessity require the issuance of bonds and other debt of the
9 of the City on behalf of Improvement Area No. 1 and the Future Improvement Areas; and, be it

10 FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed
11 to cause notice of the public hearing to be given by publication one time in a newspaper of
12 general circulation circulated within the CFD, and the publication of the notice shall be
13 completed at least 7 days before the date specified above for the public hearing. The notice
14 shall be substantially in the form specified in Mello-Roos Act Section 53346, with the form
15 summarizing the provisions hereof hereby specifically approved; and, be it

16 FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered
17 the FEIR and finds that the FEIR is adequate for its use for the actions taken by this resolution
18 and incorporates the FEIR and the CEQA findings contained in Board of Supervisors
19 Resolution No. 246-11 by this reference; and, be it

20 FURTHER RESOLVED, That this Resolution shall in no way obligate the Board of
21 Supervisors of the City to form the CFD or to authorize the issuance of bonds or other debt for
22 the CFD. Issuance of the bonds and other debt shall be subject to the approval of this Board
23 of Supervisors by resolution following the holding of the public hearing referred to above; and,
24 be it

25

1 FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or
2 word of this resolution, or any application thereof to any person or circumstance, is held to be
3 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
4 shall not affect the validity of the remaining portions or applications of this resolution, this
5 Board of Supervisors hereby declaring that it would have passed this resolution and each and
6 every section, subsection, sentence, clause, phrase, and word not declared invalid or
7 unconstitutional without regard to whether any other portion of this resolution or application
8 thereof would be subsequently declared invalid or unconstitutional; and, be it

9 FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of
10 Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City
11 are hereby authorized, for and in the name of and on behalf of the City, to do any and all
12 things and take any and all actions, including execution and delivery of any and all
13 documents, assignments, certificates, requisitions, agreements, notices, consents,
14 instruments of conveyance, warrants and documents, which they, or any of them, may deem
15 necessary or advisable in order to effectuate the purposes of this Resolution; provided
16 however that any such actions be solely intended to further the purposes of this Resolution,
17 and are subject in all respects to the terms of the Resolution; and, be it

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

21
22
23
24
25

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

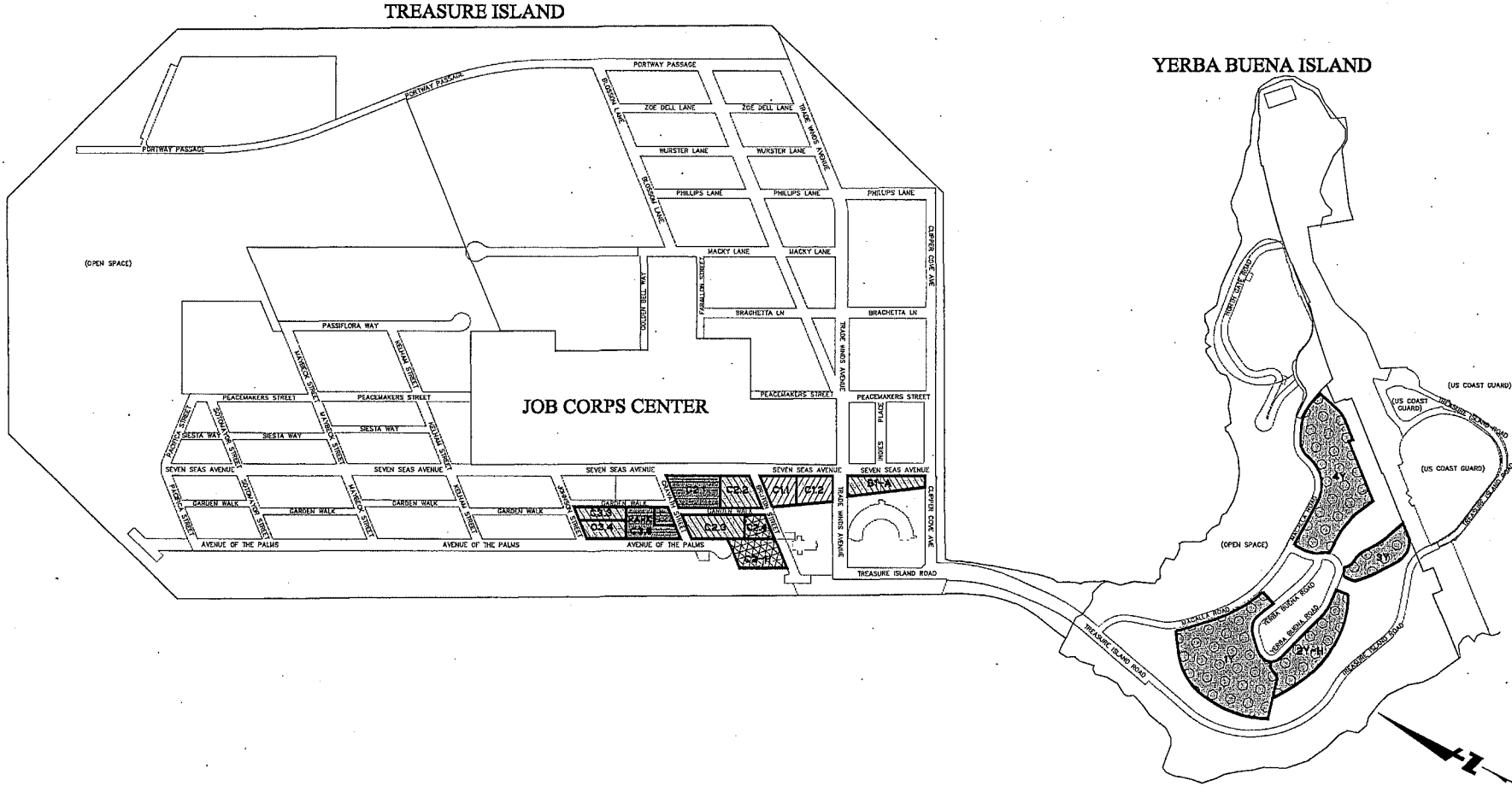
5
6 APPROVED AS TO FORM:
7 DENNIS J. HERRERA, City Attorney

8
9 By: _____
10 Mark D. Blake
11 Deputy City Attorney
12 n:\speclas2016\0600537\01133169.docx

Exhibit F

**Map of Infrastructure and Revitalization
Financing District Boundaries**

PROPOSED BOUNDARIES OF
CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO.1
(TREASURE ISLAND PUBLIC INFRASTRUCTURE)



LEGEND

| | |
|--|------------------------------|
| Boundaries of Infrastructure and Revitalization Financing District No. 1 | |
| | Boundaries of Project Area A |
| | Boundaries of Project Area B |
| | Boundaries of Project Area C |
| | Boundaries of Project Area D |
| | Boundaries of Project Area E |


Prepared by:
BkF Engineers


DATE: 11/11/09
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 APPROVED BY: [Name]
 PROJECT NO.: [Number]
 SHEET NO.: [Number]

Exhibit G

Map of Community Facilities District Boundaries

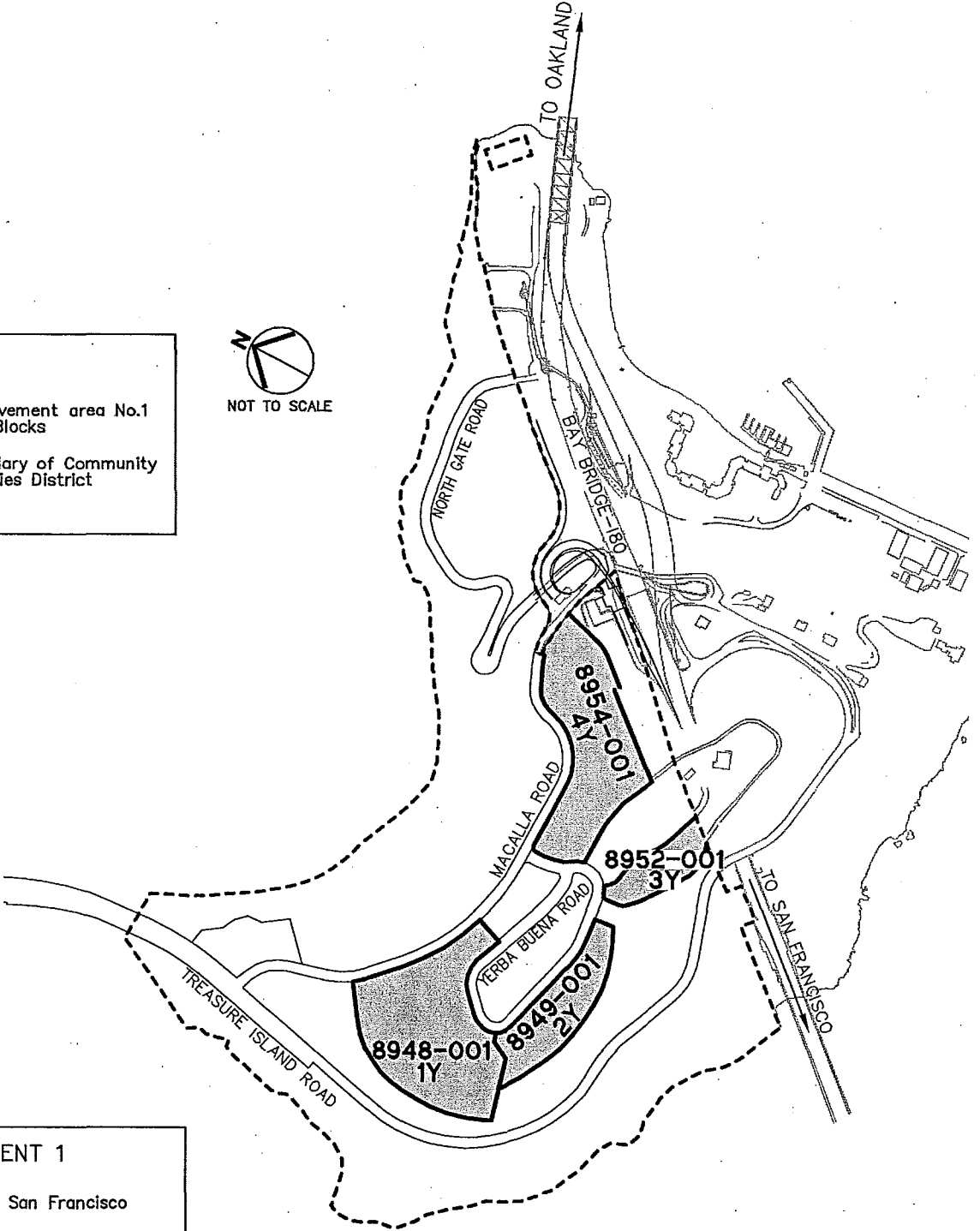
Legend

 Improvement area No.1 sub-Blocks

 Boundary of Community Facilities District



NOT TO SCALE



ATTACHMENT 1

City and County of San Francisco

Community Facilities District No. 2016-1
(Treasure Island)

Identification of Sub-Blocks

Exhibit H

**Infrastructure Financing Plan
Infrastructure and Revitalization
Financing District No. 1 (Treasure Island)**

Infrastructure Financing Plan

**Infrastructure and
Revitalization Financing
District No. 1
(Treasure Island)**

*Prepared for:
City and County of San Francisco*

August 15, 2016

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| III. Description of the Proposed IRFD | 8 |
| IV. Procedure for Annexation of Property to the IRFD | 9 |
| V. Description of the Facilities Required to Serve the Project | 13 |
| VI. Communitywide Benefits of IRFD-Funded Facilities | 15 |
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Supporting Tables 1-5E

Appendix A – Boundary Map and Legal Description of the IRFD

Appendix B – Fiscal Impact Analysis of City

Appendix C – IRFD Improvements

Appendix D – Net Available Increment and Conditional City Increment

I. INTRODUCTION

General. This Infrastructure Financing Plan has been prepared at the direction of the Board of Supervisors (the "**Board**") of the City and County of San Francisco (the "**City**") in connection with the proposed "City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)" (the "**IRFD**").

The IRFD will be funded solely from a portion of the property tax increment that would otherwise be distributed to the General Fund of the City. No other taxing agency's revenues will be affected by or available to the IRFD. Consequently, this Infrastructure Financing Plan will discuss the tax increment of the City only.

Summary of Infrastructure Financing Plan. As required by California Government Code Section 53369 et seq. (the "**IRFD Law**"), including Section 53369.14 therein, this Infrastructure Financing Plan contains the following information:

- A. A map and legal description of the proposed IRFD. Pursuant to the Resolution of Intention,¹ the Board approved a map of the proposed boundaries of the IRFD, which is attached hereto as Appendix A. After formation of the IRFD, property may be annexed to the IRFD in the manner set forth in Section IV.
- B. A description of the facilities required to serve the development proposed in the area of the IRFD including those to be provided by the private sector, those to be provided by governmental entities without assistance under the IRFD Law, those improvements and facilities to be financed with assistance from the proposed IRFD, and those to be provided jointly. The description shall include the proposed location, timing, and costs of the improvements and facilities. See Section V for more details. As used herein, the facilities to be financed from the IRFD consist of both facilities (herein, "**Facilities**") and affordable housing (as defined herein, "**Housing Costs**" and together with the Facilities, the "**IRFD Improvements**").
- C. A finding that the IRFD Improvements are of communitywide significance (see Section VI for more details).

¹ The term "**Resolution of Intention**" refers to Resolution No. ____-16, adopted by the Board of Supervisors of the City and County of San Francisco on _____, 2016.

D. A financing section, which shall contain all of the following information (see Section VII for more details):

1. A specification of the maximum portion of the incremental tax revenue of the City proposed to be committed to the IRFD for each year during which the IRFD will receive incremental tax revenue. The portion may change over time.
2. A projection of the amount of tax revenues expected to be received by the IRFD in each year during which the IRFD will receive tax revenues. **This is a projection and for illustrative purposes only based on currently expected land uses and development schedules; it is not a limit on the amount of tax increment that can be allocated to the IRFD on an annual basis. Actual results may vary.**
3. A plan for financing the IRFD Improvements, including a detailed description of any intention to incur debt.
4. A limit on the total number of tax increment dollars that may be allocated to the IRFD pursuant to this Infrastructure Financing Plan.
5. A date on which the IRFD will cease to exist, by which time all tax allocation, including any allocation of net available revenue, to the IRFD will end. The date shall not be more than 40 years from the date on which the ordinance forming the IRFD is adopted, or a later date, if specified by the ordinance on which the allocation of tax increment will begin. As discussed more completely in Section VII, the IRFD will consist of multiple project areas with varying tax increment commencement dates, so the IRFD will terminate on the same date as the final project area in the IRFD terminates. As set forth herein, the Board reserves the right to amend this Infrastructure Financing Plan to extend the 40-year duration of Project Areas and the period for allocation of tax increment within a Project Area if the IRFD Law is amended to allow a longer period. No further vote of the qualified electors in the IRFD shall be required if the law is changed and the Board approves such an extension by ordinance.
6. An analysis of the costs to the City of providing facilities and services to the area of the IRFD while the area is being developed and after the area is developed. The plan shall also include an analysis of the tax, fee, charge, and other revenues expected to be received by the City as a result of expected development in the area of the IRFD. **The analyses described in the two preceding sentences and set forth in this Infrastructure Financing Plan reflect certain assumptions and projections and,**

accordingly, are merely estimates for illustrative purposes only. Actual results may vary.

7. An analysis of the projected fiscal impact of the IRFD and the associated development upon the City. **The analysis described in the preceding sentence and set forth in this Infrastructure Financing Plan reflects certain assumptions and projections and, accordingly, is merely an estimate for illustrative purposes only. Actual results may vary.**
 8. A plan for financing any potential costs that may be incurred by reimbursing a developer of a project that is both located entirely within the boundaries of the IRFD and qualifies for the Transit Priority Project Program, pursuant to California Government Code Section 65470, including any permit and affordable housing expenses related to the project.
- E. If any dwelling units occupied by persons or families of low or moderate income are proposed to be removed or destroyed in the course of private development or facilities construction within the area of the IRFD, a plan providing for replacement of those units and relocation of those persons or families consistent with the requirements of Section 53369.6 of the IRFD Law. See Section VII for a further discussion of the replacement housing plan.

Future Amendments of this Infrastructure Financing Plan. The Board reserves the right, and nothing in this Infrastructure Financing Plan limits the ability of the Board, to update or amend this Infrastructure Financing Plan and the Development Agreements (as defined herein) in accordance with and subject to applicable law. In addition, and in furtherance of the foregoing, the Board reserves the right to amend this Infrastructure Financing Plan by ordinance, and without any public hearing or vote of the qualified electors of the IRFD or other proceedings, for the following purposes:

(a) to extend the 40-year duration of Project Areas and the period for allocation of tax increment within a Project Area, if and to the extent the IRFD Law is amended to allow a longer period;

(b) to increase the maximum amount of bonded indebtedness and other debt for the IRFD based on the increased period of tax increment allocation described in the preceding clause (a);

(c) to allocate to the IRFD all or any portion of the ad valorem property tax revenue annually allocated to the City pursuant to Section 97.70 of the Revenue and Taxation Code, if and to the extent the IRFD Law is amended to permit such an allocation;

(d) to adopt any alternative amendment or annexation procedure with respect to the IRFD that is permitted by an amendment to the IRFD Law; and

(e) to amend the list of IRFD Facilities as long as the Board finds that the resulting IRFD Facilities are permitted by the IRFD Law, will serve the development in the IRFD and are of communitywide significance.

II. DESCRIPTION OF TREASURE ISLAND PROJECT

The Treasure Island project (the "**Project**") is currently intended to be comprised of approximately nine future development stages on the islands known as Treasure Island and Yerba Buena Island (collectively, "**Treasure Island**"). As detailed on Table 1, it is currently anticipated that the Project will include up to a total of 5,827 market rate residential units, 2,173 below market rate units, 451,000 square feet of retail, 100,000 square feet of commercial space, and 500 hotel rooms.

Appendix A contains a map of Yerba Buena Island and Treasure Island. It is anticipated that the territory planned to be developed as part of the Project that is not initially part of the IRFD will be annexed to the IRFD in the future, in accordance with the procedures set forth in the IRFD Law, the Resolution of Intention, and this Infrastructure Financing Plan. If the anticipated future annexations to the IRFD occur as expected, the ultimate boundaries of the IRFD will encompass the entirety of the development parcels in the Project. A map and the legal description of the property initially contained in the IRFD is set forth in Appendix A.

The Project is being developed by Treasure Island Community Development, LLC, or permitted transferees, as the master developer ("**TICD**" or "**Developer**"). In connection with the development of the Project, (i) TICD and the Treasure Island Development Authority, a California non-profit public benefit corporation ("**TIDA**"), entered into the Disposition and Development Agreement dated June 28, 2011 (the "**TIDA DDA**") and (ii) TICD and the City entered into the Development Agreement dated June 28, 2011 (the "**City DA**" and along with the TIDA DDA, collectively, the "**Development Agreements**"). Attached to both the TIDA DDA and the City DA is the Financing Plan (the "**DDA Financing Plan**"), which discusses, among other things, facilities and Housing Costs (as such term is defined in the DDA Financing Plan) to be financed by the formation of an infrastructure financing district. Although the DDA Financing Plan discusses infrastructure district financing through legislation that is different than the IRFD Law (because the

IRFD Law had not been created at the time), the City finds that the IRFD Law is a better vehicle for financing the Project and all references in the DDA Financing Plan to "IFD" or "IFD Act" shall mean "IRFD" and "IRFD Law," respectively, and that the IRFD will be used to comply with the requirements of the DDA Financing Plan. Except for the change from IFD to IRFD and from IFD Act to IRFD Law, which has been agreed to by the Developer, nothing in this Infrastructure Financing Plan is intended to amend the Development Agreements.

The entirety of Treasure Island (not including certain lands retained by the U.S. Government) is entitled for development. Development will occur in Major Phases and Sub-Phases, as such terms are defined in and as completed in accordance with the TIDA DDA, as it may be revised from time to time.

Major Phase 1, which includes Yerba Buena, Stage 1, Stage 2, and Stage 3, has been approved by TIDA. The Major Phase application outlines the development plan for approximately 3,474 market rate residential homes, 827 below market rate units, 451,000 square feet of retail, 100,000 square feet of commercial space and 500 hotel rooms. The first two stages of Major Phase 1 – i.e., Yerba Buena and Stage 1 - have received sub-phase approval from TIDA, and development has commenced in these areas. It is these two stages of Major Phase 1 that comprise the Initial Project Areas (as defined herein) of the IRFD.

As Annexation Territory (as defined in Section IV) is annexed to the IRFD, information similar to the paragraph immediately above will be contained in the Annexation Supplement (as defined in Section IV) for each annexation of Annexation Territory.

The scope and timing of future stages are conceptual at this time, and will be determined by the demand for the finished homes on Treasure Island and based on the phasing of development consistent with the Development Agreements.

All new development is anticipated to be complete and fully absorbed by 2035. It is anticipated that there may be an approximate 2-year lag between the date that development is completed and the date the full assessed value of such development is reflected on the tax roll.

Table 1 – Projected Treasure Island Development – Project-Wide

| Development* | Market Rate Units ("MRU") | Inclusionary Below Market Rate Units ("Inclusionary BMR") | TIDA Below Market Rate Units ("TIDA BMR") | Anticipated Construction Commencement Date for MRU and Inclusionary BMR (but not TIDA BMR) | Total Residential Square Footage | Hotel Rooms | Retail Square Footage | Commercial Square Footage |
|--------------------|---------------------------|---|---|--|----------------------------------|-------------|-----------------------|---------------------------|
| Yerba Buena Island | 285 | 15 | 0 | 2017 | 528,000 | 50 | | |
| Stage 1 | 1825 | 96 | 196 | 2017 | 2,367,350 | 200 | | |
| Stage 2 | 745 | 19 | 107 | 2018 | 990,000 | 250 | 451,000 | 100,000 |
| Stage 3 | 619 | 53 | 341 | 2019 | 1,101,800 | | | |
| Stage 4 | 416 | 20 | 0 | 2020 | 479,600 | | | |
| Stage 5 | 486 | 30 | 353 | 2022 | 961,000 | | | |
| Stage 6 | 378 | 16 | 61 | 2022 | 515,500 | | | |
| Stage 7 | 527 | 29 | 499 | 2023 | 1,211,900 | | | |
| Stage 8 | 546 | 29 | 309 | 2026 | 971,400 | | | |
| Totals | 5,827 | 307 | 1,866 | | 9,126,550 | 500 | 451,000 | 100,000 |

* Projected residential and Hotel developments may also include incidental commercial/retail improvements.

THE ANALYSIS DESCRIBED IN THIS SECTION AND SET FORTH IN THIS INFRASTRUCTURE FINANCING PLAN REFLECTS CERTAIN ASSUMPTIONS AND PROJECTIONS AND, ACCORDINGLY, IS MERELY AN ESTIMATE FOR ILLUSTRATIVE PURPOSES ONLY. ACTUAL RESULTS MAY VARY.

THE TYPE OF DEVELOPMENT AND THE NUMBER OF UNITS AND SQUARE FOOTAGE OF RETAIL/COMMERCIAL SPACE ARE BASED ON CURRENT PROJECTIONS; ACTUAL DEVELOPMENT MAY, AND WILL LIKELY, VARY. NOTHING IN THIS INFRASTRUCTURE FINANCING PLAN SHALL LIMIT THE ABILITY OF THE DEVELOPER TO REVISE THE SCOPE AND TIMING OF THE PROJECT.

Project Areas A-E. The IRFD will be initially formed over the property identified in the boundary map attached as Appendix A in five project areas (herein, each a “**Project Area**” and, collectively, the “**Initial Project Areas**”) - Project Area A (consisting of Yerba Buena Island), Project Area B (consisting of part of Treasure Island Stage 1), Project Area C (consisting of part of Treasure Island Stage 1), Project Area D (consisting of part of Treasure Island Stage 1), and Project Area E (consisting of part of Treasure Island Stage 1). The anticipated maximum development in Project Areas A-E is shown in Table 2 below.

| | Project Area A (Yerba Buena Island) | Project Area B (Treasure Island Stage 1) | Project Area C (Treasure Island Stage 1) | Project Area D (Treasure Island Stage 1) | Project Area E (Treasure Island Stage 1) | Totals |
|---|--|---|---|---|---|-------------|
| Townhomes | 220 | 32 | 0 | 0 | 0 | 252 |
| Low-Rise Residential | 0 | 266 | 0 | 0 | 0 | 266 |
| Mid-Rise Residential | 80 | 159 | 0 | 0 | 0 | 239 |
| High-Rise Residential | 0 | 0 | 556 | 620 | 0 | 1,176 |
| High-Rise Branded Condominiums | 0 | 0 | 0 | 0 | 193 | 193 |
| Rental Apartments | 0 | 95 | 0 | 0 | 0 | 95 |
| Total Residential Units | 300 | 552 | 556 | 620 | 193 | 2,221 |
| Market Rate Units | 285 (95%) | 497 (90%) | 556 (100%) | 579 (93%) | 193 (100%) | 2,110 (95%) |
| Inclusionary BMR Units ² | 15 (5%) | 55 (10%) | 0 (0%) | 41 (7%) | 0 (0%) | 111 (5%) |
| Hotel Rooms | 50 | 0 | 0 | 0 | 200 | 250 |
| Total Residential Square Footage ² | 528,000 | 616,900 | 611,600 | 682,000 | 241,250 | 2,679,750 |

² Does not include the projected affordable units to be constructed by TIDA on TIDA-owned land (which will be exempt from taxation).

The numbers in Table 2 represent the current maximum density for the Initial Project Areas. *The type of development and the number of units and square footage of retail/commercial space are based on current projections; actual development may, and will likely, vary. The Net Available Increment allocated to the IRFD will be based on the actual development within the IRFD.*

As Annexation Territory is annexed to the IRFD, information similar to Table 2 will be contained in the Annexation Supplement for each annexation of Annexation Territory.

III. DESCRIPTION OF THE PROPOSED IRFD

A. Boundaries of the IRFD

The map showing the boundaries of the IRFD (the "**Boundary Map**"), including each of the Initial Project Areas, and the legal description of the property in the IRFD, is attached hereto as Appendix A.

B. Project Areas

Pursuant to Section 53369.5 of the IRFD Law, the IRFD may be divided into separate Project Areas, each with distinct limitations. As shown on the Boundary Map, the IRFD will initially consist of five (5) Project Areas. Pursuant to Section IV herein, additional Project Areas may be designated in connection with the annexation of additional property to the IRFD.

C. Approval of Boundaries

Pursuant to Section 53369.10 of the IRFD Law, the Boundary Map was preliminarily approved by the Board in the Resolution of Intention.

IV. PROCEDURE FOR ANNEXATION OF PROPERTY TO THE IRFD

A. Authority for Project Areas and Annexation

Section 53369.5(b) of the IRFD Law provides as follows:

A district may include areas that are not contiguous. A district may be divided into project areas, each of which may be subject to distinct limitations established under this chapter. The legislative body may, at any time, add territory to a district or amend the infrastructure financing plan for the district by conducting the same procedures for the formation of a district or approval of bonds, if applicable, as provided pursuant to this chapter.

B. Findings of the Board

The Board hereby finds and determines as follows:

- The IRFD Law allows the annexation of property into an IRFD subsequent to the initial formation of the IRFD.
- The IRFD Law allows the creation of Project Areas within the boundaries of the IRFD that may have distinct limitations, and any tax increment generated from a Project Area is allocated to the IRFD.
- When property is annexed into the IRFD, a vote shall be required of the qualified electors of the territory to be annexed only.
- Property that is annexed into the IRFD may annex into an existing Project Area, in which case it will be subject to the limitations applicable to that Project Area, or into a separate and newly-created Project Area with unique limitations that are set forth in the Annexation Supplement (as defined below).
- This Infrastructure Financing Plan defines the procedures for the annexation of property into the IRFD, and such procedures are consistent with the Resolution of Intention and the IRFD Law.

C. Initiation of Annexation

Annexation of property to the IRFD shall be initiated by a petition executed by the owners of the property desiring to annex into the IRFD (the "**Annexation Territory**"). The petition shall include (i) the name of the owner(s) of the Annexation Territory, (ii) the legal description of the Annexation Territory (which may be by reference to Assessor's Parcel Numbers or lots on a recorded map), (iii) either the identity of the existing Project Area into which the Annexation Territory is to be annexed or a request to designate the Annexation Territory as a new Project Area, (iv) if the Annexation Territory is to be designated as a new Project Area, the Commencement Year (as defined in Section VII) for the new Project Area, (v) the anticipated amount of additional Bonds (as defined herein) that may be issued as a result of the allocation of the tax increment derived from the Annexation Territory, and (vi) authorization to use the Net Available Increment derived from the Annexation Territory and any additional Bond proceeds for purposes of financing the IRFD Improvements described in Section V.

D. Procedures for Annexation

This section summarizes the procedures for annexation of Annexation Territory to the IRFD. The intent of this section is to establish a clear process for each and every annexation of Annexation Territory, subject to any changes in the IRFD Law or any changes to this Infrastructure Financing Plan. Numerous annexations over time are expected.

1. Adopt a Resolution of Intention to Annex. Within sixty (60) days following the receipt of a petition for annexation, the Board shall adopt a resolution of intention to annex the applicable Annexation Territory into the IRFD (the "**Resolution of Intention to Annex**"). Each Resolution of Intention to Annex shall do all of the following:

a. State that annexation of the Annexation Territory to the IRFD is proposed under the terms of the IRFD Law and this Infrastructure Financing Plan and describe the boundaries of the Annexation Territory, which may be accomplished by reference to a map on file in the office of the clerk of the City, and shall include a legal description of the Annexation Territory.

b. Identify the existing Project Area into which the Annexation Territory is proposed to be annexed, or, if the property owners have requested that the Annexation Territory be annexed into the IRFD as a new Project Area, identify the name and location of the new Project Area.

c. Identify the Base Year for determining the Net Available Increment to be derived from the Annexation Territory, which shall be Fiscal Year 2015-16.

d. State that upon annexation of the Annexation Territory to the IRFD, the IRFD Improvements described in this Infrastructure Financing Plan may be financed with the Net Available Increment derived from the Annexation Territory, including any additional Bond proceeds that may be generated as the result of the increased allocation of Net Available Increment derived from the Annexation Territory.

e. If a new Project Area is requested, establish (i) the Commencement Year for when Net Available Increment from the Annexation Territory will commence to be allocated to the IRFD, which shall be the same as the Commencement Year identified in the petition of the landowners, unless the landowners of the Annexation Territory agree in writing to an alternative Commencement Year, and (ii) the termination date, which shall be 40 years after the Commencement Year (or such longer period permitted by the IRFD Law and approved by the Board).

f. Pursuant to resolution, the Board approved the issuance of Bonds for the Initial Project Areas of the IRFD in a maximum principal amount of (i) \$780 million plus (ii) the amount approved by the Board and the qualified electors of the Annexation Territory in connection with each annexation of Annexation Territory to the IRFD. Therefore, each Resolution of Intention to Annex will state that the annexation of the Annexation Territory to the IRFD will include an authorization to issue a maximum additional principal amount of Bonds above the \$780 million authorized for the Initial Project Areas. Such additional Bonds will be issued upon the same terms, and subject to the same limitations, as the Bonds set forth in the resolutions forming the IRFD.

g. State that Annexation Territory, if annexed to the IRFD, will be subject to the appropriations limit established for the IRFD.

h. Fix a time and place for a public hearing on the proposed annexation with the date of the public hearing to be no sooner than 60 days after the proposed Annexation Supplement (as defined below) of this Infrastructure Financing Plan has been sent to the Clerk of the Board.

2. Resolution of Intention to Issue Bonds. For each annexation, the Board shall adopt a resolution stating its intent to issue additional Bonds secured by the Net Available Increment for the IRFD as a whole as a result of the additional bonding capacity derived from the addition of the Annexation Territory. Any bonds issued in the IRFD will be secured by all of the property in the IRFD, including all Project Areas. The resolution shall contain the information described in Section 53369.41 of the IRFD Law.

3. Annexation Supplement. After adopting a Resolution of Intention to Annex, the Board will adopt a resolution designating and directing TIDA to prepare an appendix to this Infrastructure Financing Plan for the applicable Annexation Territory (each an “**Annexation Supplement**”). Upon its completion, each Annexation Supplement will be sent to each landowner in the Annexation Territory, and the Board, as the legislative body of the only affected taxing entity, will approve such Annexation Supplement, and such Annexation Supplement will be a permanent part of this Infrastructure Financing Plan.

4. Distribution of Copies of Resolution of Intention to Annex; Notice of Public Hearing. The clerk of the Board shall mail a copy of each Resolution of Intention to Annex to each owner of land within the applicable Annexation Territory and to the Clerk of the Board. In addition, a notice of each public hearing shall be given by publication not less than once a week for four successive weeks in a newspaper of general circulation published in the City. The notice shall state that the IRFD will be used to finance public works, briefly describe the public works, briefly describe the proposed financial arrangements, including the proposed commitment of incremental tax revenue, describe the boundaries of the IRFD and the Annexation Territory and state the day, hour, and place when and where any persons having any objections to the annexation of the Annexation Territory or the proposed Annexation Supplement, or the regularity of any of the prior proceedings, may appear before the Board and object to the annexation of the Annexation Territory or the adoption of the Annexation Supplement by the Board.

5. Conduct Public Hearing. The Board shall conduct a public hearing prior to approving any Annexation Supplement to this Infrastructure Financing Plan and approving the annexation of the Annexation Territory to the IRFD. The public hearing shall be called no sooner than 60 days after the applicable Annexation Supplement has been sent to each owner of property in the Annexation Territory. At the hour set in the required notices, the Board shall proceed to hear and pass upon all written and oral objections. The hearing may be continued from time to time. The Board shall consider all evidence and testimony for and against the annexation of the Annexation Territory and the adoption of the Annexation Supplement.

6. Calling Special Election.

a. At the conclusion of a public hearing on an annexation of Annexation Territory, the Board may adopt a resolution proposing such annexation and proposing adoption of the Annexation Supplement, or it may abandon the proceedings. In the resolution of annexation, the Board will submit the proposal to annex the Annexation Territory to the IRFD, the authorization to issue Bonds for the IRFD (as increased by the inclusion of the Annexation Territory), and the appropriations limit of the IRFD to the qualified electors of the Annexation Territory in an election that complies with Sections 53369.20-53369.22 of the IRFD Law.

b. For each annexation, the qualified electors for the election shall be the qualified electors for the applicable Annexation Territory only, as defined in Section 53369.20 of the IRFD Law.

7. Adoption of an Ordinance. After the canvass of returns of any election on the annexation of property to the IRFD, and if two-thirds of the votes cast by the qualified electors in the Annexation Territory upon the question of annexing the Annexation Territory to the IRFD are in favor of such annexation, the Board shall, by ordinance, adopt the Annexation Supplement and order the annexation of the Annexation Territory to the IRFD with full force and effect of law. The ordinance shall identify the Commencement Year if the Annexation Territory is designated as a new Project Area and the principal amount of the Bonds added to the maximum aggregate principal amount of Bonds for the IRFD as a result of the annexation. If two-thirds of the votes cast by the qualified electors in the Annexation Territory upon the question of annexing the Annexation Territory to the IRFD are not in favor of such annexation, the Board shall take no further action with respect to the proposed annexation of such Annexation Territory for one year from the date of the election.

V. DESCRIPTION OF THE FACILITIES REQUIRED TO SERVE THE PROJECT

Based on the information available to the City as of the date of this Infrastructure Financing Plan and subject to change, the following is a description of the facilities required to serve the Project.

A. Facilities to be Provided by the Private Sector

The Facilities required to serve development that will be provided by the private sector are as follows:

- Improvements to strengthen the perimeter of Treasure Island.
- Interior soil stabilization and raising the level of Treasure Island.
- Public infrastructure on Treasure Island, including roads and highways, curbs and gutters, sidewalks, streetlights, storm drains, water improvements, fire protections, recycled water improvements, storm drains, retaining walls, landscaping, conduit and cables, and other public utilities.
- Open space, parks and shoreline improvements.
- Improvements to the Ferry Terminal.
- Improvements required for development of the Project.

These Facilities are described in more detail in Appendix C.

These Facilities will be constructed throughout Treasure Island as development progresses (currently estimated to continue through 2035).

Some, but not all, of these Facilities are anticipated to be financed or reimbursed through the IRFD, consistent with the DDA Financing Plan. All of the Facilities listed in Appendix C under the caption "Facilities to be Provided by the Private Sector" are to be constructed by the Developer of the Project. To the extent not financed by the IRFD (or other forms of public finance, including Mello-Roos Financings (see subsection C of Section VII)), the costs listed in Appendix C under the caption "Facilities to be Provided by the Private Sector" will be borne by the Developer.

B. Facilities to be Provided by Governmental Entities Without Assistance from the IRFD

The City will construct a Wastewater Treatment Plant on Treasure Island expected to cost approximately \$65 million. This Wastewater Treatment Plan will not be financed with assistance from the IRFD.

C. Facilities to be Financed with Assistance from the Proposed IRFD

The housing to be developed by TIDA and the Facilities required to serve development in the area of the IRFD, including anticipated Annexation Territories, are summarized in Appendix C. The Facilities include both those provided by the private sector and those provided by the public sector, and the Housing Costs include affordable housing to be provided by TIDA.

As set forth in Section VII and the DDA Financing Plan:

- 82.5% of Net Available Increment will be used to finance Facilities (directly or through Bonds);
- 17.5% of the Net Available Increment will be dedicated to TIDA to be used for Housing Costs (directly or through Bonds); and
- Once Developer has been paid or reimbursed for all Qualified Project Costs to which it is entitled for the Project as a whole (not just the Initial Project Areas) as defined in and in accordance with the Development Agreements, the City may dedicate 100% of the Net Available Increment to TIDA for Housing Costs or Facilities set forth on Appendix C as may be updated and approved by the TIDA Board and the City's Board.

As shown, the total cost of the Facilities for the entire Project to be provided by the private sector in current dollars is estimated at approximately \$1.9 billion.

As shown, the estimated Housing Costs to be incurred by TIDA in current dollars is approximately \$970 million. Housing Costs of affordable housing built by TIDA will be financed out of the 17.5% of the Net Available Increment allocated to TIDA for affordable housing until the Developer has been paid or reimbursed for all Qualified Project Costs to which it is entitled for the Project as a whole (not just the Initial Project Areas) under the Development Agreements; thereafter, 100% of the Net Available Increment may be used to financing Housing Costs to be incurred by TIDA.

As shown, the total cost of Facilities to be provided by TIDA or the City in current dollars is estimated at approximately \$250 million.

By mutual agreement, the City and Developer may agree to issue Facilities-only or affordable housing-only bonds to finance only Facilities or affordable housing, respectively, or divide the allocation in some other manner depending on the timing of construction expenditures, provided the overall allocation must satisfy the requirements of the DDA Financing Plan.

D. Facilities to be Provided Jointly by the Private Sector and Governmental Entities

None.

VI. COMMUNITYWIDE BENEFITS OF IRFD-FUNDED FACILITIES

The IRFD Improvements will substantially benefit not just the immediate Treasure Island neighborhood, but the City as a whole. Treasure Island will be transformed from its current condition into a new and vibrant neighborhood, with all new utility connections, streets, landscaping, passive and active open space, and transportation upgrades, as well as new commercial and residential uses. These new and improved amenities will both support the new community as well as draw visitors from within San Francisco as well as neighboring areas. The Treasure Island neighborhood is unique in that it contains a concentration of streets of citywide and regional importance because of its proximity to the Bay Bridge and the bridge's on-and off-ramps in the neighborhood, in addition to its proximity to the downtown, the City's major job center.

Treasure Island has been targeted as a key part of the City to absorb future growth per the Development Agreements. Funding the IRFD Improvements on Treasure Island will support and catalyze planned growth in the City. Should these IRFD Improvements not be funded and

constructed, housing development on Treasure Island will be less robust and will be a less desirable area for growth, pushing development pressures into outlying areas of the City and the region, contrary to existing local and regional policies, which would exacerbate local and regional congestion, greenhouse gas emissions, and job-housing imbalance locally and regionally. By supporting growth on Treasure Island with necessary public infrastructure and improvements, future residents will be provided the option of taking the ferry or public transit to the East Bay or into the City center, and from there to take Muni, BART, or Caltrans. The transit hub on Treasure Island will be located within walking distance of every residence on Treasure Island and an on-island shuttle will bring residents from around Treasure Island to the Transit Hub, thereby reducing the need for any residents to drive. The construction of affordable housing will serve a significant communitywide benefit in helping to alleviate the regional housing crisis, particularly the significant need for affordable housing located near job centers. The open space program includes a 25-plus acre Sports Park providing flexible-programming athletic fields capable of supporting a variety of active recreational activities and team sports to foster healthy and active lifestyles for residents and visitors as well as providing needed regional service sports facilities and space for large gatherings and events. Additionally, passive uses of open space will be added, including urban farms, walking trails, and parks.

As described above, the construction of affordable housing will serve a significant communitywide benefit in helping to alleviate the regional housing crisis, particularly the significant need for affordable housing located near job centers.

The City and TIDA found that the IRFD Improvements are of community-wide significance in Section 3.2(b) of the DDA Financing Plan. The Board of Supervisors also found that the IRFD Improvements are of community-wide significance in the Resolution of Intention.

VII. FINANCING SECTION

The financing plan delineated in this Infrastructure Financing Plan is based on the best information available regarding the scope, timing, and value of future development. However, given the time horizon for the entire Project development and the conceptual nature of some of the planned developments, actual values may be different than the projections contained herein.

The IRFD will receive incremental property tax revenue that would otherwise be allocated to the City. No other taxing entity is affected by or participating in the IRFD. Consequently, the tax increment revenues as discussed in this Infrastructure Financing Plan means only the City Portion, as shown in Table 3 below:

Table 3 – Distribution of 1% Property Tax Rate Among Taxing Agencies

| Distribution of 1% Property Tax Rate in City and County of San Francisco | | |
|--|---|----------------|
| City Portion | | |
| <ul style="list-style-type: none"> City Pledged Portion | IRFD | 56.69% |
| <ul style="list-style-type: none"> City Portion Not Dedicated to IRFD but Pledged as Conditional City Increment | City and County General Fund (unless needed by the IRFD as set forth in the DDA Financing Plan) | 8.00% |
| ERAF Portion | | |
| | Education Revenue Augmentation Fund | 25.33% |
| Other Taxing Agencies | | |
| | San Francisco Unified School District | 7.70% |
| | San Francisco Community College Fund | 1.44% |
| | Bay Area Rapid Transit District | 0.63% |
| | Bay Area Air Quality Management District | 0.21% |
| | Total Other Taxing Agencies | 9.98% |
| | Total | 100.00% |

As used in this Infrastructure Financing Plan, and consistent with the DDA Financing Plan, the "City Pledged Portion" of the property tax amounts that are dedicated to the IRFD and shown in Table 3 above shall be referred to as "**Net Available Increment**" and the City Portion not dedicated to the IRFD but pledged if and as needed to pay debt service on Bonds shall be referred to as the "**Conditional City Increment**".

The IRFD will be funded solely from a diversion of the Net Available Increment that would otherwise be distributed to the General Fund. However, pursuant to the Development Agreements, the Conditional City Increment is pledged for the payment of Bonds issued by the IRFD to the extent Net Available Increment is not available to make a debt service payment (see Section VIII for a discussion of the pledge of the Conditional City Increment). Tax increment revenues payable to ERAF and the Other Taxing Agencies are not affected by or pledged to the IRFD.

As described herein, there are five Initial Project Areas in the IRFD. Each Project Area has its own limitations under the IRFD Law. The base year for the IRFD and each proposed and future Project Area shall be Fiscal Year 2015-2016, but the tax increment revenues will be allocated to each Project Area commencing in the applicable Commencement Year described below in Table 4 (the "**Commencement Year**").

The Commencement Year shall be calculated separately for each Project Area. Tax increment shall be allocated to a Project Area on the first day of the fiscal year that follows the fiscal year in which at a certain amount of tax increment (i.e., the “trigger amount”) is generated in the Project Area and received by the City, and ending 40 years thereafter (or such longer period, if permitted by the IRFD Law and approved by the Board). The trigger amount for each Initial Project Area is shown in Table 4.

Table 4 – Project Areas and Limitations

| Project Area | Location | Base Year | Commencement Year | Last Year |
|--------------|-------------------------|-----------|--|---|
| A. | Yerba Buena Island | 2015-16 | The Fiscal Year that follows the Fiscal Year in which at least \$150,000 of tax increment is generated in the Project Area and received by the City. | 40 years ³ following the Commencement Year |
| B | Treasure Island Stage 1 | 2015-16 | The Fiscal Year that follows the Fiscal Year in which at least \$150,000 of tax increment is generated in the Project Area and received by the City. | 40 years ³ following the Commencement Year |
| C | Treasure Island Stage 1 | 2015-16 | The Fiscal Year that follows the Fiscal Year in which at least \$300,000 of tax increment is generated in the Project Area and received by the City. | 40 years ³ following the Commencement Year |
| D | Treasure Island Stage 1 | 2015-16 | The Fiscal Year that follows the Fiscal Year in which at least \$300,000 of tax increment is generated in the Project Area and received by the City. | 40 years ³ following the Commencement Year |
| E | Treasure Island Stage 1 | 2015-16 | The Fiscal Year that follows the Fiscal Year in which at least \$150,000 of tax increment is generated in the Project Area and received by the City. | 40 years ³ following the Commencement Year |

³ Or such longer period if allowed by the IRFD Law and approved by the Board.

A table similar to Table 4 shall be set forth in the Annexation Supplement for each annexation of Annexation Territory.

A. Maximum portion of the incremental tax revenue of the City proposed to be committed to the IRFD for each year during which the IRFD will receive incremental tax revenue

As shown above in Table 3, the City receives 64.69% of property tax increment generated within the IRFD, including 56.69% which it dedicated and pledged in the DDA Financing Plan as Net Available Increment to finance the IRFD Improvements and 8.0% which is dedicated as Conditional City Increment, but will accrue to the City's General Fund if not required for repayment of Bonds (as defined herein). Separately for each Project Area of the IRFD, property tax increment is calculated by applying the 1% base tax levy to incremental assessed property value⁴ of the property in a Project Area. Incremental assessed property value is the difference between future assessed value of the property in the Project Area during any year for the Project Area and the aggregate assessed value of the Project Area's properties as shown upon the assessment roll used in connection with the taxation of the property by the City, last equalized prior to the effective date of the ordinance creating the IRFD pursuant to the IRFD Law, and referred to as the base year for the applicable Project Area (as shown in Table 4).

In the Development Agreements and by this Infrastructure Financing Plan, the City has agreed to allocate 100% of the Net Available Increment to the financing of the IRFD Improvements that qualify under the IRFD Law, until all of such IRFD Improvements are financed in full. **Therefore, the maximum portion of incremental tax revenue of the City proposed to be annually committed to the IRFD for each year during which the IRFD will receive incremental tax revenue is 56.69% of the 1% base property tax levy, as shown above in Table 3 (subject to an additional contribution of the Conditional City Increment if needed as set forth in the DDA Financing Plan).**

Under the DDA Financing Plan, the Developer and the City agreed that 17.5% of the Net Available Increment will be allocated to TIDA for Housing Costs. Section 53369.3 of the IRFD Law allows the financing of Housing Costs from tax increment. Consequently, 17.5% of all tax increment revenues that are allocated to the IRFD (as collected and paid annually and as collected from the proceeds of each sale of Bonds, unless otherwise agreed by the City) shall

⁴ While the current total property tax rate is 1.18%, voter-approved overrides comprise .18%. Therefore, the taxes that are potentially available for distribution are calculated from the 1% County-wide rate.

be put in a segregated account to be used by TIDA for Housing Costs. The remaining 82.5% will be used to finance the private sector improvements constituting a portion of the IRFD Improvements. As set forth above in Section V, once the Developer has been paid or reimbursed for all Qualified Project Costs to which it is entitled for the Project as a whole (not just the Initial Project Areas) under the Development Agreements, the City may dedicate 100% of the Net Available Increment to TIDA for Housing Costs or Facilities set forth on Appendix C approved by the TIDA Board and the City's Board.

For the Initial Project Areas, the base year aggregated assessed value of each Initial Project Area in the IRFD properties is anticipated to be \$0. The new development anticipated within the Initial Project Areas of the IRFD is anticipated to be valued at \$4.24 billion upon build-out, resulting in an estimated \$42.4 million of annual property tax increment and \$24.1 million of annual Net Available Increment.

82.5% of Net Available Increment will be used to finance Facilities and 17.5% will be available to TIDA for Housing Costs.

As Annexation Territory is annexed to the IRFD, information similar to the preceding paragraphs in this Section will be contained in the Annexation Supplement for each annexation of Annexation Territory.

B. Projection of the amount of tax revenues expected to be received by the IRFD in each year during which the IRFD will receive tax revenues

The anticipated incremental assessed value, property tax increment, Net Available Increment, and Conditional City Increment for the Initial Project Areas of the IRFD are summarized in Table 5 below. The anticipated incremental assessed value, property tax increment, Net Available Increment, and Conditional City Increment for each individual Initial Project Area of the IRFD are summarized in Tables 5A – 5E below in nominal dollars.

The amounts shown in Table 5 and in Tables 5A – 5E are based on the best information available regarding the scope, timing, and value of future development. However, given the time horizon for the entire Project development and the conceptual nature of some of the planned developments, actual values may be different than the projections contained herein. In addition, because the commencement years and final years for receiving Net Available Increment is dependent on the timing of generation and receipt of Net Available Increment within each Project Area, the commencement and final years shown in Table 5 and Tables 5A – 5E are estimates only; actual dates for each Project Area may differ.

Table 5 – Projected IRFD Assessed Value and Allocation of Tax Increment to IRFD

| Aggregate – Initial Project Areas (A-E) | | | | | | |
|---|--|--------------------------|--|--|---|---|
| Fiscal Year | Estimated Incremental Assessed Value (\$000) | 1% Tax Increment (\$000) | Net Available Increment -100% of City Pledged Portion(\$000) | Net Available Increment to be Used for Housing Costs - 17.5% (\$000) | Net Available Increment to be Used for Facilities - 82.5% (\$000) | Conditional City Increment Available for Bond Debt Service Coverage - 8.00% of TI (\$000) |
| 2018/19 (Commencement Yr) | 26,085 | 261 | 148 | 26 | 122 | 21 |
| 2019/20 | 187,965 | 1,880 | 1,066 | 187 | 879 | 150 |
| 2020/21 | 517,005 | 5,170 | 2,931 | 513 | 2,418 | 414 |
| 2021/22 | 789,244 | 7,892 | 4,475 | 783 | 3,692 | 631 |
| 2022/23 | 1,155,480 | 11,555 | 6,552 | 1,147 | 5,405 | 924 |
| 2023/24 | 1,572,223 | 15,722 | 8,915 | 1,560 | 7,354 | 1,258 |
| 2024/25 | 2,051,977 | 20,520 | 11,635 | 2,036 | 9,599 | 1,642 |
| 2025/26 | 2,392,416 | 23,924 | 13,565 | 2,374 | 11,191 | 1,914 |
| 2026/27 | 2,818,156 | 28,182 | 15,979 | 2,796 | 13,183 | 2,255 |
| 2027/28 | 3,275,178 | 32,752 | 18,570 | 3,250 | 15,320 | 2,620 |
| 2028/29 | 3,691,970 | 36,920 | 20,933 | 3,663 | 17,270 | 2,954 |
| 2029/30 | 3,989,524 | 39,895 | 22,621 | 3,959 | 18,662 | 3,192 |
| 2030/31 | 4,155,143 | 41,551 | 23,560 | 4,123 | 19,437 | 3,324 |
| 2031/32 | 4,244,730 | 42,447 | 24,068 | 4,212 | 19,856 | 3,396 |
| 2032/33 | 4,336,250 | 43,362 | 24,587 | 4,303 | 20,284 | 3,469 |
| 2033/34 | 4,429,744 | 44,297 | 25,117 | 4,395 | 20,721 | 3,544 |
| 2034/35 | 4,525,254 | 45,253 | 25,658 | 4,490 | 21,168 | 3,620 |
| 2035/36 | 4,622,824 | 46,228 | 26,211 | 4,587 | 21,624 | 3,698 |
| 2036/37 | 4,722,499 | 47,225 | 26,777 | 4,686 | 22,091 | 3,778 |
| 2037/38 | 4,824,323 | 48,243 | 27,354 | 4,787 | 22,567 | 3,859 |
| 2038/39 | 4,928,344 | 49,283 | 27,944 | 4,890 | 23,054 | 3,943 |
| 2039/40 | 5,034,609 | 50,346 | 28,546 | 4,996 | 23,551 | 4,028 |
| 2040/41 | 5,143,165 | 51,432 | 29,162 | 5,103 | 24,058 | 4,115 |
| 2041/42 | 5,254,064 | 52,541 | 29,791 | 5,213 | 24,577 | 4,203 |
| 2042/43 | 5,367,354 | 53,674 | 30,433 | 5,326 | 25,107 | 4,294 |
| 2043/44 | 5,483,088 | 54,831 | 31,089 | 5,441 | 25,649 | 4,386 |
| 2044/45 | 5,601,318 | 56,013 | 31,759 | 5,558 | 26,202 | 4,481 |
| 2045/46 | 5,722,098 | 57,221 | 32,444 | 5,678 | 26,767 | 4,578 |
| 2046/47 | 5,845,484 | 58,455 | 33,144 | 5,800 | 27,344 | 4,676 |
| 2047/48 | 5,971,532 | 59,715 | 33,859 | 5,925 | 27,933 | 4,777 |
| 2048/49 | 6,100,298 | 61,003 | 34,589 | 6,053 | 28,536 | 4,880 |
| 2049/50 | 6,231,842 | 62,318 | 35,335 | 6,184 | 29,151 | 4,985 |
| 2050/51 | 6,366,223 | 63,662 | 36,096 | 6,317 | 29,780 | 5,093 |
| 2051/52 | 6,503,503 | 65,035 | 36,875 | 6,453 | 30,422 | 5,203 |
| 2052/53 | 6,643,744 | 66,437 | 37,670 | 6,592 | 31,078 | 5,315 |
| 2053/54 | 6,787,011 | 67,870 | 38,482 | 6,734 | 31,748 | 5,430 |
| 2054/55 | 6,933,368 | 69,334 | 39,312 | 6,880 | 32,433 | 5,547 |
| 2055/56 | 7,082,883 | 70,829 | 40,160 | 7,028 | 33,132 | 5,666 |
| 2056/57 | 7,235,622 | 72,356 | 41,026 | 7,180 | 33,846 | 5,788 |
| 2057/58 | 7,391,657 | 73,917 | 41,911 | 7,334 | 34,576 | 5,913 |
| 2058/59 | 6,228,846 | 62,288 | 35,318 | 6,181 | 29,137 | 4,983 |
| 2059/60 | 2,815,585 | 28,156 | 15,964 | 2,794 | 13,171 | 2,252 |
| 2060/61 | 803,495 | 8,035 | 4,556 | 797 | 3,759 | 643 |
| 2061/62 | 820,555 | 8,206 | 4,653 | 814 | 3,838 | 656 |
| Cumulative Total Initial Project Areas | \$820,555 | \$1,906,237 | \$1,080,836 | \$189,146 | \$891,690 | \$152,499 |

Table 5A – Projected IRFD Assessed Value and Allocation of Tax Increment for Project Area A

| Project Area A - Yerba Buena Island | | | | | | |
|-------------------------------------|--|--------------------------|--|--|---|---|
| Fiscal Year | Estimated Incremental Assessed Value (\$000) | 1% Tax Increment (\$000) | Net Available Increment - 100% of City Pledged Portion (\$000) | Net Available Increment to be Used for Housing Costs - 17.5% (\$000) | Net Available Increment to be Used for Facilities - 82.5% (\$000) | Conditional City Increment Available for Bond Debt Service Coverage - 8.00% of TI (\$000) |
| 2018/19 (Commencement Yr) | 26,085 | 261 | 148 | 26 | 122 | 21 |
| 2019/20 | 85,054 | 851 | 482 | 84 | 398 | 68 |
| 2020/21 | 245,663 | 2,457 | 1,393 | 244 | 1,149 | 197 |
| 2021/22 | 369,072 | 3,691 | 2,093 | 366 | 1,726 | 295 |
| 2022/23 | 525,421 | 5,254 | 2,979 | 521 | 2,458 | 420 |
| 2023/24 | 628,252 | 6,283 | 3,562 | 623 | 2,939 | 503 |
| 2024/25 | 641,750 | 6,417 | 3,639 | 637 | 3,002 | 513 |
| 2025/26 | 655,537 | 6,555 | 3,717 | 650 | 3,066 | 524 |
| 2026/27 | 669,621 | 6,696 | 3,797 | 664 | 3,132 | 536 |
| 2027/28 | 684,007 | 6,840 | 3,878 | 679 | 3,200 | 547 |
| 2028/29 | 698,703 | 6,987 | 3,962 | 693 | 3,268 | 559 |
| 2029/30 | 713,714 | 7,137 | 4,047 | 708 | 3,339 | 571 |
| 2030/31 | 729,049 | 7,290 | 4,134 | 723 | 3,410 | 583 |
| 2031/32 | 744,713 | 7,447 | 4,223 | 739 | 3,484 | 596 |
| 2032/33 | 760,714 | 7,607 | 4,313 | 755 | 3,558 | 609 |
| 2033/34 | 777,058 | 7,771 | 4,406 | 771 | 3,635 | 622 |
| 2034/35 | 793,754 | 7,938 | 4,501 | 788 | 3,713 | 635 |
| 2035/36 | 810,810 | 8,108 | 4,597 | 805 | 3,793 | 649 |
| 2036/37 | 828,231 | 8,282 | 4,696 | 822 | 3,874 | 663 |
| 2037/38 | 846,028 | 8,460 | 4,797 | 839 | 3,958 | 677 |
| 2038/39 | 864,206 | 8,642 | 4,900 | 858 | 4,043 | 691 |
| 2039/40 | 882,776 | 8,828 | 5,005 | 876 | 4,129 | 706 |
| 2040/41 | 901,745 | 9,017 | 5,113 | 895 | 4,218 | 721 |
| 2041/42 | 921,122 | 9,211 | 5,223 | 914 | 4,309 | 737 |
| 2042/43 | 940,916 | 9,409 | 5,335 | 934 | 4,401 | 753 |
| 2043/44 | 961,135 | 9,611 | 5,450 | 954 | 4,496 | 769 |
| 2044/45 | 981,788 | 9,818 | 5,567 | 974 | 4,593 | 785 |
| 2045/46 | 1,002,886 | 10,029 | 5,686 | 995 | 4,691 | 802 |
| 2046/47 | 1,024,438 | 10,244 | 5,809 | 1,016 | 4,792 | 820 |
| 2047/48 | 1,046,452 | 10,465 | 5,933 | 1,038 | 4,895 | 837 |
| 2048/49 | 1,068,941 | 10,689 | 6,061 | 1,061 | 5,000 | 855 |
| 2049/50 | 1,091,912 | 10,919 | 6,191 | 1,083 | 5,108 | 874 |
| 2050/51 | 1,115,378 | 11,154 | 6,324 | 1,107 | 5,217 | 892 |
| 2051/52 | 1,139,349 | 11,393 | 6,460 | 1,131 | 5,330 | 911 |
| 2052/53 | 1,163,834 | 11,638 | 6,599 | 1,155 | 5,444 | 931 |
| 2053/54 | 1,188,846 | 11,888 | 6,741 | 1,180 | 5,561 | 951 |
| 2054/55 | 1,214,397 | 12,144 | 6,886 | 1,205 | 5,681 | 972 |
| 2055/56 | 1,240,496 | 12,405 | 7,034 | 1,231 | 5,803 | 992 |
| 2056/57 | 1,267,157 | 12,672 | 7,185 | 1,257 | 5,927 | 1,014 |
| 2057/58 | 1,294,391 | 12,944 | 7,339 | 1,284 | 6,055 | 1,036 |
| Projected Totals | \$1,294,391 | \$335,454 | \$190,202 | \$33,285 | \$156,917 | \$26,836 |

Table 5B – Projected IRFD Assessed Value and Allocation of Tax Increment for Project Area B

| Project Area B-Treasure Island Stage 1 | | | | | | |
|--|--|-----------------------------|--|---|---|---|
| Fiscal Year | Estimated Incremental Assessed Value (\$000) | 1% of Tax Increment (\$000) | Net Available Increment- 100% of City Pledged Portion(\$000) | Net Available Increment to be Used for Housing Costs -17.5% (\$000) | Net Available Increment to be Used for Facilities - 82.5% (\$000) | Conditional City Increment Available for Bond Debt Service Coverage - 8.00% of TI (\$000) |
| 2019/20 (Commencement Yr) | 71,899 | 719 | 408 | 71 | 336 | 58 |
| 2020/21 | 190,598 | 1,906 | 1,081 | 189 | 892 | 152 |
| 2021/22 | 337,812 | 3,378 | 1,915 | 335 | 1,580 | 270 |
| 2022/23 | 445,554 | 4,456 | 2,526 | 442 | 2,084 | 356 |
| 2023/24 | 537,685 | 5,377 | 3,049 | 534 | 2,515 | 430 |
| 2024/25 | 646,424 | 6,464 | 3,665 | 641 | 3,024 | 517 |
| 2025/26 | 660,326 | 6,603 | 3,744 | 655 | 3,089 | 528 |
| 2026/27 | 674,528 | 6,745 | 3,825 | 669 | 3,155 | 540 |
| 2027/28 | 689,036 | 6,890 | 3,907 | 684 | 3,223 | 551 |
| 2028/29 | 703,855 | 7,039 | 3,991 | 698 | 3,292 | 563 |
| 2029/30 | 718,994 | 7,190 | 4,077 | 713 | 3,363 | 575 |
| 2030/31 | 734,458 | 7,345 | 4,164 | 729 | 3,436 | 588 |
| 2031/32 | 750,255 | 7,503 | 4,254 | 744 | 3,510 | 600 |
| 2032/33 | 766,392 | 7,664 | 4,345 | 760 | 3,585 | 613 |
| 2033/34 | 782,877 | 7,829 | 4,439 | 777 | 3,662 | 626 |
| 2034/35 | 799,716 | 7,997 | 4,534 | 794 | 3,741 | 640 |
| 2035/36 | 816,917 | 8,169 | 4,632 | 811 | 3,821 | 654 |
| 2036/37 | 834,489 | 8,345 | 4,732 | 828 | 3,904 | 668 |
| 2037/38 | 852,438 | 8,524 | 4,833 | 846 | 3,987 | 682 |
| 2038/39 | 870,774 | 8,708 | 4,937 | 864 | 4,073 | 697 |
| 2039/40 | 889,505 | 8,895 | 5,043 | 883 | 4,161 | 712 |
| 2040/41 | 908,639 | 9,086 | 5,152 | 902 | 4,250 | 727 |
| 2041/42 | 928,184 | 9,282 | 5,263 | 921 | 4,342 | 743 |
| 2042/43 | 948,150 | 9,482 | 5,376 | 941 | 4,435 | 759 |
| 2043/44 | 968,546 | 9,685 | 5,492 | 961 | 4,531 | 775 |
| 2044/45 | 989,381 | 9,894 | 5,610 | 982 | 4,628 | 792 |
| 2045/46 | 1,010,665 | 10,107 | 5,730 | 1,003 | 4,728 | 809 |
| 2046/47 | 1,032,406 | 10,324 | 5,854 | 1,024 | 4,829 | 826 |
| 2047/48 | 1,054,615 | 10,546 | 5,980 | 1,046 | 4,933 | 844 |
| 2048/49 | 1,077,303 | 10,773 | 6,108 | 1,069 | 5,039 | 862 |
| 2049/50 | 1,100,478 | 11,005 | 6,240 | 1,092 | 5,148 | 880 |
| 2050/51 | 1,124,153 | 11,242 | 6,374 | 1,115 | 5,259 | 899 |
| 2051/52 | 1,148,337 | 11,483 | 6,511 | 1,139 | 5,372 | 919 |
| 2052/53 | 1,173,041 | 11,730 | 6,651 | 1,164 | 5,487 | 938 |
| 2053/54 | 1,198,277 | 11,983 | 6,794 | 1,189 | 5,605 | 959 |
| 2054/55 | 1,224,057 | 12,241 | 6,940 | 1,215 | 5,726 | 979 |
| 2055/56 | 1,250,391 | 12,504 | 7,090 | 1,241 | 5,849 | 1,000 |
| 2056/57 | 1,277,292 | 12,773 | 7,242 | 1,267 | 5,975 | 1,022 |
| 2057/58 | 1,304,773 | 13,048 | 7,398 | 1,295 | 6,103 | 1,044 |
| 2058/59 | 1,332,844 | 13,328 | 7,557 | 1,323 | 6,235 | 1,066 |
| Projected Totals | \$1,332,844 | \$348,261 | \$197,464 | \$34,556 | \$162,908 | \$27,861 |

Table 5C – Projected IRFD Assessed Value and Allocation of Tax Increment for Project Area C

| ProjectArea C – Treasure Island Stage 1 | | | | | | |
|--|---|---------------------------------|---|---|--|--|
| Fiscal Year | Estimated Incremental Assessed Value (\$000) | 1% Tax Increment (\$000) | Net Available Increment -100% of City Pledged Portion(\$000) | Net Available Increment to be Used for Housing Costs - 17.5% (\$000) | Net Available Increment to be Used for Facilities - 82.5% (\$000) | Conditional City Increment Available for Bond Debt Service Coverage - 8.00% of TI (\$000) |
| 2020/21 (Commencement Yr) | \$36,972 | \$370 | \$210 | \$37 | \$173 | \$30 |
| 2021/22 | \$37,711 | \$377 | \$214 | \$37 | \$176 | \$30 |
| 2022/23 | \$90,938 | \$909 | \$516 | \$90 | \$425 | \$73 |
| 2023/24 | \$221,541 | \$2,215 | \$1,256 | \$220 | \$1,036 | \$177 |
| 2024/25 | \$379,388 | \$3,794 | \$2,151 | \$376 | \$1,775 | \$304 |
| 2025/26 | \$510,855 | \$5,109 | \$2,897 | \$507 | \$2,390 | \$409 |
| 2026/27 | \$740,918 | \$7,409 | \$4,201 | \$735 | \$3,466 | \$593 |
| 2027/28 | \$1,021,746 | \$10,217 | \$5,793 | \$1,014 | \$4,779 | \$817 |
| 2028/29 | \$1,043,884 | \$10,439 | \$5,919 | \$1,036 | \$4,883 | \$835 |
| 2029/30 | \$1,066,502 | \$10,665 | \$6,047 | \$1,058 | \$4,989 | \$853 |
| 2030/31 | \$1,089,609 | \$10,896 | \$6,178 | \$1,081 | \$5,097 | \$872 |
| 2031/32 | \$1,113,217 | \$11,132 | \$6,312 | \$1,105 | \$5,207 | \$891 |
| 2032/33 | \$1,137,337 | \$11,373 | \$6,449 | \$1,129 | \$5,320 | \$910 |
| 2033/34 | \$1,161,979 | \$11,620 | \$6,588 | \$1,153 | \$5,435 | \$930 |
| 2034/35 | \$1,187,156 | \$11,872 | \$6,731 | \$1,178 | \$5,553 | \$950 |
| 2035/36 | \$1,212,877 | \$12,129 | \$6,877 | \$1,203 | \$5,674 | \$970 |
| 2036/37 | \$1,239,156 | \$12,392 | \$7,026 | \$1,230 | \$5,796 | \$991 |
| 2037/38 | \$1,266,005 | \$12,660 | \$7,178 | \$1,256 | \$5,922 | \$1,013 |
| 2038/39 | \$1,293,435 | \$12,934 | \$7,334 | \$1,283 | \$6,050 | \$1,035 |
| 2039/40 | \$1,321,459 | \$13,215 | \$7,493 | \$1,311 | \$6,181 | \$1,057 |
| 2040/41 | \$1,350,091 | \$13,501 | \$7,655 | \$1,340 | \$6,315 | \$1,080 |
| 2041/42 | \$1,379,343 | \$13,793 | \$7,821 | \$1,369 | \$6,452 | \$1,103 |
| 2042/43 | \$1,409,229 | \$14,092 | \$7,990 | \$1,398 | \$6,592 | \$1,127 |
| 2043/44 | \$1,439,762 | \$14,398 | \$8,163 | \$1,429 | \$6,735 | \$1,152 |
| 2044/45 | \$1,470,957 | \$14,710 | \$8,340 | \$1,460 | \$6,881 | \$1,177 |
| 2045/46 | \$1,502,827 | \$15,028 | \$8,521 | \$1,491 | \$7,030 | \$1,202 |
| 2046/47 | \$1,535,389 | \$15,354 | \$8,706 | \$1,523 | \$7,182 | \$1,228 |
| 2047/48 | \$1,568,656 | \$15,687 | \$8,894 | \$1,556 | \$7,338 | \$1,255 |
| 2048/49 | \$1,602,643 | \$16,026 | \$9,087 | \$1,590 | \$7,497 | \$1,282 |
| 2049/50 | \$1,637,367 | \$16,374 | \$9,284 | \$1,625 | \$7,659 | \$1,310 |
| 2050/51 | \$1,672,843 | \$16,728 | \$9,485 | \$1,660 | \$7,825 | \$1,338 |
| 2051/52 | \$1,709,088 | \$17,091 | \$9,691 | \$1,696 | \$7,995 | \$1,367 |
| 2052/53 | \$1,746,118 | \$17,461 | \$9,900 | \$1,733 | \$8,168 | \$1,397 |
| 2053/54 | \$1,783,951 | \$17,840 | \$10,115 | \$1,770 | \$8,345 | \$1,427 |
| 2054/55 | \$1,822,603 | \$18,226 | \$10,334 | \$1,808 | \$8,526 | \$1,458 |
| 2055/56 | \$1,862,093 | \$18,621 | \$10,558 | \$1,848 | \$8,710 | \$1,490 |
| 2056/57 | \$1,902,438 | \$19,024 | \$10,787 | \$1,888 | \$8,899 | \$1,522 |
| 2057/58 | \$1,943,658 | \$19,437 | \$11,021 | \$1,929 | \$9,092 | \$1,555 |
| 2058/59 | \$1,985,770 | \$19,858 | \$11,259 | \$1,970 | \$9,289 | \$1,589 |
| 2059/60 | \$2,028,795 | \$20,288 | \$11,503 | \$2,013 | \$9,490 | \$1,623 |
| Projected Totals | \$2,028,795 | \$505,263 | \$286,484 | \$50,135 | \$236,349 | \$40,421 |

Table 5D – Projected IRFD Assessed Value and Allocation of Tax Increment for Project Area D

| Project Area D–Treasure Island Stage 1 | | | | | | |
|---|---|---------------------------------|--|--|--|--|
| Fiscal Year | Estimated Incremental Assessed Value (\$000) | 1% Tax Increment (\$000) | Net Available Increment -100% of City Pledged Portion (\$000) | Net Available Increment to be Used for Housing Costs -17.5% (\$000) | Net Available Increment to be Used for Facilities - 82.5% (\$000) | Conditional City Increment Available for Bond Debt Service Coverage - 8.00% of TI (\$000) |
| 2019/20. (Commencement Yr) | \$31,011 | \$310 | \$176 | \$31 | \$145 | \$25 |
| 2020/21 | \$43,773 | \$438 | \$248 | \$43 | \$205 | \$35 |
| 2021/22 | \$44,648 | \$446 | \$253 | \$44 | \$209 | \$36 |
| 2022/23 | \$45,541 | \$455 | \$258 | \$45 | \$213 | \$36 |
| 2023/24 | \$46,452 | \$465 | \$263 | \$46 | \$217 | \$37 |
| 2024/25 | \$111,750 | \$1,118 | \$634 | \$111 | \$523 | \$89 |
| 2025/26 | \$238,487 | \$2,385 | \$1,352 | \$237 | \$1,116 | \$191 |
| 2026/27 | \$375,254 | \$3,753 | \$2,128 | \$372 | \$1,755 | \$300 |
| 2027/28 | \$478,608 | \$4,786 | \$2,714 | \$475 | \$2,239 | \$383 |
| 2028/29 | \$835,222 | \$8,352 | \$4,736 | \$829 | \$3,907 | \$668 |
| 2029/30 | \$1,071,304 | \$10,713 | \$6,074 | \$1,063 | \$5,011 | \$857 |
| 2030/31 | \$1,174,127 | \$11,741 | \$6,657 | \$1,165 | \$5,492 | \$939 |
| 2031/32 | \$1,199,566 | \$11,996 | \$6,802 | \$1,190 | \$5,611 | \$960 |
| 2032/33 | \$1,225,557 | \$12,256 | \$6,949 | \$1,216 | \$5,733 | \$980 |
| 2033/34 | \$1,252,110 | \$12,521 | \$7,099 | \$1,242 | \$5,857 | \$1,002 |
| 2034/35 | \$1,279,239 | \$12,792 | \$7,253 | \$1,269 | \$5,984 | \$1,023 |
| 2035/36 | \$1,306,956 | \$13,070 | \$7,410 | \$1,297 | \$6,114 | \$1,046 |
| 2036/37 | \$1,335,274 | \$13,353 | \$7,571 | \$1,325 | \$6,246 | \$1,068 |
| 2037/38 | \$1,364,204 | \$13,642 | \$7,735 | \$1,354 | \$6,381 | \$1,091 |
| 2038/39 | \$1,393,762 | \$13,938 | \$7,903 | \$1,383 | \$6,520 | \$1,115 |
| 2039/40 | \$1,423,960 | \$14,240 | \$8,074 | \$1,413 | \$6,661 | \$1,139 |
| 2040/41 | \$1,454,813 | \$14,548 | \$8,249 | \$1,444 | \$6,805 | \$1,164 |
| 2041/42 | \$1,486,334 | \$14,863 | \$8,428 | \$1,475 | \$6,953 | \$1,189 |
| 2042/43 | \$1,518,538 | \$15,185 | \$8,610 | \$1,507 | \$7,103 | \$1,215 |
| 2043/44 | \$1,551,439 | \$15,514 | \$8,797 | \$1,539 | \$7,257 | \$1,241 |
| 2044/45 | \$1,585,054 | \$15,851 | \$8,987 | \$1,573 | \$7,414 | \$1,268 |
| 2045/46 | \$1,619,397 | \$16,194 | \$9,182 | \$1,607 | \$7,575 | \$1,296 |
| 2046/47 | \$1,654,484 | \$16,545 | \$9,381 | \$1,642 | \$7,739 | \$1,324 |
| 2047/48 | \$1,690,331 | \$16,903 | \$9,584 | \$1,677 | \$7,907 | \$1,352 |
| 2048/49 | \$1,726,955 | \$17,270 | \$9,792 | \$1,714 | \$8,078 | \$1,382 |
| 2049/50 | \$1,764,372 | \$17,644 | \$10,004 | \$1,751 | \$8,253 | \$1,411 |
| 2050/51 | \$1,802,600 | \$18,026 | \$10,221 | \$1,789 | \$8,432 | \$1,442 |
| 2051/52 | \$1,841,656 | \$18,417 | \$10,442 | \$1,827 | \$8,615 | \$1,473 |
| 2052/53 | \$1,881,559 | \$18,816 | \$10,668 | \$1,867 | \$8,801 | \$1,505 |
| 2053/54 | \$1,922,326 | \$19,223 | \$10,900 | \$1,907 | \$8,992 | \$1,538 |
| 2054/55 | \$1,963,976 | \$19,640 | \$11,136 | \$1,949 | \$9,187 | \$1,571 |
| 2055/56 | \$2,006,529 | \$20,065 | \$11,377 | \$1,991 | \$9,386 | \$1,605 |
| 2056/57 | \$2,050,004 | \$20,500 | \$11,624 | \$2,034 | \$9,589 | \$1,640 |
| 2057/58 | \$2,094,421 | \$20,944 | \$11,875 | \$2,078 | \$9,797 | \$1,676 |
| 2058/59 | \$2,139,800 | \$21,398 | \$12,133 | \$2,123 | \$10,009 | \$1,712 |
| Projected Totals | \$2,139,800 | \$500,314 | \$283,678 | \$49,644 | \$234,034 | \$40,025 |

Table 5E – Projected IRFD Assessed Value and Allocation of Tax Increment for Project Area E

| Project Area E–Treasure Island Stage 1 | | | | | | |
|---|---|---------------------------------|--|---|--|--|
| Fiscal Year | Estimated Incremental Assessed Value (\$000) | 1% Tax Increment (\$000) | Net Available Increment -100% of City Pledged Portion (\$000) | Net Available Increment to be Used for Housing Costs - 17.5% (\$000) | Net Available Increment to be Used for Facilities - 82.5% (\$000) | Conditional City Increment Available for Bond Debt Service Coverage - 8.00% of TI (\$000) |
| 2022/23 (Commencement Yr) | 48,026 | 480 | 272 | 48 | 225 | 38 |
| 2023/24 | 138,292 | 1,383 | 784 | 137 | 647 | 111 |
| 2024/25 | 272,665 | 2,727 | 1,546 | 271 | 1,275 | 218 |
| 2025/26 | 327,210 | 3,272 | 1,855 | 325 | 1,531 | 262 |
| 2026/27 | 357,835 | 3,578 | 2,029 | 355 | 1,674 | 286 |
| 2027/28 | 401,781 | 4,018 | 2,278 | 399 | 1,879 | 321 |
| 2028/29 | 410,305 | 4,103 | 2,326 | 407 | 1,919 | 328 |
| 2029/30 | 419,010 | 4,190 | 2,376 | 416 | 1,960 | 335 |
| 2030/31 | 427,900 | 4,279 | 2,426 | 425 | 2,002 | 342 |
| 2031/32 | 436,979 | 4,370 | 2,478 | 434 | 2,044 | 350 |
| 2032/33 | 446,250 | 4,463 | 2,530 | 443 | 2,087 | 357 |
| 2033/34 | 455,719 | 4,557 | 2,584 | 452 | 2,132 | 365 |
| 2034/35 | 465,389 | 4,654 | 2,639 | 462 | 2,177 | 372 |
| 2035/36 | 475,264 | 4,753 | 2,695 | 472 | 2,223 | 380 |
| 2036/37 | 485,349 | 4,853 | 2,752 | 482 | 2,270 | 388 |
| 2037/38 | 495,648 | 4,956 | 2,810 | 492 | 2,319 | 397 |
| 2038/39 | 506,166 | 5,062 | 2,870 | 502 | 2,368 | 405 |
| 2039/40 | 516,908 | 5,169 | 2,931 | 513 | 2,418 | 414 |
| 2040/41 | 527,878 | 5,279 | 2,993 | 524 | 2,469 | 422 |
| 2041/42 | 539,081 | 5,391 | 3,057 | 535 | 2,522 | 431 |
| 2042/43 | 550,521 | 5,505 | 3,121 | 546 | 2,575 | 440 |
| 2043/44 | 562,205 | 5,622 | 3,188 | 558 | 2,630 | 450 |
| 2044/45 | 574,138 | 5,741 | 3,255 | 570 | 2,686 | 459 |
| 2045/46 | 586,324 | 5,863 | 3,324 | 582 | 2,743 | 469 |
| 2046/47 | 598,768 | 5,988 | 3,395 | 594 | 2,801 | 479 |
| 2047/48 | 611,478 | 6,115 | 3,467 | 607 | 2,860 | 489 |
| 2048/49 | 624,457 | 6,245 | 3,541 | 620 | 2,921 | 500 |
| 2049/50 | 637,712 | 6,377 | 3,616 | 633 | 2,983 | 510 |
| 2050/51 | 651,249 | 6,512 | 3,693 | 646 | 3,046 | 521 |
| 2051/52 | 665,073 | 6,651 | 3,771 | 660 | 3,111 | 532 |
| 2052/53 | 679,192 | 6,792 | 3,851 | 674 | 3,177 | 543 |
| 2053/54 | 693,610 | 6,936 | 3,933 | 688 | 3,245 | 555 |
| 2054/55 | 708,335 | 7,083 | 4,016 | 703 | 3,313 | 567 |
| 2055/56 | 723,373 | 7,234 | 4,102 | 718 | 3,384 | 579 |
| 2056/57 | 738,730 | 7,387 | 4,189 | 733 | 3,456 | 591 |
| 2057/58 | 754,414 | 7,544 | 4,278 | 749 | 3,529 | 604 |
| 2058/59 | 770,432 | 7,704 | 4,368 | 764 | 3,604 | 616 |
| 2059/60 | 786,789 | 7,868 | 4,461 | 781 | 3,680 | 629 |
| 2060/61 | 803,495 | 8,035 | 4,556 | 797 | 3,759 | 643 |
| 2061/62 | 820,555 | 8,206 | 4,653 | 814 | 3,838 | 656 |
| Projected Totals | \$820,555 | \$216,945 | \$123,008 | \$21,526 | \$101,481 | \$17,356 |

The Board will allocate the Net Available Increment to the IRFD, which will be applied to meet all of its obligations, including: (A) for 82.5% of the Net Available Increment (i) accumulation and expenditure on Facilities, and (ii) payment of debt service, debt service coverage requirements, and replenishment of any debt service reserve fund for Bonds secured by the 82.5% of the Net Available Increment; and (B) for 17.5% of the Net Available Increment (i) accumulation and expenditure on Housing Costs, and (ii) payment of debt service, debt service coverage requirements, and replenishment of any debt service reserve fund for Bonds secured by the 17.5% of the Net Available Increment.

As Annexation Territory is annexed into the IRFD, the Annexation Supplement shall contain a table similar to the tables above for the tax increment revenues expected from each annexation of Annexation Territory.

C. Plan for financing the IRFD Improvements, including a detailed description of any intention to incur debt

The IRFD Improvements will be financed through a combination of annual tax increment revenue allocated to the IRFD (in the manner permitted by the IRFD Law, including, without limitation, Section 53369.2), as well as indebtedness (herein, "Bonds") secured by the property tax increment committed to the IRFD.

Under proceedings to form the IRFD, the IRFD is authorized to issue, in one or more series, up to (i) \$780 million in Bonds, plus (ii) the amount approved by the Board and the qualified electors of the Annexation Territory in connection with each annexation of Annexation Territory to the IRFD. Pursuant to the IRFD Law, the Board intends to issue Bonds, in one or more series, secured by the Net Available Increment generated from all Project Areas in the IRFD. The Bonds may be taxable or tax-exempt, and may be current-interest bonds, capital appreciation bonds, fixed-rate bonds, or variable-rate bonds. Pursuant to Section 53369.14(d)(5) of the IRFD Law, the Board may issue Bonds with a final maturity date of up to 30 years from the date of issuance.

As Annexation Territory is annexed to the IRFD, the Annexation Supplement for each annexation shall estimate the additional bond capacity that results from the tax increment revenue to be generated by the Annexation Territory.

D. Limit on the total number of dollars of taxes that may be allocated to the IRFD pursuant to this Infrastructure Financing Plan

It is estimated that:

- a total of \$1.081 billion of Net Available Increment and \$152 million of Conditional City Increment⁵ will be generated within the Initial Project Areas of the IRFD over the life of the IRFD to finance the IRFD Improvements,
- plus additional amounts of Net Available Increment and Conditional City Increment generated from Annexation Territory annexed to the IRFD following approval of such annexation by the Board and the qualified electors within such Annexation Territory.

The amount generated within the Initial Project Areas represents 100% of the total tax increment that would otherwise be allocated to the General Fund of the City from the properties in the Initial Project Areas of the IRFD over the life of the IRFD. This amount is necessary to fund debt service on the Bonds used to fund the private sector Facilities and is expected to be sufficient to pay any pay-as-you-go administrative and capital expenses for the Initial Project Areas.

The annual allocation of tax increment to the IRFD for purposes of Section 53369.30(b) of the IRFD Law shall be the amount appropriated by the Board for deposit in the special fund or funds established for the IRFD; provided, however, that the Board hereby commits to appropriate and, therefore, allocate Net Available Increment from the Initial Project Areas to (i) to pay debt service on any Bonds issued for the IRFD and to comply with any other covenants related to Bonds issued for the IRFD as set forth in the Development Agreements and the approval actions relating to each Bond issuance and (ii) reimburse the Developer in accordance with the DDA Financing Plan.

After providing an allowance for variations in future inflation, it has been determined that the total nominal number of tax increment dollars to be allocated to the Initial Project Areas of the IRFD over the life of the IRFD shall not exceed \$1.53 billion of Net Available Increment and \$216 million of Conditional City Increment. The combined total of Net Available Increment and Conditional City Increment allocated to the Initial Projects Areas of the IRFD shall not exceed \$1.75 billion. The IRFD cash flow projection assuming these factors is set forth in Appendix D, Table 1 (Net Available Increment) and Table 2 (Conditional City Increment).

⁵ The use of Conditional City Increment is restricted as described in Section VIII.

As Annexation Territory is annexed to the IRFD, the increase in the allocation of tax increment dollars to the IRFD as a result of the annexation of Annexation Territory, along with information similar to that set forth above, shall be included in the Annexation Supplement for each annexation of the Annexation Territory.

E. IRFD termination date by Project Area

Each Initial Project Area of the IRFD will terminate forty (40) years (or such longer period as allowed by the IRFD Law and approved by the Board) from the date specified as the Commencement Year, as shown in Table 4 and in any corresponding table in an Annexation Supplement. As additional land is annexed to the IRFD into its own Project Area, the termination date will be the fortieth (40th) year (or such longer period as allowed by the IRFD Law and approved by the Board) from the date specified in the Annexation Supplement as the Commencement Year (which may be any year selected by the land owner annexing into the IRFD). See Table 4 for a list of the termination dates for the Initial Project Areas.

As Annexation Territory is annexed to the IRFD, a table similar to Table 4 shall be included in the Annexation Supplement for each annexation of Annexation Territory. The IRFD will terminate on the same date as the final Project Area (as may be created by annexation of Annexation Territory) in the IRFD terminates.

F. Analysis of City service costs and revenues to be generated by the Project

An assessment of the annual revenue and cost impacts of the entire Project on the City is presented in Appendix B. As shown, net of revenues allocated to the IRFD, the Project is expected to generate an annual surplus to the City (i.e., the General Fund, the MTA Fund, the Library Fund, and the Children's Fund) during construction and upon buildout. The diversion of revenues to the IRFD is not anticipated to adversely impact the City's ability to provide services to the area. Upon stabilization, the IRFD properties are anticipated to annually generate a net surplus of \$11.1 million to the City after the diversion to the IRFD and payment of all Bonds. The annual surplus upon stabilization to the City's General Fund is anticipated to total \$7.4 million.

G. Analysis of fiscal impact of IRFD on each affected taxing entity

The only taxing entity that is affected by the IRFD is the City. The impacts on the General Fund of the City are detailed in the fiscal impact analysis provided as Appendix B. See Appendix B and subsection F above.

H. Transit Priority Project Program analysis

As part of the Project entitlements, the City created an innovative and robust transit and transportation program designed to reduce private automobile use. The parameters of the

development, including building heights, densities, the affordable housing program and the transportation program, were approved as an integrated whole in June 2011. The City does not currently intend to provide any increase in densities under the Transit Priority Project Program set forth in Government Code Section 65470(c). To the extent that the City and Developer may apply for state or federal funds as a transit priority project under Government Code Section 65470 or any other state or federal law, nothing in this subsection H shall prevent such application or award.

I. Replacement Housing

The plan providing for the replacement of dwelling units occupied by persons or families of low or moderate income proposed to be removed or destroyed in the course of private development or facilities construction within the area of the IRFD and the relocation of such persons or families consistent with Section 53369.6 of the IRFD Law is set forth in the TIDA DDA Housing Plan (the "**Housing Plan**"), which is shown as Exhibit E to the TIDA DDA. Furthermore, in order to comply with Sections 53369.6(d) and 53369.6(e) of the IRFD Law and other applicable laws, TIDA adopted the Transition Housing Rules and Regulations (the "**THRRs**") to provide certain benefits to households legally occupying the housing units at the time they are required to move in connection with the Project, including for pre-DDA households the opportunity to occupy transition units, moving benefits, and down-payment assistance. All occupants are also provided with advisory services in accordance with applicable law. The TIDA DDA provides that, as a mutual condition to close on any Sub-Phase and transfer from TIDA to Developer, the THRRs must be implemented as to all units in that Sub-Phase. Finally, the Housing Plan provides that the Developer shall not have the right to demolish any existing occupied residential units on Yerba Buena Island or Treasure Island until the Transition Requirements, as defined in Section 10.3.3(h) of the TIDA DDA have been satisfied. For the complete terms of the foregoing provisions, reference is hereby made to the TIDA DDA and the Housing Plan.

The Initial Project Areas were transferred to the Developer from TIDA on February 22, 2016. The Developer commenced demolition of improvements in the Initial Project Areas in March, 2016. Demolition on Yerba Buena Island was completed in August, 2016; demolition on Treasure Island is expected to be completed in December, 2016. In the Initial Project Areas, a total of 70 residential units were demolished. These 70 units are the total units demolished in the Initial Project Areas – both market and low-income units. None of these 70 units were occupied at the time of demolition.

Under the Housing Plan, in the Initial Project Areas, the Developer is constructing approximately 111 low-income units, and TIDA is expected to construct approximately 196 low-income units. Accordingly, the number of low-income units being constructed in the Initial Project Areas far exceeds the number of low-income units demolished in such area. A minimum of 70 replacement units will be constructed prior to the end of the 4-year time period required by Section 53369.6 of the IRFD Law.

The Board finds that the satisfaction of the conditions for demolition and replacement housing in the Housing Plan, including the THRRs, satisfies Section 53369.6 of the IRFD Law as it relates to the Initial Project Areas.

As used in this section, the term "**low-income unit**" means a unit occupied by persons or families of low or moderate income at affordable housing cost (as defined in California Health and Safety Code Section 50052.5) or affordable rent (as defined in California Health and Safety Code Section 50053).

As Annexation Territory is annexed to the IRFD, if dwelling units are to be demolished, a section similar to this subsection I shall be included in the Annexation Supplement for each annexation of Annexation Territory.

VIII. MISCELLANEOUS PROVISIONS

A. *Conditional City Increment*

Under Section 3.3(e) of the DDA Financing Plan, the Developer and the City agreed that the City would allocate the "Conditional City Increment" to the IRFD for the limited purpose of paying debt service on Bonds in the event that the Net Available Increment is insufficient for that purpose. The Conditional City Increment is identified in Table 3.

In connection with the issuance of Bonds, the Conditional City Increment shall be added to the Net Available Increment when determining coverage on the Bonds and such amounts shall be pledged to the payment of debt service on the Bonds. However, in any given year, should the Net Available Increment be sufficient to cover the debt service on the Bonds, the Conditional City Increment shall not be remitted to the IRFD, or, if previously remitted to the IRFD, shall be returned to the City.

If the Conditional City Increment is ever used to pay debt service on Bonds, then in future years after first paying or setting aside amounts needed for debt service due during such Fiscal Year on Bonds for the IRFD secured by or payable from Net Available Increment, the IRFD shall repay the City out of Net Available Increment for any Conditional City Increment used to pay debt service on Bonds in an amount equal to the Conditional City Increment used to pay debt service on the Bonds plus interest through the date of repayment of the amount of Conditional City Increment used to pay debt service on the Bonds at the Default Interest Rate (as defined in the DDA Financing Plan).

B. *Limitations on Receipt of Tax Increment Revenues*

The Developer agreed to certain restrictions on the receipt of Net Available Increment under certain circumstances. Accordingly, the limitations on receipt of Net Available Increment described in Sections 3.8 and 3.9 of the DDA Financing Plan are incorporated into this Infrastructure Financing Plan.

C. *Mello-Roos Financing*

Under the DDA Financing Plan, the City and the Developer agreed to form one or more community facilities districts (each a "CFD") under the Mello-Roos Community Facilities Act of 1982 (the "CFD Act") to finance various facilities. Some of the Facilities are also eligible for financing by the CFD. The Developer and the City intend to use both the CFDs and the IRFD to fund all of the eligible facilities required to be constructed for the Project. In addition, the TIDA Board and the Board may authorize Net Available Increment be used to pay debt service on one or more CFDs.

D. *Validation*

The City will be seeking a validation judgment regarding the IRFD pursuant to Section 860 of the California Code of Civil Procedure.

APPENDIX A: Boundary Map and Legal Description of the IRFD

Legal Description:

Project Area A

- Legal for 1Y

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 19 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

- Legal for 2Y-H

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 24 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

- Legal for 3Y

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 21 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

- Legal for 4Y

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 23 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

Project Area B

- Legal for B1-A

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 15 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

- Legal for C2.2

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 8 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

- Legal for C2.3

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 9 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

- Legal for C3.3

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 3 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

- Legal for C3.4

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 4 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

Project Area C

- Legal for C1.1

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 12 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

- Legal for C1.2

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 13 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

Project Area D

- Legal for C2.1

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 7 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

- Legal for C3.5

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 5 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

- Legal for Park

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 6 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

Project Area E

- Legal for C2.4

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 10 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

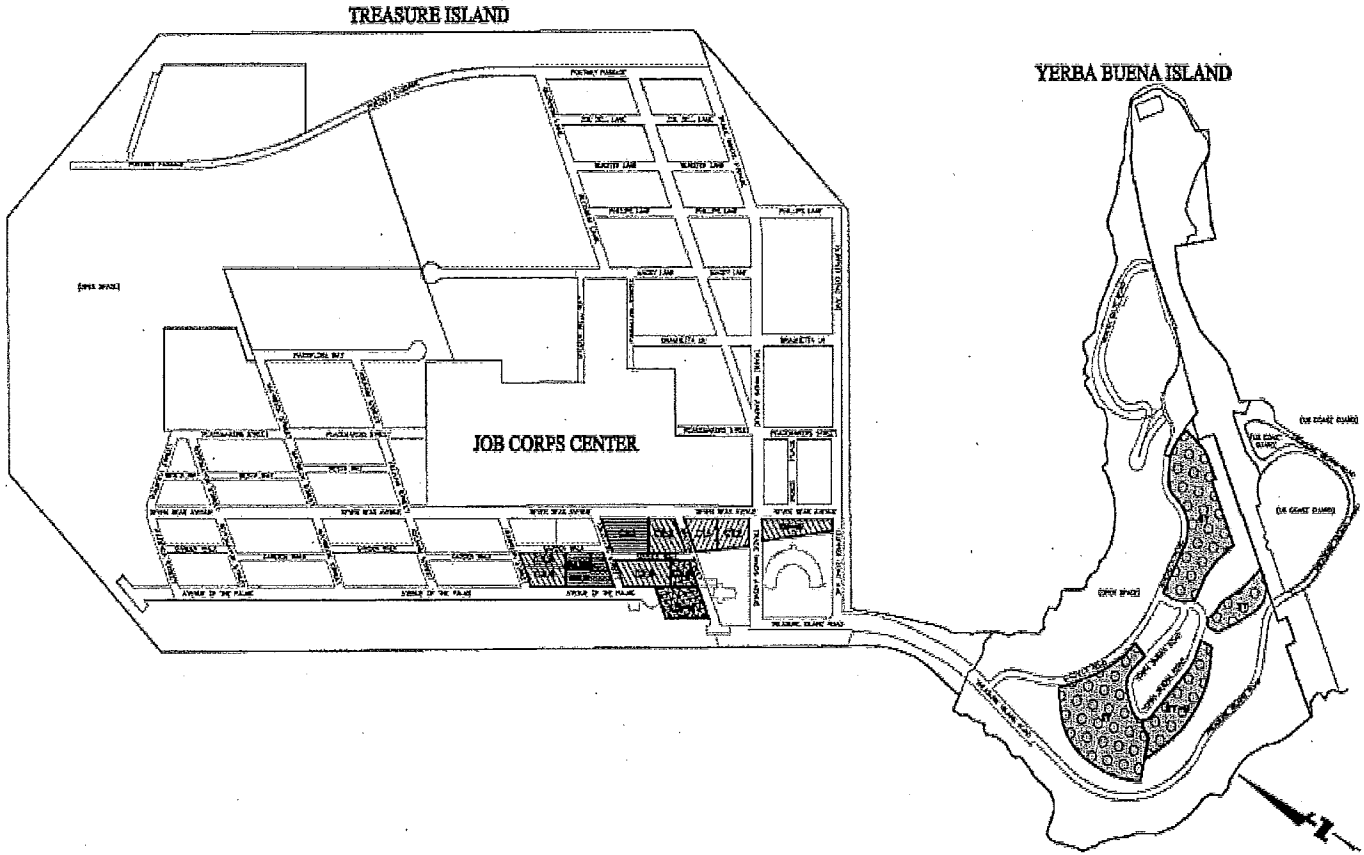
- Legal for C2-H

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

All of Lot 11 as said Lot is shown on that certain Final Transfer Map No. 8674 filed for record in the Office of the Recorder of the City and County of San Francisco, in Book FF of Survey Maps at Pages 177 thru 192 on December 7th, 2015.

Boundary Map:

PROPOSED BOUNDARIES OF
CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO.1
(TREASURE ISLAND PUBLIC INFRASTRUCTURE)



LEGEND

| | |
|--|--|
| | Boundaries of Infrastructure and Revitalization Financing District No. 1 |
| | Boundaries of Project Area A |
| | Boundaries of Project Area B |
| | Boundaries of Project Area C |
| | Boundaries of Project Area D |
| | Boundaries of Project Area E |

Prepared by:
B&F Engineers

APPENDIX B: Fiscal Impact Analysis of City



KEYSER MARSTON ASSOCIATES

**ASSESSMENT OF FISCAL IMPACTS
TO THE CITY AND COUNTY OF SAN FRANCISCO
TREASURE ISLAND / YERBA BUENA ISLAND
DEVELOPMENT PROJECT**

Prepared for
City and County of San Francisco

Prepared by
Keyser Marston Associates, Inc.

August 2016

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I. EXECUTIVE SUMMARY

The City and County of San Francisco (CCSF), is considering adopting an Infrastructure and Revitalization Financing District (IRFD) to fund a portion of the cost of developing public facilities and affordable housing that will support the Treasure Island/Yerba Buena Island Development Project (the Project). The process for adopting an IRFD is governed by California Government Code Sections 53369 -53369.49. The fiscal impact analysis presented in this report has been prepared to meet the requirements of Section 53369.14 (d) (6), specifically addressing the following:

“The costs to the city of providing facilities and services to the area of the district while the area is being developed and after the area is developed. The plan shall also include an analysis of the tax, fee, charge, and other revenues expected to be received by the city as a result of expected development in the area of the district.”¹

The Project consists of the development of a mixed use community on Treasure Island and Yerba Buena Island to be undertaken by Treasure Island Community Development LLC (TICD) and the Treasure Island Development Authority (TIDA). It is anticipated that the Project will include 8,000 housing units, two hotels totaling 250 rooms, 451,000 square feet of retail and 100,000 square feet of office. The Project will also contain over 300 acres of privately maintained parks and open space, among other community amenities. Completion and full occupancy of the Project is anticipated by FY2031/32 (16 years). Upon buildout, the Project's service population is projected to reach 16,326 residents and 2,544 employees.

The IRFD will initially include a portion of the Project, with an estimated 2,221 market rate and inclusionary units and 250 hotel rooms. It is anticipated that additional properties will be added to the IRFD over time. Because City services to the Islands generally cannot be apportioned to the various individual components of the Project, this fiscal impact analysis addresses the impacts of the anticipated entire Project. The analysis reflects the anticipated development program and phasing schedule provided by TICD in March 2016 (27.2% affordable scenario), as well as current fiscal information derived from CCSF's FY 2015/16 Budget and Appropriation Ordinance.

This analysis updates the fiscal impact estimates contained in the “Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project” prepared by Economic & Planning Systems, Inc. (EPS) in May 2011. The 2011 analysis was approved as part of the approval of the Project's Development Agreement between TICD and TIDA. Consistent with the approach of the May 2011 analysis, this fiscal analysis addresses the additional General Fund service costs to be generated by the Project beyond the cost of General Fund services that are currently being provided to the Islands. There are some differences in approach, however, which are detailed in Section IIC.

¹ The CCSF is the only taxing agency that is proposed to participate in the IRFD. Therefore, this fiscal analysis addresses only the impacts on the CCSF.

It is anticipated that the IRFD for the entire Project will be comprised of several project areas. Each project area will have a 40-year term, with a start date conditioned upon achievement of an assessed valuation threshold, selected specifically for each project area. Given that the overall term of the IRFD is not known at this time, this fiscal analysis evaluates the impacts of the entire Project over an extended period of time to ensure that the potential aggregate of 40-year terms is captured by the analysis. A 52-year term, extending from FY 2015/16 through FY 2067/68 has been evaluated.

The analysis evaluates the cumulative and annual fiscal impacts on the CCSF General Fund, the Municipal Transit Agency (MTA) Fund (“MTA Fund”), and the Library Preservation Fund (“Library Fund”). The analysis assumes the diversion of 100% of the General Fund’s 56.69% share of base 1% property tax increment to the IRFD throughout the entire study period. ²

The analysis is presented in the attached Tables 1 through 26, Appendix Tables A-1 through A-4 and in Section III of this report.

A. Net Fiscal impacts to the General Fund

The Project is anticipated to generate a cumulative surplus to the City’s General Fund over the anticipated window of the term of the IRFD. It is estimated that the cumulative surplus to the City’s General Fund from FY 2015/16 through FY 2067/68 will total approximately \$688.2 million in nominal dollars or \$328.7 million in current (2016) dollars (3% discount rate). The Project is anticipated to generate an annual General Fund surplus throughout the study period, with an estimated annual surplus upon stabilization of \$12.2 million in nominal dollars or \$6.8 million in current (2016) dollars.

| Exhibit 1 – Net General Fund Impacts | | | | |
|---|---|---------------------------|---|---------------------------|
| | Cumulative Impacts (FY 2015/16 – FY 2067/68) | | Annual Impacts Upon Build-out / Stabilization (FY 2035/36) | |
| | \$2016 millions | \$nominal millions | \$2016 millions | \$nominal millions |
| Revenues* | \$981.2 | \$2,426.7 | \$21.9 | \$39.5 |
| Expenditures | (\$652.6) | (\$1,738.5) | (\$15.1) | (\$27.3) |
| Net Surplus (Expense) | \$328.7 | \$688.2 | \$6.8 | \$12.2 |

* Includes annual recurring and construction-related revenues

² This is a conservative assumption. A portion of property tax revenue will likely be retained by the City prior to and following the 40-year terms of the individual IRFD project areas.

B. Net Fiscal Impacts to MTA and Library Preservation Funds

The Project is anticipated to generate a cumulative surplus and ongoing annual surpluses after build-out to the MTA and Library Preservation Funds. The sum of operating revenues and General Fund transfers (required by the City’s Charter) to be generated by the Project are anticipated to exceed the estimated cost to the funds of providing enhanced services in all fiscal years and result in a cumulative surplus. The cumulative surplus is estimated to total \$201 million (2016\$). The annual surplus upon stabilization is estimated to total \$3.8 million (2016\$).

| Exhibit 2 – Net MTA and Library Fund Impacts | | | | |
|---|---|---------------------------|--|---------------------------|
| | Cumulative Impacts (FY 2015/16 – FY 2067/68) | | Annual Impacts Upon Buildout / Stabilization (FY 2035/36) | |
| | \$2016 millions | \$nominal millions | \$2016 millions | \$nominal millions |
| Revenues | \$277.8 | \$718.6 | \$6.4 | \$11.6 |
| Expenditures | (\$76.8) | (\$222.8) | (\$2.7) | (\$4.8) |
| Net Surplus (Expense) | \$201.0 | \$495.8 | \$3.8 | \$6.8 |

C. Aggregate Net Fiscal Impacts to General Fund, MTA Fund and Library Preservation Fund

The Project’s aggregate impact on the General Fund, MTA Fund and Library Preservation Fund is anticipated to be positive on a cumulative basis and on an annual basis throughout the study period. The cumulative city surplus is estimated to total \$529.6 million (2016\$). The annual city surplus upon stabilization is estimated to total \$10.5 million (2016\$).

| Exhibit 3 – Net General Fund, MTA and Library Fund Impacts | | | | |
|---|---|---------------------------|--|---------------------------|
| | Cumulative Impacts (FY 2015/16 – FY 2067/68) | | Annual Impacts Upon Buildout / Stabilization (FY 2035/36) | |
| | \$2016 millions | \$nominal millions | \$2016 millions | \$nominal millions |
| Revenues | \$1,259.0 | \$3,145.3 | \$28.3 | \$51.1 |
| Expenditures | (\$729.4) | (\$1,961.3) | (\$17.8) | (\$32.1) |
| Net Surplus (Expense) | \$529.6 | \$1,184.0 | \$10.5 | \$19.0 |

D. Other City Revenues to be Generated by the Project

The Project will generate additional revenues to the City. These include traditional sources of revenue as well as revenues resulting from the terms of the Development Agreement. Traditional sources include building permit fees, development impact fees and ongoing revenues that are “restricted” to specific purposes. Ongoing “restricted” revenues include General Fund transfers to the Children’s Services Fund, as well as franchise fees, fines, licenses and forfeiture revenues to be generated by the Project. These revenues are presented in Table 2A.

Project specific revenue sources include: a subsidy payment for affordable housing totaling \$17,500 per market rate unit, funding for parks and open space maintenance, funding for community facilities, and funding for transportation. Given that these are limited revenue contributions that will not be available on a recurring basis, and some are payments to mitigate impacts generated by the Project, they have not been quantified and included in this fiscal analysis.

II. INTRODUCTION

The City and County of San Francisco (CCSF), is considering adopting an Infrastructure and Revitalization Financing District (IRFD) to fund a portion of the cost of developing public facilities and affordable housing that will support the Treasure Island/Yerba Buena Island Development Project (the Project). The process for adopting an IRFD is governed by California Government Code Sections 53369 -53369.49. The fiscal impact analysis presented in this report has been prepared to meet the requirements of Section 53369.14 (d) (6), specifically addressing the following:

"The costs to the city of providing facilities and services to the area of the district while the area is being developed and after the area is developed. The plan shall also include an analysis of the tax, fee, charge, and other revenues expected to be received by the city as a result of expected development in the area of the district."³

A. Project Description

The subject Project consists of the development of a 360-acre site on Yerba Buena and Treasure Island (the Islands) with residential, commercial and hotel uses, in addition to 300 acres of privately maintained parks and open space. The developer, Treasure Island Community Development LLC (TICD), anticipates the Project to reach completion and full occupancy by FY 2031/32, or within the next 16 years. Exhibit 4 summarizes the anticipated development program, which includes:

- 8,000 housing units, including:
 - 5,521 for sale units, of which 223 are Below Market Rate (BMR) units
 - 613 rental units, of which 84 are BMR units
 - 1,866 additional BMR rental units to be built on sites owned by TIDA and the Treasure Island Homeless Development Initiative (TIHDI)
- Two hotels with a total of 250 rooms
- 451,000 square feet of retail
- 100,000 square feet of office

Pricing of for-sale residential units is anticipated to range from \$1.1 million to \$1.8 million for market rate units and \$175,000 to \$353,000 for BMR units (Exhibit 5).

³ The CCSF is the only taxing agency that is proposed to participate in the IRFD. Therefore, this fiscal analysis addresses only the impacts on the CCSF.

| Exhibit 4 – Proposed Development Program (27-29% Affordable scenario) | | | | |
|---|---------------|------------|----------------|--------------|
| Land Use | | Total | | |
| Residential | | | | |
| TIDI Units | <u>Market</u> | <u>BMR</u> | | |
| For Sale | 5,298 | 223 | 5,521 | DU |
| For Rent | 529 | 84 | 613 | DU |
| | 5,827 | 307 | 6,134 | |
| TIDA/THDI Units | | | 1,866 | DU |
| | | | 8,000 | DU |
| Hotel | | | | |
| Full Service Hotel | | | 200 | Rms |
| Spa Hotel | | | 50 | Rms |
| | | | 250 | Rms |
| Commercial | | | | |
| Retail | | | 451,000 | Sq Ft |
| Office | | | 100,000 | Sq Ft |
| | | | 551,000 | Sq Ft |

| Exhibit 5 – Targeted Pricing of For-Sale Units | | | | |
|--|--------------|----------------------------|------------|-------------------------|
| Unit Type | Market Units | Market Sale Price (2016\$) | BMR Units | BMR Sale Price (2016\$) |
| YBI Townhomes | 200 | \$1,790,000 | 10 | \$347,000 |
| TI Townhomes | 271 | \$1,410,000 | 0 | \$353,000 |
| Flats | 2,044 | \$1,037,000 | 117 | \$288,000 |
| Neighborhood Tower | 1,771 | \$1,202,000 | 96 | \$226,000 |
| Branded Condo | 895 | \$1,377,000 | 0 | \$226,000 |
| Highrise | 117 | \$1,140,000 | 0 | \$175,000 |
| Total Units | 5,298 | | 223 | |

B. Service Population

Upon buildout, the Project's service population is projected to reach 16,326 residents and 2,544 employees (Exhibit 6). Density factors used for estimating employment are referenced in the table below. The total residential population is estimated by unit type based on average household size information from the American Community Survey (2014) for comparable census block groups in San Francisco. The average household size of the Project reflects a factor of 2.04 residents per household, which is slightly below the San Francisco average of 2.10 (Appendix Table A-4). The service population is equivalent to the sum of the resident and employee population (day and evening population).

| Exhibit 6 – Project Demographics | | |
|---|---------------------------|-----------------|
| Service Population | Measure | Estimate |
| Households | <i>99.8% occupied</i> | 7,984 |
| Residents | <i>Appendix Table A-4</i> | 16,326 |
| Employees | | |
| Retail | <i>3.3 emp/1,000 sf</i> | 1,371 |
| Office | <i>3.1 emp/1,000 sf</i> | 281 |
| Hotel | <i>0.80 emp/rm</i> | 200 |
| Other Employment | <i>Table 8</i> | 159 |
| Residential Employment | <i>0.07 emp/du</i> | 533 |
| | | 2,544 |
| Service Population: | | |
| Day & Evening Population | <i>pop + emp.</i> | 18,869 |

C. Approach

The subject analysis evaluates the marginal impacts of the Project on the CCSF General Fund, Municipal Transit Agency (MTA) Fund, and Library Preservation Fund. The analysis runs from FY 2015/16 through FY 2067/68, which encompasses the full construction period and the duration of the IRFD.⁴

The fiscal impacts are presented net of General Fund tax increment to be diverted to the IRFD. The analysis assumes the diversion of 100% of the General Fund's 56.69% share of base 1% property tax increment for the duration of the study period to the IRFD.⁵

This analysis updates the fiscal impact estimates contained in the "Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project" prepared by Economic & Planning Systems, Inc. (EPS) in May 2011. The 2011 analysis was approved as part of the approval of the Project's Development Agreement between TICD and TIDA. Consistent with the approach of the May 2011 analysis, this fiscal analysis addresses the marginal additional General Fund service costs to be generated by the Project beyond the cost of General Fund services that are

⁴ The IRFD is comprised of multiple project areas. Each project area will have a term of 40 years, with start and termination dates specific to each project area. The termination dates have not yet been established for any of the project areas, but it is likely that none will extend beyond 2067/68.

⁵ This is a conservative assumption. A portion of property tax revenue will likely be retained by the City during the study period, prior to and following the 40-year terms of the individual IRFD project areas.

currently being provided to the Islands. The approach of the subject analysis does, however, differ from the previous analysis in several respects:

1. *Charter-required transfers of aggregate discretionary revenues from the General Fund to the MTA Fund, Children's Services Fund and Library Preservation Fund.* While the previous analysis considered only the General Fund transfer to MTA, the subject analysis reflects the impacts to the General Fund net of the three transfers. The baseline revenue transfers reflected in the analysis are as follows:
 - MTA Fund – 9.19% of General Fund Aggregate Discretionary Revenue (ADR)
 - Library Preservation Fund – 2.29% of ADR
 - Children's Services Fund – 8.76% of ADR
2. *Property tax set-asides from the General Fund to the Open Space Fund, Children's Services Fund and Library Preservation Fund.* In the subject analysis, property tax set-asides to the Open Space Fund, Children's Services Fund and Library Preservation Fund, representing 8% of the base property tax increment, are assumed to be retained by the General Fund to fund General Fund services. Pursuant to the Development Agreement, this revenue shall be available to meet debt coverage requirements for IRFD bonds. The prior analysis apportioned 8% of base property tax increment to the foregoing funds.
3. *Policy changes.* The subject analysis reflects policy changes that have taken effect following the completion of the prior analysis. Proposition B, passed by voters in 2014, stipulates that the baseline revenue transfer amount to the MTA Fund must be adjusted annually to reflect the change in the CCSF service population. This population-based adjustment to the citywide General Fund transfer is calculated as a General Fund expense in the subject analysis. In addition, the subject analysis reflects changes to the allocation of Transit Occupancy Tax (TOT) revenues. TOT revenues that were diverted to the Convention Facilities Fund at the time of the 2011 analysis are now assumed to be retained by the General Fund, per the FY 2015/16 Adopted Budget.
4. *Exclusion of certain General Fund revenue sources.* The subject analysis excludes two revenue categories that were included as General Fund revenues in the 2011 analysis. The Controller's Office has indicated that General Fund revenues categorized as Licenses, Permits and Fees and Fines, Forfeitures and Penalties are generally restricted for specific expenditures not available to fund General Fund service costs. These revenues have been estimated, but not included as General Fund revenues.

Projections contained in the subject analysis are based on a combination of project-specific estimating sources and on average revenue and cost factors derived from the CCSF budget

ordinance. Project-specific estimating sources are derived from information provided by the Developer, such as improvement values, and/or input from CCSF departments regarding the service needs of the Project. Average revenue and cost factors are derived per resident, per employee or per service population unit (residents and employees combined) for the City as a whole and applied to the corresponding population of the Project (as shown on Exhibit 6).

The IRFD will initially include a portion of the Project, with an estimated 2,221 market rate and inclusionary units and 250 hotel rooms. It is anticipated that additional properties will be added to the IRFD over time. Because City services to the Islands generally cannot be apportioned to the various individual components of the Project, this fiscal impact analysis addresses the impacts of the anticipated entire Project. The analysis reflects the anticipated development program and phasing schedule provided by TICD in March 2016 (27.2% affordable scenario), as well as current fiscal information derived from CCSF's FY 2015/16 Budget and Appropriation Ordinance.

The assessed valuation schedule reflected in the subject fiscal analysis does not precisely mirror the schedule contained in the main body of the IRFD's Infrastructure Financing Plan (IFP) because: 1) the IFP projection reflects only a portion of the Project while the fiscal impact analysis reflects the entire project; 2) the IFP reflects a "maximum density" development scenario for the initial five project areas while the fiscal analysis reflects a somewhat lower density scenario for the initial five areas; and 3) the IFP reflects specific 40-year terms for each of the five project areas while the fiscal analysis addresses impacts over a longer time period in order to capture the potential window for all of the project areas to ultimately be annexed to the IRFD.

With the exception of property-based revenues, revenue and service cost factors are assumed to increase at an annual rate of 3% per year. Assessed property values for the purposes of estimating VLF and property tax revenues are based on IRFD assessed value projections. Assessed values are assumed to increase at the Proposition 13 statutory rate of 2% per year.

Annual projections contained in the attached tables are presented in nominal (inflated) dollars, unless otherwise noted. Current (2016) dollar figures are calculated based on a 3% per year discount rate and are included in summary tables for comparison purposes.

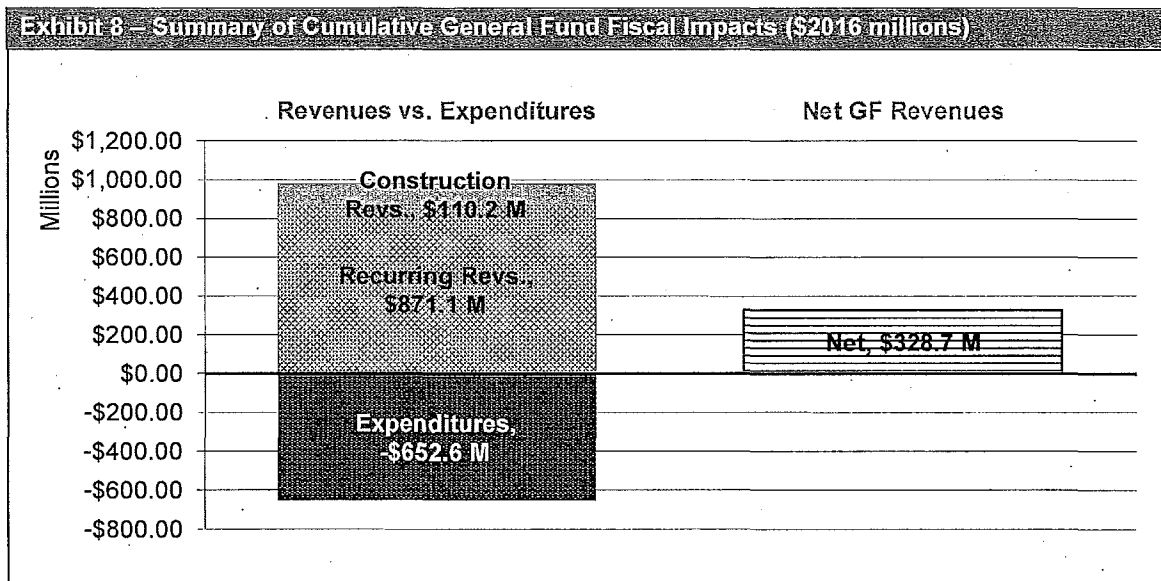
III. FISCAL IMPACTS

A. Summary of Net Fiscal Impacts to the General Fund

Exhibits 7 and 8 and Table 1 (attached) present the revenue and service cost impacts of the Project on the CCSF General Fund after the expected diversion of tax increment to the IRFD.

The Project is anticipated to generate a surplus to the City's General Fund, amounting to \$328.7 million (2016\$) over the full 52-year study period. Per Exhibit 7, the net surplus in stabilized year FY 2035/36 would total \$6.8 million (2016\$).

| Exhibit 7 – Summary of General Fund Fiscal Impacts | | | | |
|---|---------------------------------------|----------------|-------------------------------|---------------|
| General Fund Impact | Cumulative FY 2015/16 – FY 2067/68 | | Stabilized Year FY 2035/36 | |
| | \$2016 millions | \$nominal | \$2016 millions | \$nominal |
| Recurring Revenues/Expenditures | | | | |
| Revenues | \$871.1 | \$2,284.4 | \$21.9 | \$39.5 |
| Expenditures | \$652.6 | \$1,738.5 | \$15.1 | \$27.3 |
| Net Recurring | \$218.5 | \$545.9 | \$6.8 | \$12.2 |
| Construction-Related Revenues | | | | |
| | \$110.2 | \$142.3 | \$0.0 | \$0.0 |
| Net General Fund Impact | \$328.7 | \$688.2 | \$6.8 | \$12.2 |



B. General Fund Revenues

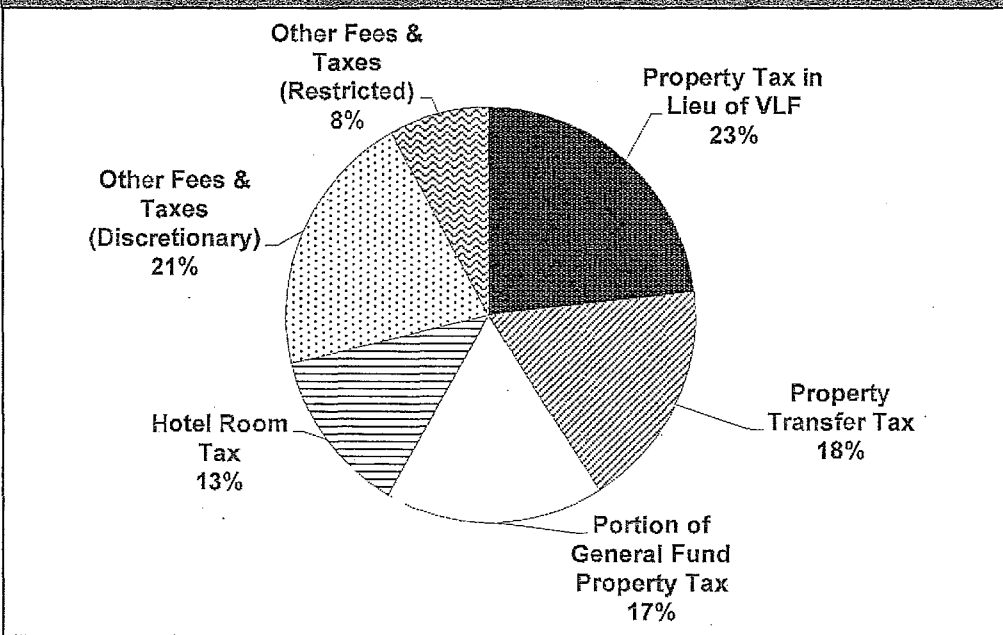
Exhibits 9 through 12 and Tables 2-A and 2-B (attached) provide additional information on the revenue impacts of the Project on the CCSF General Fund after the expected diversion of tax increment to the IRFD. Detailed assumptions are provided on Table 10 and calculations are provided on Tables 11A through 15 (recurring revenues) and Tables 24 through 26 (construction-related revenues).

1. Recurring Revenues

Cumulative recurring General Fund revenues are estimated to total \$871.1 million (2016\$). Upon stabilization, the Project is estimated to generate approximately \$21.9 million in annual General Fund revenues by year FY 2035/36 (2016\$). VLF revenues are expected to be the leading category (23%), followed by property transfer taxes (18%), and the 8% General Fund share of base property taxes (17%). Public Safety Sales Tax revenues are a restricted revenue source; remaining revenue sources are assumed to be discretionary.

| Exhibit 9 – Recurring General Fund Revenues | | | | | |
|--|---|------------------|---------------------------------------|------------------|--------------------|
| General Fund Revenues | Cumulative FY 2015/16 - FY 2067/68 | | Stabilized Year FY 2035/36 | | % Share |
| | \$2016 millions | \$nominal | \$2016 millions | \$nominal | |
| Recurring Revenues | | | | | |
| Portion of General Fund Property Tax | \$125.5 | \$305.2 | \$3.8 | \$6.9 | 17% |
| Property Tax in Lieu of VLF | \$186.8 | \$489.5 | \$5.1 | \$9.2 | 23% |
| Property Transfer Tax | \$162.6 | \$439.0 | \$3.9 | \$7.0 | 18% |
| Sales and Use Tax | \$117.4 | \$316.9 | \$2.8 | \$5.1 | 13% |
| Telephone Users Tax | \$21.8 | \$58.2 | \$0.5 | \$0.9 | 2% |
| Access Line Tax | \$20.2 | \$53.9 | \$0.5 | \$0.8 | 2% |
| Water Users Tax | \$0.5 | \$1.4 | \$0.0 | \$0.0 | 0% |
| Gas Electric Steam Users Tax | \$5.7 | \$15.3 | \$0.1 | \$0.2 | 1% |
| Gross Receipts Tax | \$24.3 | \$65.3 | \$0.6 | \$1.0 | 3% |
| Business License Tax | \$1.7 | \$4.6 | \$0.0 | \$0.1 | 0% |
| Hotel Room Tax | <u>\$130.9</u> | <u>\$336.6</u> | <u>\$2.8</u> | <u>\$5.1</u> | <u>13%</u> |
| Subtotal-Discretionary | \$797.5 | \$2,085.8 | \$20.1 | \$36.4 | 92% |
| Public Safety Sales Tax | <u>\$73.6</u> | <u>\$198.6</u> | <u>\$1.8</u> | <u>\$3.2</u> | <u>8%</u> |
| TOTAL | \$871.1 | \$2,284.4 | \$21.9 | \$39.5 | 100% |

Exhibit 10 – Recurring Revenues by Source in Stabilized Year FY 2035/36



2. One-Time Construction Revenues

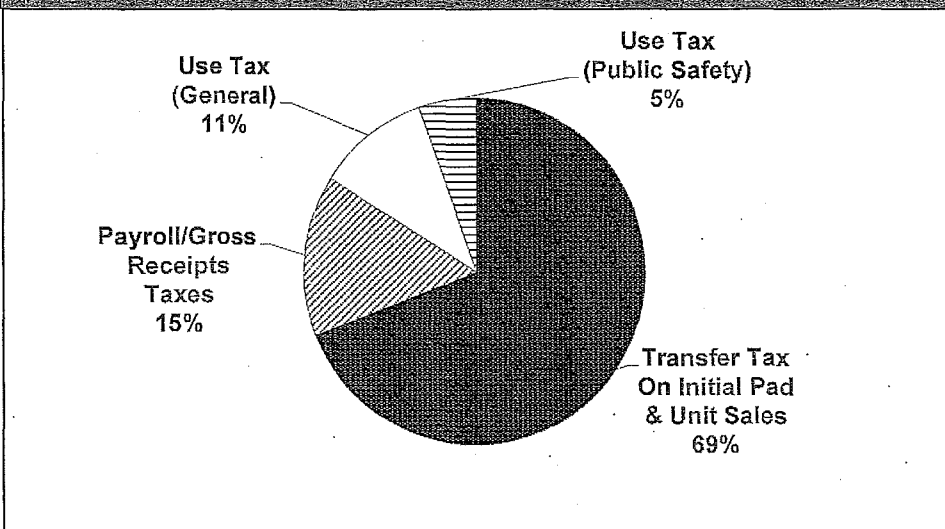
In addition to recurring revenues, the Project will generate one-time, construction-related revenues amounting to \$110.2 million (2016\$) through buildout (Exhibit 11). Exhibit 9 illustrates the distribution of cumulative construction-related revenues. Transfer taxes on initial pad and unit sales account for 69% of revenues, followed by gross receipts taxes paid by contractors (15%) and use tax revenues from purchases of construction materials, including unrestricted use tax revenues (11%) and use tax revenues for public safety purposes (5%). The estimate of gross receipts taxes includes a small amount of payroll taxes to be paid by contractors before the payroll tax fully phases out in 2018.

Exhibit 11 – Construction-Related Revenues

| General Fund Revenues (Construction-Related) | Cumulative FY 2015/16 - FY 2031/32 | | % Share |
|---|---------------------------------------|----------------|-------------|
| | \$2016 millions | \$nominal | |
| Construction Revenues | | | |
| Transfer Tax On Initial Pad & Unit Sales | \$76.1 | \$99.2 | 69% |
| Gross Receipts Taxes / Construction | \$16.0 | \$20.3 | 15% |
| Payroll Tax / Construction | \$0.6 | \$0.6 | 1% |
| Construction Sales Tax (General) | \$11.7 | \$14.8 | 11% |
| Subtotal-Discretionary | \$104.3 | \$134.9 | 95% |
| Construction Sales Tax (Public Safety) | \$5.9 | \$7.4 | 5% |
| Total Construction Revenues | \$110.2 | \$142.3 | 100% |

* Payroll tax is phased out in 2018.

Exhibit 12 – Cumulative Construction Revenues by Source (FY 2016 – FY 2032)



3. Property Tax In-Lieu of Motor Vehicle License Fees (VLF) Revenues

Pursuant to SB 1096, the City receives subvention revenues from the State in the form of an allocation of property tax revenues to replace a large portion of the motor vehicle license fee revenues that were distributed proportionate to population prior to the adoption of the legislation in 2004. These subvention payments are based on the growth in assessed value relative to the Citywide assessed value as of 2004/05. Under the State's formula, the City receives \$1.07 per \$1,000 of growth in assessed property values. Revenue from the Project is based on the Project's contribution to growth in assessed values (Tables 10, 11A).

4. Property Transfer Tax Revenues

The CCSF collects a property transfer tax of \$6.80 per \$1,000 of transferred value on transactions between \$250,000 and \$1 million, \$7.50 per \$1,000 on transactions up to \$5 million, \$20.00 per \$1,000 on transactions of up to \$10 million, and \$25.00 per \$1,000 on transactions of \$10 million or more. This analysis estimates property transfer taxes based on sales values of the initial site acquisition, completed pads and residential units, absorption rates, and the assumption that for-sale homes will be resold, on average, every 10 years. The resale value of market rate and below market units is assumed to increase annually by 1% and 3%, respectively. A tax rate of \$20 per \$1,000 is assumed for initial site acquisition and residential pad sales; a rate of \$7.50 per \$1,000 is assumed for hotel pad sales and market rate residential units; finally, a rate of \$6.80 per \$1,000 is assumed for sales of BMR units. Rental and commercial buildings are assumed to be subject to extensive hold periods (Tables 10, 15, 25).

5. 8% Portion of General Fund Property Tax Increment – 8% of 1% Base Property Tax Levy

100% of the General Fund's 56.7% share of property tax increment will be diverted to the IRFD over the life of the IRFD and will not be available to fund General Fund service costs. The General Fund receives an additional 8% of the 1% base tax levy. While the 8% portion of the base tax levy is traditionally set aside for the Open Space Fund, Children's Services Fund and Library Preservation Fund, it is assumed that this "8% Portion of General Fund tax increment" is retained by the General Fund and is used to fund city services. The share of property taxes retained by the General Fund is anticipated to total \$125.5 million through FY2067/68 (2016\$), including \$3.8 million (2016\$) annually upon stabilization.

The property's assessed value in FY 2015/16 is assumed to be \$0. Future assessed values are estimated based on values projected in TICD's pro forma. Values of residential units reflect targeted sales prices presented on Exhibit 2. Assessed values are assumed to increase at the Prop. 13 statutory rate of 2% per year and readjust to market values upon sale (Tables 10, 11A).

6. Transient Occupancy Tax ("Hotel Tax")

Hotel tax revenues reflect room rates and occupancy rates to be achieved by the 50-room hotel on Yerba Buena Island and the 200-room hotel on Treasure Island, based on information provided by TICD and analysis of the performance of competitive hotels in the market place. Based on this information, the Yerba Buena Island hotel would generate approximately \$178,000 in annual revenue per room, assuming an average daily rate of \$650 and stabilized occupancy of 75%. The Treasure Island hotel would generate approximately \$82,000 in annual revenue per room, assuming an average daily rate of \$300 and stabilized occupancy of 75%. The hotel tax rate in San Francisco is 14%, resulting in annual TOT revenues per room of approximately \$11,500 for the Treasure Island hotel and \$25,000 for the Yerba Buena Island hotel. One hundred percent of TOT revenues are assumed to accrue to the General Fund, pursuant to the FY2015/16 Adopted Budget (Tables 10, 11A).

7. Sales and Use Tax Revenues

The CCSF General Fund receives 1% of taxable sales. Recurring sales tax revenues will be generated from on-site retail sales and through spending by Project residents within the City. Construction-related sales tax revenues comprise business-to-business sales generated from the purchase of construction materials. Consistent with the 2011 EPS study, business-to-business taxable sales generated by office tenants are not considered, and employee spending is assumed to be reflected in on-site retail sales. Specific sales tax assumptions by source are summarized below:

- *Retailer-generated:* Taxable sales generated by on-site retailers are estimated assuming gross (taxable and non-taxable) sales productivity of \$600 per rentable square foot, with

80% of sales being taxable. The anticipated sales performance of the Project aligns with that of competitive Class A retail space in San Francisco, such as Stonestown Galleria. Consistent with the 2011 EPS study, on-site sales are reduced by 25% to avoid double-counting of on-site resident expenditures (Tables 10, 13).

- *Hotel-generated:* Non-room revenues are assumed to comprise one-third of total hotel revenues and half of these sales are assumed to be taxable, consistent with the 2011 EPS study. Based on projected room rates, taxable sales per room are estimated to be \$21,000 for the Treasure Island hotel and \$44,000 for the Yerba Buena Island hotel (Tables 10, 13).
- *Resident-generated:* Taxable sales generated by new residents are implied from the estimated household incomes by unit type of Project residents and consumer expenditure data published by the Bureau of Labor Statistics. Estimates are reduced to account for expenditures that are anticipated to occur outside of San Francisco based on the City's existing capture rate of retail expenditure potential, derived from California Board of Equalization and U.S. Census data (Tables 10, 12).
- *Construction-generated:* Use tax revenues generated by construction contractors are estimated based on development costs provided in the TICD development pro forma and typical relationships between "hard" and "soft" development costs and material and labor costs. The revenue estimate reflects the assumption that San Francisco is designated as the point of sale by the general and sub-contractors for 50% of materials purchased for the construction of the Project (Tables 10, 25).

8. Public Safety Sales Tax Revenues

Unlike other General Fund revenue sources included in this analysis, Public Safety Sales Tax revenues are restricted to specific public safety uses. The City and County receives an annual allocation of the half-cent statewide Public Safety Sales Tax (Proposition 172) in proportion to its share of statewide taxable sales. For purposes of this analysis it is assumed that the CCSF disbursement will grow proportionally to the increase in taxable sales supported by the Project (Tables 10, 11, 26). For taxable sales assumptions, refer to the discussion of the general (1%) sales and use tax, above.

9. Payroll/ Gross Receipts Tax Revenues

Passed by voters in November 2012, the gross receipts tax replaces the City and County's payroll tax, and phases in from 2014 to 2018. Consequently, construction contractors are the only businesses expected to generate payroll taxes (Table 10).

Per the San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax, the tax rate varies by business type and by the amount of gross receipts generated. Businesses generating less than \$1 million each year in gross receipts are exempt from the tax.

Average retail and hotel gross receipts are based on the sales productivity levels used to estimate sales and hotel taxes. Construction and rental and leasing gross receipts are based on the TICD pro forma. Tax rates are assigned to these businesses by selecting the applicable industry and size category from the rate schedule. For office tenants, gross receipts taxes are estimated based on 2015 gross receipts tax revenue generated per employee by all San Francisco firms, adjusted to account for phase-in factors that apply to gross receipts tax rates through 2018 (Tables 10, 14, 25).

Payroll tax rates for fiscal years 2015/16 through 2018/19 are determined in accordance with San Francisco Business and Tax Regulations Code, Article 12-A: Payroll Expense Tax Ordinance. It is assumed that payroll constitutes 40% of construction hard costs and that 25% of payroll expenditures are exempt from taxation (Tables 10, 25).

10. Business Registration Fee Revenues

Per the San Francisco Business and Tax Regulations Code, Article 12: Business Registration, the fee per business is charged by tier based on the level of gross receipts generated. The number of businesses at the project is calculated assuming 3,000 square feet per retail business and 5,000 square feet per office business. Two hotels are assumed. Average gross receipts for office, retail and hotel businesses used to determine applicable fee rates are consistent with gross receipts tax estimating assumptions (Tables 10, 14).

11. Utility Users Tax Revenues

The City and County of San Francisco imposes a 7.5% tax on charges for certain utilities services. These include non-residential telephone, electricity, natural gas, steam, and water services, and both residential and non-residential cellular telephone services. For purposes of this analysis, the utility users tax has been estimated based on CCSF budget factors for FY 2015/16. The budget factors have been calculated on a per employee basis for electricity, natural gas, steam, and water taxes, and on a per service population basis for telephone services (Tables 10, 11).

12. Access Line Tax Revenues

Access line taxes are levied against residential and commercial users. For purposes of this analysis, the access tax is estimated based on CCSF budget factors for FY 2015/16. The budget factors have been calculated on a per service population basis. Based on the City's 2015/16 budget, access line tax revenues total approximately \$31.25 per resident/employee (Tables 10, 11).

13. Licenses, Permits and Franchise Fees and Fines, Forfeitures and Penalties

Licenses, permits, and franchise fees, and fines, forfeitures, and penalties are excluded from the General Fund revenue sources. The Controller's Office has indicated that these revenue

categories are comprised primarily of restricted revenues dedicated to specific expenditures that have not been included in the analysis. For informational purposes, Table 2-A estimates total revenues to be generated by the Project for each category of restricted revenues.

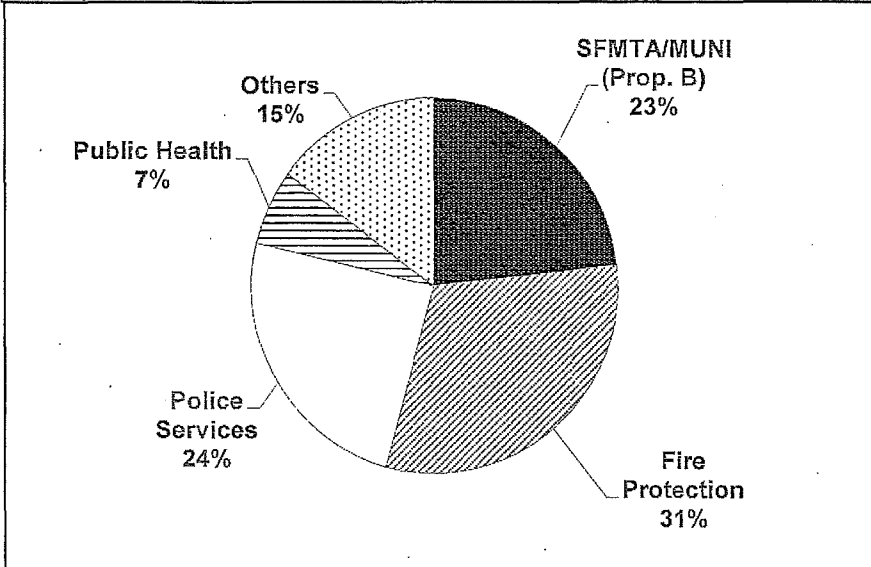
C. General Fund Expenses

Exhibits 13 and 14 and Tables 2-A and 2-B provide information on the expense impacts of the Project on the CCSF General Fund after the expected diversion of tax increment to the IRFD. Detailed expense assumptions are provided on Table 16 and calculations are provided on Tables 17 through 23.

Cumulative General Fund expenses are estimated to total \$652.6 million (2016\$). The Project is estimated to generate approximately \$15.1 million in General Fund expenditures in stabilized year FY 2035/36 (2016\$). Exhibit 14 illustrates the distribution of recurring General Fund expenditures. Fire Protection is expected to be the leading expense category (31%), followed by Police Services (24%) and the population-based transfer to MTA required under Proposition B (23%).

| Exhibit 13 – General Fund Expenditures | | | | | |
|--|---|------------------|---------------------------------------|------------------|--------------------|
| General Fund Expenditures – \$2016 millions | Cumulative FY 2015/16 – FY 2067/68 | | Stabilized Year FY 2035/36 | | % Share |
| | \$2016 millions | \$nominal | \$2016 millions | \$nominal | |
| Recurring Expenditures | | | | | |
| Elections | \$12.1 | \$32.2 | \$0.3 | \$0.5 | 2% |
| Assessor/Recorder | \$6.5 | \$16.3 | \$0.1 | \$0.2 | 1% |
| 311 | \$3.6 | \$9.5 | \$0.1 | \$0.1 | 1% |
| Police Services | \$151.6 | \$414.0 | \$3.7 | \$6.7 | 24% |
| Fire Protection | \$208.7 | \$547.9 | \$4.7 | \$8.5 | 31% |
| 911 Emergency Response | \$18.4 | \$49.0 | \$0.4 | \$0.8 | 3% |
| Public Health | \$42.3 | \$112.6 | \$1.0 | \$1.8 | 6% |
| Public Works | \$40.5 | \$108.6 | \$1.0 | \$1.7 | 6% |
| Library/Community Facilities | \$17.9 | \$45.4 | \$0.4 | \$0.7 | 2% |
| MTA/MUNI (Prop. B) | <u>\$151.0</u> | <u>\$402.9</u> | <u>\$3.5</u> | <u>\$6.3</u> | <u>23%</u> |
| Total | \$652.6 | \$1,738.5 | \$15.1 | \$27.3 | 100% |

Exhibit 14 – Expenditures by Source in Stabilized Year FY 2035/36



1. General Fund Transfer to MTA Fund

For purposes of ensuring adequate funding for public transit, the San Francisco Charter requires an annual transfer from the General Fund to the MTA Fund. The base transfer amount is equivalent to 9.193% of aggregate General Fund discretionary revenues. Proposition B, passed by voters in 2014, stipulates that the base transfer amount must be adjusted annually to reflect the change in the CCSF service population. In this analysis, the baseline transfer is deducted from gross revenues to be generated by the Project, while the Proposition B transfer is calculated as a General Fund expense. The annual Proposition B transfer from the General Fund to MTA is calculated by applying the current transfer amount per service population unit to the Project's service population (Tables 16, 21-A).

Per the San Francisco Charter, a supplementary transfer may be required to compensate MTA for increases in transit service. KMA compared the net costs of enhanced transit services on Treasure Island to the projected base transfer (including Proposition B) to determine the need for additional General Fund support. Based on this analysis, as presented on Table 21-A, base General Fund transfers, as well as MTA operating revenue and intergovernmental transfers to be generated by the Project are anticipated to exceed the estimated cost to MTA of providing enhanced services in all fiscal years. Based on this assessment, no supplementary General Fund transfer to MTA has been assumed.

2. Fire Department Expenditures

The San Francisco Fire Department anticipates that upon buildout, the Project will require two engine trucks, two ladder trucks, two ambulances, and a battalion chief. In addition, the 2011 EPS report indicates that there is currently one engine, one ladder truck, one ambulance, and

one hose tender on the Islands. The estimate of marginal expenditures therefore reflects the addition of one engine, one ladder truck, one ambulance, the battalion chief, as well as the phasing out of the hose tender. Personnel costs are based on the 2015-16 Salary Ordinance and staffing ratios by apparatus provided in the 2011 EPS report. Capital costs by apparatus reflect cost estimates from the 2011 EPS report, adjusted for inflation. All capital costs are annualized based on their useful life, per the EPS report. Based on the most recent TICD Schedule of Performance (June 2016), it is assumed that new fire expenses will be phased in upon completion of the new fire station on Treasure Island in FY 2023-24 (Tables 16, 18, 19).

3. Police Department Expenditures

Based on a service level of 1.7 sworn officers per 1,000 residents and employees as determined in the 2011 EPS report, the Project is anticipated to require 32 officers upon buildout. In addition, the EPS report indicates that there are currently 11 sworn officers serving the Treasure Island station. Therefore, the marginal cost of the Project reflects the addition of 21 sworn officers. The factor for total Police expenditures on Treasure Island is \$297 per unit of service population, which has been extrapolated from the targeted service level and the staffing cost per sworn officer estimated by the San Francisco Office of the Controller in 2015. Existing service costs are estimated based on the same study of staffing costs and are netted out from the total public safety cost to determine the marginal impact of the Project (Tables 16, 17).

4. 911/ Emergency Communications

The factor for Emergency Communications expenditures is \$25 per resident, in accordance with a service level of 1.18 emergency calls per resident. The service level is based on the 2011 EPS study, while staffing costs are derived from the 2015 Adopted Salary Ordinance (Tables 16, 17).

5. Public Health

The factor for Public Health expenditures is \$60 per resident, which reflects modifications to the analysis of public health costs contained in the 2011 EPS study. The prior analysis estimates Public Health costs based on average usage of emergency room and inpatient services per low to moderate income resident, and the cost to the General Fund to provide these services. In the present analysis, the service cost per low to moderate income resident is adjusted for inflation and applied to the population of low and moderate income residents upon buildout of the Project. The total cost is divided by the total resident population to determine the Public Health cost per resident (Tables 16, 17).

6. Public Works

Public Works expenses include maintenance of street infrastructure built by the Project. The Project will add 1,849,420 square feet of streets which will be publicly maintained. The annual cost per mile for street sweeping and for capital repairs is based on the EPS report and adjusted

for inflation. Maintenance costs of new street infrastructure are phased in over the development program as specific population thresholds are met (Tables 16, 20). It is also assumed that private sources will share in maintenance costs during the construction period. A portion of new Public Works expenses will be offset by restricted Public Works revenues generated by the Project:

- *Gas Tax* – The CCSF Gas Tax fund is anticipated to receive revenues proportional to the Project's residential population as a percentage of the City's current population. The current factor for Gas Tax revenues is \$20 per resident based on the CCSF FY 2015/16 budget (Table 10);
- *Prop. K Sales Tax* – Public Works receives a portion of the half-cent local sales tax for transportation capital projects approved by voters in 2003. In accordance with the Proposition K expenditure plan, it is assumed that Public Works will receive 10% of tax revenues for street maintenance and renovation projects (Table 10).

Currently, TIDA funds Public Works work orders on Treasure Island related to street cleaning, street repair, urban forestry, and building repair through lease revenues. Based on conversations with TIDA staff, it is assumed that these expenditures will phase out over the course of the development or continue to be funded through lease revenues.

7. Library / Community Facilities

Per the 2011 EPS report, the Project is anticipated to include certain community facility expenses to be supported by the General Fund and/or other funds. These facilities may include: a community center, a library, and senior and youth services. It is assumed that Library expenditures will be funded by baseline transfers to the Library Preservation Fund, while Community facility expenditures will be funded by the General Fund. Operations costs and the initial cost of furnishings, fixtures, and equipment for planned facilities are based on estimates from the 2011 EPS report, adjusted for inflation. Initial capital costs are amortized over five years with a five percent interest rate, starting in FY 2021/22 (Table 23).

8. Elections

The factor for Elections expenditures is \$17 per resident, based on a service level of 800 voters per polling place, per the 2011 EPS study. The average cost per polling place reflects the EPS estimate, adjusted for inflation (Tables 16, 17).

9. Assessor-Recorder

The Project will require one full-time equivalent position in the Office of the Assessor Recorder, per the 2011 EPS study. The staffing cost is derived from the 2015 Adopted Salary Ordinance (Tables 16, 17).

10. 311

The factor for 311 Call Center expenditures is \$5 per resident, based on a service level of 4.59 calls per resident, per the 2011 EPS study, and staffing costs derived from the 2015 Adopted Salary Ordinance. The expenditure factor has been reduced to reflect transfers from enterprise funds which reimburse half of the Call Center's costs, according to the CCSF FY2015/16 budget (Tables 16, 17).

11. Open Space

It is assumed that property owners will be responsible for maintaining the Project's 300 acres of open space.

12. Other General Fund Expenditures

Consistent with the 2011 study, the Project is assumed to have no impact on remaining General Fund program areas, including: Culture and Recreation, Human Welfare and Neighborhood Development, Economic Development and other General Administration programs (Table 16).

D. Summary of Fiscal Impacts to Baseline Funds

Under current City policies, approximately 20% of aggregate discretionary revenues (ADR) are transferred from the General Fund to the MTA, Library Preservation and Children's Services Funds, as detailed on Exhibit 15. The Project is anticipated generate additional General Fund discretionary revenues to be transferred to the foregoing funds, as well as additional costs to the funds to provide enhanced services on the Islands.

| Exhibit 15 – General Fund Set-Asides | |
|---|--------------------|
| Fund | Set-aside % |
| MTA* | 9.19% of ADR |
| Library Preservation | 2.29% of ADR |
| Children's Services | 8.76% of ADR |

* Baseline transfer only. Proposition B population adjustment still calculated as expense. ADR = Aggregate General Fund Discretionary Revenues

The sum of operating revenues and General Fund transfers to be generated by the Project to the MTA and Library Preservation Funds are anticipated to exceed the estimated cost of providing enhanced services in all fiscal years and result in a cumulative surplus. The cumulative surplus is anticipated to total \$201 million (2016\$) through FY2067/68 (Exhibit 16). Per Exhibit 17, the annual surplus upon stabilization in FY 2035/36 is anticipated to be \$3.8 million (2016\$). While

corresponding service costs have not been estimated, General Fund transfers to the Children's Services Fund are anticipated to total \$96.7 million through FY2067/68 (Exhibit 18).

| Exhibit 16 – Cumulative Fiscal Impact on MTA and Library Preservation Funds | | | | | | |
|--|--------------------|-----------------------|--------------------|-----------------------|--------------------|-----------------------|
| FY2015-16 to FY2067/68 | Fund Revenues | | Fund Expense | | Net Fund Impact | |
| | \$2016 millions | \$nominal millions | \$2016 millions | \$nominal millions | \$2016 millions | \$nominal millions |
| MTA | \$252.5 | \$655.7 | (\$66.2) | (\$195.9) | \$186.3 | \$459.8 |
| Library Preservation | \$25.2 | \$62.9 | (\$10.6) | (\$26.9) | \$14.6 | \$36.0 |
| Net Surplus | \$277.8 | \$718.6 | (\$76.8) | (\$222.8) | \$201.0 | \$495.8 |

| Exhibit 17 – Annual Fiscal Impact on MTA and Library Preservation Funds: Stabilized Year FY2035/36 | | | | | | |
|---|--------------------|-----------------------|--------------------|-----------------------|--------------------|-----------------------|
| FY2015-16 | Fund Revenues | | Fund Expense | | Net Fund Impact | |
| | \$2016 millions | \$nominal millions | \$2016 millions | \$nominal millions | \$2016 millions | \$nominal millions |
| MTA | \$5.8 | \$10.5 | (\$2.4) | (\$4.4) | \$3.4 | \$6.1 |
| Library Preservation | \$0.6 | \$1.0 | (\$0.2) | (\$0.4) | \$0.4 | \$0.6 |
| Net Surplus | \$6.4 | \$11.6 | (\$2.7) | (\$4.8) | \$3.8 | \$6.8 |

| Exhibit 18 – Fiscal Revenues to Children's Services Fund | | | | |
|---|---------------------------------------|-----------|-------------------------------|-----------|
| Children's Services Fund Revenues | Cumulative FY 2015/16 - FY 2067/68 | | Stabilized Year FY 2035/36 | |
| | \$2016 millions | \$nominal | \$2016 millions | \$nominal |
| Total General Fund Transfers | \$96.7 | \$240.8 | \$2.2 | \$4.0 |

1. Net Impact On MTA Fund

The Project's total net impact on MTA consists of: (1) the base share of General Fund revenues generated by the Project to be transferred to MTA; (2) the increase in the citywide base transfer amount attributable to growth in the Project's service population (per Proposition B); and (3) the net service cost to MTA to provide enhanced service to Treasure Island. While the San Francisco Charter provides for a supplementary transfer to MTA to fund changes in service levels, no such transfer is included in the subject analysis, based on the finding that baseline transfers to the MTA are anticipated to exceed the marginal service costs in all fiscal years.

The estimate of net service costs is based on the "Enhanced Level of Service scenario" analyzed in the 2011 EPS fiscal report and the Transportation Implementation Plan (2011), which includes the implementation of the proposed Civic Center line. The scenario reflects eight phases reaching total annual ridership of approximately 3 million and 10 buses in service upon buildout, representing an increase of approximately 2.5 million annual passengers and 6 buses over the

current condition. The following MTA revenue and expenditure inputs are used to estimate net service costs of enhanced transit service, as shown on Tables 21A through 22B:

MTA Expenditures

- *Operating costs:* Operating costs for the eight phases of the Transportation Plan are based on the 2011 EPS study and adjusted for inflation (Table 22-A).
- *Other MTA costs:* According to the 2011 EPS report, other MTA costs will include annual maintenance of stop signs, signals and bike lines. The cost of these services upon buildout is based upon the EPS study and adjusted for inflation. The buildout cost is phased in over the development period based on annual growth in the service population (Table 22-B).
- *Capital costs*
 - *Vehicles:* The cost per articulated bus is extrapolated from MTA's 2014 procurement contract with New Flyer of America Inc. to purchase 61 articulated low floor buses, including an allowance for tax, warranty, and consultant support. Per the 2011 EPS report, 20% of new vehicle costs are assumed to be covered by the Project Developer; the remaining costs are amortized over a 14-year period with a 5% interest rate (Tables 21-B, 22-B).
 - *Bus Facility:* The cost of storage and maintenance space for new buses is assumed to be approximately \$768,000 per vehicle. The facility cost per bus is extrapolated from the capital cost of the Islais Motor Creek Facility, which is capable of storing 165 motor coaches. Phase I of the \$126 million project containing the bus yard was completed in 2013, while construction of Phase II's operations and maintenance facility is currently underway. Facility costs are amortized over a 30-year period with a 5% interest rate, consistent with the 2011 EPS report (Tables 21-B, 22-B).

MTA Revenues (in addition to baseline transfers)

- *Farebox revenue:* MTA is assumed to generate farebox revenue of \$0.86 per passenger trip. Revenue per trip is extrapolated from fare revenues reported in the FY 2015-2016 MTA Operating Budget and monthly MTA ridership reported by the National Transit Database. Cable cars have been excluded from the estimate (Table 22-B).
- *Advertising:* Net advertising revenue is assumed to be \$3,500 per vehicle. The estimate is derived from total advertising revenue budgeted for FY 2015-2016 and the average number of MTA vehicles operating at peak demand reported by the National Transit Database. Per the 2011 EPS report, gross revenues are reduced by 50% to account for administrative expenses (Table 22-B).
- *Proposition K sales tax:* MTA receives a portion of the half-cent local sales tax for transportation capital projects approved by voters in 2003. Consistent with the prior EPS report, Proposition K sales tax revenues are estimated based on taxable sales generated by the project and the share of Proposition K revenues available for transit system

maintenance and renovation. According to the Proposition K expenditure plan, 37% of Proposition K tax revenues are allocated for these purposes (Table 22-B).

- *State sales tax (AB 1107):* Taxable sales from the Project will generate AB 1107 sales tax revenue. AB 1107 is a half-cent sales tax which provides funding support to BART, MTA and AC Transit. AB 1107 sales tax revenues are estimated according to taxable sales generated by the Project and MUNI's share of the tax. Pursuant to MTC policy, MTA receives 12.5% of AB 1107 tax revenues (Table 22-B).
- *State Transit Assistance:* Under the State Transit Assistance (STA) program, MTA receives a portion of state gasoline tax revenues, which are allocated based on population and total local revenues spent on transit. The estimate of marginal STA revenues generated by the Project is based on average STA revenues per resident, as derived from MTA's FY 15/16 Adopted Budget and current demographics for San Francisco (Table 22-B).
- *Transportation Development Act sales tax:* Under the Transportation Development Act (TDA) of 1971, MTA receives one-quarter percent of the state sales tax for sales occurring within the City and County of San Francisco. TDA tax revenues are estimated based on the Project's taxable sales and the TDA portion of the state tax rate (Table 22-B).

2. Net Impact on the Library Preservation Fund

The Project's impact on the Library Preservation Fund consists of: (1) the base share of General Fund revenues generated by the Project to be transferred to MTA, and (2) the net service cost to Library to operate a reading room planned for Treasure Island. Operations costs and the initial cost of furnishings, fixtures, and equipment for the planned library facility on Treasure Island are based on estimates from the 2011 EPS report, adjusted for inflation. Initial capital costs are amortized over five years with a five percent interest rate, starting in FY 2021/22 (Table 23).

3. Children's Services Fund Revenues

The analysis has not evaluated costs to the Children's Services Fund to service the project. The estimate of total revenues to be transferred from the General Fund to the Children's Services Fund can be found on Exhibit 18 and Table 2-C in the Appendix.

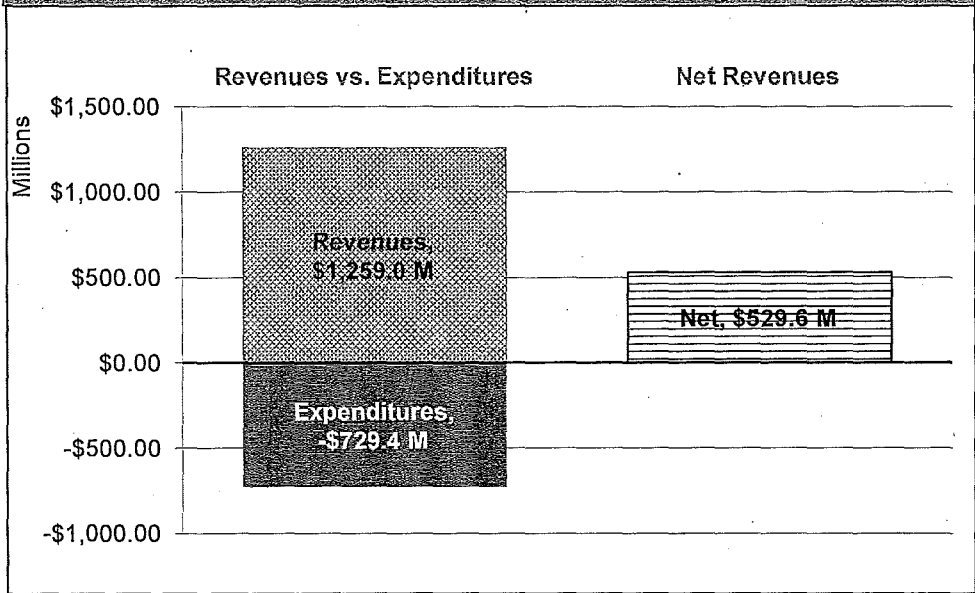
E. Aggregate Net Fiscal Impacts to City and County of San Francisco

The Project's aggregate impact on the General Fund, MTA Fund and Library Preservation Fund is anticipated to be significantly positive both on a cumulative basis and on an annual basis both preceding and following full build-out. Per Exhibits 19 and 20, the cumulative surplus through FY2067/68 is projected to be \$529.6 million (2016\$). The aggregate annual surplus to all funds upon stabilization is \$10.5 million (2016\$). The net surplus does not include additional restricted revenues to be generated by the Project to the Children's Services Fund (Exhibit 18).

Exhibit 19 – Summary of Aggregate Fiscal Impact on General Fund, MTA Fund and Library Preservation Fund

| All Funds Impact - \$2016 millions | Cumulative FY 2015/16 - FY 2067/68 | | Stabilized Year FY 2035/36 | |
|---|---------------------------------------|------------------|-------------------------------|-----------------|
| | \$2016 millions | | \$nominal | \$2016 millions |
| City and County | | | | |
| Aggregate Revenues | \$1,259.0 | \$3,145.3 | \$28.3 | \$51.1 |
| Aggregate Expenditures | (\$729.4) | (\$1,961.3) | (\$17.8) | (\$32.1) |
| Total Net Impact - City and County | \$529.6 | \$1,184.0 | \$10.5 | \$19.0 |
| <i>Net Impact - General Fund</i> | <i>\$328.7</i> | <i>\$688.2</i> | <i>\$6.8</i> | <i>\$12.2</i> |
| <i>Net Impact - Baseline Funds</i> | <i>\$201.0</i> | <i>\$495.8</i> | <i>\$3.8</i> | <i>\$6.8</i> |

Exhibit 20 – Cumulative Fiscal Impact on All Funds (\$2016 millions)



| | |
|----------------------|---|
| Table 1 | Net Fiscal Impact on All Funds |
| Table 2-A | Net General Fund Impact: Recurring And Total |
| Table 2-B | Net General Fund Impact: Construction-Related |
| Table 2-C | Impact On Other Funds |
| Table 3 | Project Description |
| Table 4 | Cumulative Development Absorption |
| Table 5 | Annual Development Absorption |
| Table 6 | Household, Population and Employment Estimates |
| Table 7 | Occupied Commercial Space Estimates |
| Table 8 | Other Employment Estimates |
| Table 9 | Citywide Population and Employment |
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| Table 11-A | Annual General Fund Revenues (Net) |
| Table 11-B | Annual General Fund Revenues (Gross) |
| Table 12 | Off-Site Sales Tax Revenue Estimates |
| Table 13 | On-Site Sales Tax Revenue Estimates |
| Table 14 | Business Tax Revenue Estimates |
| Table 15 | Transfer Tax Revenue Estimates |
| Table 16 | General Fund Operating Expense Assumptions |
| Table 17 | Estimate of General Fund Expenses |
| Table 18 | Estimate of Fire Protection Expenses |
| Table 19 | Service Cost Assumptions: Fire Department |
| Table 20 | Estimate of Public Works Expenses |
| Table 21-A | Estimate of MTA Impacts |
| Table 21-B | MTA Impacts: Capital Cost Detail |
| Table 22-A | MTA Service Cost Assumptions |
| Table 22-B | Other MTA Operating Expense And Revenue Assumptions |
| Table 23 | Library/ Community Facility Expenses |
| Table 24 | Construction Revenue Summary |
| Table 25 | Select Construction Revenue Estimates |
| Table 26 | Construction-Related Sales Tax Revenue |
| Appendix Table A - 1 | Summary of City and County of San Francisco Revenue Sources In FY2015/16 |
| Appendix Table A - 2 | Summary of City and County of San Francisco Budget Expenditures In FY2015/16 |
| Appendix Table A - 3 | Estimated Off-Site Taxable Sales To Be Generated By Treasure Island Residents |
| Appendix Table A - 4 | Household Size Assumptions |

Table 1

NET FISCAL IMPACT ON ALL FUNDS¹
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative | Cumulative | Annual | Fiscal Year | | | | | | | | | |
|--|----------------------|--------------------|-----------------------|---------------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--|
| | TOTAL NOMINAL \$ | TOTAL 2016\$ | FY2035-2036 2016\$ | July 1-June 30 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | |
| A. GENERAL FUND IMPACT² | | <i>3% discount</i> | <i>3% discount</i> | | | | | | | | | | |
| Recurring General Fund Revenue | 2,284,390,000 | 871,062,000 | 21,880,000 | 0 | 0 | 0 | 31,000 | 330,000 | 1,017,000 | 4,437,000 | 5,918,000 | 9,069,000 | |
| Recurring General Fund Expense | 1,738,460,000 | 652,551,000 | 15,126,000 | 0 | 0 | 0 | 39,000 | 382,000 | 774,000 | 1,599,000 | 2,460,000 | 6,257,000 | |
| Net Recurring Revenue (Expense) | 545,930,000 | 218,510,000 | 6,754,000 | 0 | 0 | 0 | -8,000 | -52,000 | 243,000 | 2,838,000 | 3,458,000 | 2,812,000 | |
| Construction-Related Revenue | 142,272,000 | 110,175,000 | 0 | 375,000 | 1,894,000 | 4,412,000 | 5,959,000 | 7,454,000 | 10,773,000 | 9,299,000 | 10,045,000 | 13,295,000 | |
| TOTAL NET GENERAL FUND REVENUE (EXPENSE) | 688,202,000 | 328,686,000 | 6,754,000 | 375,000 | 1,894,000 | 4,412,000 | 5,951,000 | 7,402,000 | 11,016,000 | 12,137,000 | 13,503,000 | 16,107,000 | |
| | | | | <i>Cumulative</i> | <i>2,269,000</i> | <i>6,681,000</i> | <i>12,632,000</i> | <i>20,034,000</i> | <i>31,050,000</i> | <i>43,187,000</i> | <i>56,690,000</i> | <i>72,797,000</i> | |
| B. IMPACT ON OTHER FUNDS | | | | | | | | | | | | | |
| Net MTA Revenue (Expense) | 459,829,000 | 186,321,000 | 3,404,000 | 71,000 | 288,000 | 645,000 | 946,000 | 1,453,000 | 2,027,000 | 2,816,000 | 3,954,000 | 5,047,000 | |
| Net Library Revenue (Expense) | 35,954,000 | 14,639,000 | 354,000 | 8,000 | 40,000 | 95,000 | 128,000 | 165,000 | 262,000 | 203,000 | 129,000 | 162,000 | |
| TOTAL NET REVENUE (EXPENSE) TO OTHER CCSF FUNDS | 495,783,000 | 200,960,000 | 3,758,000 | 79,000 | 328,000 | 740,000 | 1,074,000 | 1,618,000 | 2,289,000 | 3,019,000 | 4,083,000 | 5,209,000 | |
| | | | | <i>Cumulative</i> | <i>407,000</i> | <i>1,147,000</i> | <i>2,221,000</i> | <i>3,839,000</i> | <i>6,128,000</i> | <i>9,147,000</i> | <i>13,230,000</i> | <i>18,439,000</i> | |
| C. TOTAL CITYWIDE IMPACT | | | | | | | | | | | | | |
| General Fund Revenue/(Expense) | 688,202,000 | 328,686,000 | 6,754,000 | 375,000 | 1,894,000 | 4,412,000 | 5,951,000 | 7,402,000 | 11,016,000 | 12,137,000 | 13,503,000 | 16,107,000 | |
| Other Funds Revenue (Expense) | 495,783,000 | 200,960,000 | 3,758,000 | 79,000 | 328,000 | 740,000 | 1,074,000 | 1,618,000 | 2,289,000 | 3,019,000 | 4,083,000 | 5,209,000 | |
| TOTAL NET REVENUE (EXPENSE) TO ALL CCSF FUNDS | 1,183,985,000 | 529,646,000 | 10,512,000 | 454,000 | 2,222,000 | 5,152,000 | 7,025,000 | 9,020,000 | 13,305,000 | 15,156,000 | 17,586,000 | 21,316,000 | |
| | | | | <i>Cumulative</i> | <i>2,676,000</i> | <i>7,828,000</i> | <i>14,853,000</i> | <i>23,873,000</i> | <i>37,178,000</i> | <i>52,334,000</i> | <i>69,920,000</i> | <i>91,236,000</i> | |
| D. OTHER RESTRICTED REVENUE | | | | | | | | | | | | | |
| Children's Services Fund | 240,797,000 | 96,688,000 | 2,210,000 | 29,000 | 155,000 | 363,000 | 489,000 | 633,000 | 1,003,000 | 1,236,000 | 1,423,000 | 2,044,000 | |
| Licenses, Permits and Fees | 59,063,000 | 59,063,000 | 514,000 | 0 | 0 | 0 | 4,000 | 23,000 | 59,000 | 116,000 | 173,000 | 228,000 | |
| Fines, Forfeitures and Penalties | 10,145,000 | 10,145,000 | 89,000 | 0 | 0 | 0 | 1,000 | 4,000 | 10,000 | 20,000 | 30,000 | 39,000 | |

Notes

¹ See Tables 2-A through 2-C for detail.

² Excludes 56.7% of base property tax levy, which is dedicated to funding infrastructure and affordable housing.

Table 1

NET FISCAL IMPACT ON ALL FUNDS¹
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ <i>3% discount</i> | Annual FY2035-2036 2016\$ <i>3% discount</i> | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 |
|--|-----------------------------------|---|---|---|---|---|---|---|---|---|---|---|
| A. GENERAL FUND IMPACT² | | | | | | | | | | | | |
| Recurring General Fund Revenue | 2,284,390,000 | 871,062,000 | 21,880,000 | 11,701,000 | 13,893,000 | 16,723,000 | 20,870,000 | 23,763,000 | 28,477,000 | 31,207,000 | 33,697,000 | 35,829,000 |
| Recurring General Fund Expense | 1,738,460,000 | 652,551,000 | 15,126,000 | 10,991,000 | 13,125,000 | 14,889,000 | 17,108,000 | 19,560,000 | 21,651,000 | 23,310,000 | 24,274,000 | 25,002,000 |
| Net Recurring Revenue (Expense) | 545,930,000 | 218,510,000 | 6,754,000 | 710,000 | 768,000 | 1,834,000 | 3,762,000 | 4,203,000 | 6,826,000 | 7,897,000 | 9,423,000 | 10,827,000 |
| Construction-Related Revenue | 142,272,000 | 110,175,000 | 0 | 14,056,000 | 12,606,000 | 14,292,000 | 12,357,000 | 9,970,000 | 7,525,000 | 6,120,000 | 1,840,000 | 0 |
| TOTAL NET GENERAL FUND REVENUE (EXPENSE) | 688,202,000 | 328,686,000 | 6,754,000 | 14,766,000 <i>87,563,000</i> | 13,374,000 <i>100,937,000</i> | 16,126,000 <i>117,063,000</i> | 16,119,000 <i>133,182,000</i> | 14,173,000 <i>147,355,000</i> | 14,351,000 <i>161,706,000</i> | 14,017,000 <i>175,723,000</i> | 11,263,000 <i>186,986,000</i> | 10,827,000 <i>197,813,000</i> |
| B. IMPACT ON OTHER FUNDS | | | | | | | | | | | | |
| Net MTA Revenue (Expense) | 459,829,000 | 186,321,000 | 3,404,000 | 4,248,000 | 6,819,000 | 8,176,000 | 9,654,000 | 10,788,000 | 5,607,000 | 6,129,000 | 5,354,000 | 5,499,000 |
| Net Library Revenue (Expense) | 35,954,000 | 14,639,000 | 354,000 | 236,000 | 253,000 | 362,000 | 503,000 | 518,000 | 574,000 | 610,000 | 569,000 | 575,000 |
| TOTAL NET REVENUE (EXPENSE) TO OTHER CCSF FUNDS | 495,783,000 | 200,960,000 | 3,758,000 | 4,484,000 <i>22,923,000</i> | 7,072,000 <i>29,995,000</i> | 8,538,000 <i>38,533,000</i> | 10,157,000 <i>48,690,000</i> | 11,306,000 <i>59,996,000</i> | 6,181,000 <i>66,177,000</i> | 6,739,000 <i>72,916,000</i> | 5,923,000 <i>78,839,000</i> | 6,074,000 <i>84,913,000</i> |
| C. TOTAL CITYWIDE IMPACT | | | | | | | | | | | | |
| General Fund Revenue/(Expense) | 688,202,000 | 328,686,000 | 6,754,000 | 14,766,000 | 13,374,000 | 16,126,000 | 16,119,000 | 14,173,000 | 14,351,000 | 14,017,000 | 11,263,000 | 10,827,000 |
| Other Funds Revenue (Expense) | 495,783,000 | 200,960,000 | 3,758,000 | 4,484,000 | 7,072,000 | 8,538,000 | 10,157,000 | 11,306,000 | 6,181,000 | 6,739,000 | 5,923,000 | 6,074,000 |
| TOTAL NET REVENUE (EXPENSE) TO ALL CCSF FUNDS | 1,183,985,000 | 529,646,000 | 10,512,000 | 19,250,000 <i>110,486,000</i> | 20,446,000 <i>130,932,000</i> | 24,664,000 <i>155,596,000</i> | 26,276,000 <i>181,872,000</i> | 25,479,000 <i>207,351,000</i> | 20,532,000 <i>227,883,000</i> | 20,756,000 <i>248,639,000</i> | 17,186,000 <i>265,825,000</i> | 16,901,000 <i>282,726,000</i> |
| D. OTHER RESTRICTED REVENUE | | | | | | | | | | | | |
| Children's Services Fund | 240,797,000 | 96,688,000 | 2,210,000 | 2,366,000 | 2,466,000 | 2,915,000 | 3,143,000 | 3,239,000 | 3,490,000 | 3,665,000 | 3,552,000 | 3,615,000 |
| Licenses, Permits and Fees | 59,063,000 | 59,063,000 | 514,000 | 303,000 | 389,000 | 466,000 | 544,000 | 635,000 | 713,000 | 787,000 | 825,000 | 850,000 |
| Fines, Forfeitures and Penalties | 10,145,000 | 10,145,000 | 89,000 | 52,000 | 67,000 | 80,000 | 93,000 | 109,000 | 122,000 | 135,000 | 142,000 | 146,000 |

Notes

¹ See Tables 2-A through 2-C for detail.

² Excludes 56.7% of base property tax levy, which is dedicated to funding infrastructure and affordable housing.

Table 1

NET FISCAL IMPACT ON ALL FUNDS¹
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ <i>3% discount</i> | Annual FY2035-2036 2016\$ <i>3% discount</i> | 2033-34 | 2034-35 | 2035-36 | 2036-37 | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 |
|--|-----------------------------------|---|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| A. GENERAL FUND IMPACT² | | | | | | | | | | | | |
| Recurring General Fund Revenue | 2,284,390,000 | 871,062,000 | 21,880,000 | 37,553,000 | 38,525,000 | 39,518,000 | 40,543,000 | 41,596,000 | 42,680,000 | 43,788,000 | 44,927,000 | 46,092,000 |
| Recurring General Fund Expense | 1,738,460,000 | 652,551,000 | 15,126,000 | 25,751,000 | 26,524,000 | 27,320,000 | 28,140,000 | 28,984,000 | 29,854,000 | 30,750,000 | 31,672,000 | 32,621,000 |
| Net Recurring Revenue (Expense) | 545,930,000 | 218,510,000 | 6,754,000 | 11,802,000 | 12,001,000 | 12,198,000 | 12,403,000 | 12,612,000 | 12,826,000 | 13,038,000 | 13,255,000 | 13,471,000 |
| Construction-Related Revenue | 142,272,000 | 110,175,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL NET GENERAL FUND REVENUE (EXPENSE) | 688,202,000 | 328,686,000 | 6,754,000 | 11,802,000 | 12,001,000 | 12,198,000 | 12,403,000 | 12,612,000 | 12,826,000 | 13,038,000 | 13,255,000 | 13,471,000 |
| | | | | 209,615,000 | 221,616,000 | 233,614,000 | 246,217,000 | 258,829,000 | 271,655,000 | 284,693,000 | 297,948,000 | 311,419,000 |
| B. IMPACT ON OTHER FUNDS | | | | | | | | | | | | |
| Net MTA Revenue (Expense) | 459,829,000 | 186,321,000 | 3,404,000 | 5,771,000 | 5,957,000 | 6,148,000 | 6,345,000 | 6,545,000 | 7,439,000 | 7,654,000 | 7,873,000 | 8,100,000 |
| Net Library Revenue (Expense) | 35,954,000 | 14,639,000 | 354,000 | 611,000 | 625,000 | 639,000 | 654,000 | 669,000 | 684,000 | 700,000 | 715,000 | 732,000 |
| TOTAL NET REVENUE (EXPENSE) TO OTHER CCSF FUNDS | 495,783,000 | 200,960,000 | 3,758,000 | 6,382,000 | 6,582,000 | 6,787,000 | 6,999,000 | 7,214,000 | 8,123,000 | 8,354,000 | 8,588,000 | 8,832,000 |
| | | | | 91,295,000 | 97,877,000 | 104,664,000 | 111,663,000 | 118,877,000 | 127,000,000 | 135,354,000 | 143,942,000 | 152,774,000 |
| C. TOTAL CITYWIDE IMPACT | | | | | | | | | | | | |
| General Fund Revenue/(Expense) | 688,202,000 | 328,686,000 | 6,754,000 | 11,802,000 | 12,001,000 | 12,198,000 | 12,403,000 | 12,612,000 | 12,826,000 | 13,038,000 | 13,255,000 | 13,471,000 |
| Other Funds Revenue (Expense) | 495,783,000 | 200,960,000 | 3,758,000 | 6,382,000 | 6,582,000 | 6,787,000 | 6,999,000 | 7,214,000 | 8,123,000 | 8,354,000 | 8,588,000 | 8,832,000 |
| TOTAL NET REVENUE (EXPENSE) TO ALL CCSF FUNDS | 1,183,985,000 | 529,646,000 | 10,512,000 | 18,184,000 | 18,583,000 | 18,985,000 | 19,402,000 | 19,826,000 | 20,949,000 | 21,392,000 | 21,843,000 | 22,303,000 |
| | | | | 300,910,000 | 319,493,000 | 338,478,000 | 357,880,000 | 377,706,000 | 398,655,000 | 420,047,000 | 441,890,000 | 464,193,000 |
| D. OTHER RESTRICTED REVENUE | | | | | | | | | | | | |
| Children's Services Fund | 240,797,000 | 96,688,000 | 2,210,000 | 3,795,000 | 3,892,000 | 3,991,000 | 4,093,000 | 4,198,000 | 4,306,000 | 4,416,000 | 4,529,000 | 4,645,000 |
| Licenses, Permits and Fees | 59,063,000 | 59,063,000 | 514,000 | 876,000 | 902,000 | 929,000 | 957,000 | 986,000 | 1,015,000 | 1,046,000 | 1,077,000 | 1,109,000 |
| Fines, Forfeitures and Penalties | 10,145,000 | 10,145,000 | 89,000 | 150,000 | 155,000 | 160,000 | 164,000 | 169,000 | 174,000 | 180,000 | 185,000 | 191,000 |

Notes

¹ See Tables 2-A through 2-C for detail.

² Excludes 56.7% of base property tax levy, which is dedicated to funding infrastructure and affordable housing.

Table 1

NET FISCAL IMPACT ON ALL FUNDS¹
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ <i>3% discount</i> | Annual FY2035-2036 2016\$ <i>3% discount</i> | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 | 2048-49 | 2049-50 | 2050-51 |
|--|-----------------------------------|---|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| A. GENERAL FUND IMPACT² | | | | | | | | | | | | |
| Recurring General Fund Revenue | 2,284,390,000 | 871,062,000 | 21,880,000 | 47,293,000 | 48,529,000 | 49,798,000 | 51,097,000 | 52,434,000 | 53,806,000 | 55,216,000 | 56,663,000 | 58,150,000 |
| Recurring General Fund Expense | 1,738,460,000 | 652,551,000 | 15,126,000 | 33,602,000 | 34,608,000 | 35,648,000 | 36,716,000 | 37,818,000 | 38,954,000 | 40,121,000 | 41,325,000 | 42,567,000 |
| Net Recurring Revenue (Expense) | 545,930,000 | 218,510,000 | 6,754,000 | 13,691,000 | 13,921,000 | 14,150,000 | 14,381,000 | 14,616,000 | 14,852,000 | 15,095,000 | 15,338,000 | 15,583,000 |
| Construction-Related Revenue | 142,272,000 | 110,175,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL NET GENERAL FUND REVENUE (EXPENSE) | 688,202,000 | 328,686,000 | 6,754,000 | 13,691,000 | 13,921,000 | 14,150,000 | 14,381,000 | 14,616,000 | 14,852,000 | 15,095,000 | 15,338,000 | 15,583,000 |
| | | | | <i>325,110,000</i> | <i>339,031,000</i> | <i>353,181,000</i> | <i>367,562,000</i> | <i>382,178,000</i> | <i>397,030,000</i> | <i>412,125,000</i> | <i>427,463,000</i> | <i>443,046,000</i> |
| B. IMPACT ON OTHER FUNDS | | | | | | | | | | | | |
| Net MTA Revenue (Expense) | 459,829,000 | 186,321,000 | 3,404,000 | 8,331,000 | 8,729,000 | 8,972,000 | 9,225,000 | 9,487,000 | 9,751,000 | 10,028,000 | 10,306,000 | 10,598,000 |
| Net Library Revenue (Expense) | 35,954,000 | 14,639,000 | 354,000 | 749,000 | 766,000 | 784,000 | 801,000 | 820,000 | 839,000 | 858,000 | 878,000 | 898,000 |
| TOTAL NET REVENUE (EXPENSE) TO OTHER CCSF FUNDS | 495,783,000 | 200,960,000 | 3,758,000 | 9,080,000 | 9,495,000 | 9,756,000 | 10,026,000 | 10,307,000 | 10,590,000 | 10,886,000 | 11,184,000 | 11,496,000 |
| | | | | <i>161,854,000</i> | <i>171,349,000</i> | <i>181,105,000</i> | <i>191,131,000</i> | <i>201,438,000</i> | <i>212,028,000</i> | <i>222,914,000</i> | <i>234,098,000</i> | <i>245,594,000</i> |
| C. TOTAL CITYWIDE IMPACT | | | | | | | | | | | | |
| General Fund Revenue/(Expense) | 688,202,000 | 328,686,000 | 6,754,000 | 13,691,000 | 13,921,000 | 14,150,000 | 14,381,000 | 14,616,000 | 14,852,000 | 15,095,000 | 15,338,000 | 15,583,000 |
| Other Funds Revenue (Expense) | 495,783,000 | 200,960,000 | 3,758,000 | 9,080,000 | 9,495,000 | 9,756,000 | 10,026,000 | 10,307,000 | 10,590,000 | 10,886,000 | 11,184,000 | 11,496,000 |
| TOTAL NET REVENUE (EXPENSE) TO ALL CCSF FUNDS | 1,183,985,000 | 529,646,000 | 10,512,000 | 22,771,000 | 23,416,000 | 23,906,000 | 24,407,000 | 24,923,000 | 25,442,000 | 25,981,000 | 26,522,000 | 27,079,000 |
| | | | | <i>486,964,000</i> | <i>510,380,000</i> | <i>534,286,000</i> | <i>558,693,000</i> | <i>583,616,000</i> | <i>609,058,000</i> | <i>635,039,000</i> | <i>661,561,000</i> | <i>688,640,000</i> |
| D. OTHER RESTRICTED REVENUE | | | | | | | | | | | | |
| Children's Services Fund | 240,797,000 | 96,688,000 | 2,210,000 | 4,765,000 | 4,888,000 | 5,013,000 | 5,143,000 | 5,275,000 | 5,412,000 | 5,552,000 | 5,695,000 | 5,842,000 |
| Licenses, Permits and Fees | 59,063,000 | 59,063,000 | 514,000 | 1,143,000 | 1,177,000 | 1,212,000 | 1,249,000 | 1,286,000 | 1,325,000 | 1,364,000 | 1,405,000 | 1,447,000 |
| Fines, Forfeitures and Penalties | 10,145,000 | 10,145,000 | 89,000 | 196,000 | 202,000 | 208,000 | 215,000 | 221,000 | 228,000 | 234,000 | 241,000 | 249,000 |

Notes

¹ See Tables 2-A through 2-C for detail.

² Excludes 56.7% of base property tax levy, which is dedicated to funding infrastructure and affordable housing.

Table 1

NET FISCAL IMPACT ON ALL FUNDS¹
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ | Annual FY2035-2036 2016\$ | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 | 2059-60 |
|--|-----------------------------------|-------------------------------|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| A. GENERAL FUND IMPACT² | | <i>3% discount</i> | <i>3% discount</i> | | | | | | | | | |
| Recurring General Fund Revenue | 2,284,390,000 | 871,062,000 | 21,880,000 | 59,876,000 | 61,247,000 | 62,858,000 | 64,515,000 | 66,216,000 | 67,981,000 | 69,759,000 | 71,600,000 | 72,578,000 |
| Recurring General Fund Expense | 1,738,460,000 | 652,551,000 | 15,126,000 | 43,841,000 | 45,158,000 | 46,512,000 | 47,905,000 | 49,345,000 | 50,824,000 | 52,348,000 | 53,921,000 | 55,538,000 |
| Net Recurring Revenue (Expense) | 545,930,000 | 218,510,000 | 6,754,000 | 15,835,000 | 16,089,000 | 16,346,000 | 16,610,000 | 16,871,000 | 17,137,000 | 17,411,000 | 17,679,000 | 17,040,000 |
| Construction-Related Revenue | 142,272,000 | 110,175,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL NET GENERAL FUND REVENUE (EXPENSE) | 688,202,000 | 328,686,000 | 6,754,000 | 15,835,000 | 16,089,000 | 16,346,000 | 16,610,000 | 16,871,000 | 17,137,000 | 17,411,000 | 17,679,000 | 17,040,000 |
| | | | | 458,881,000 | 474,970,000 | 491,316,000 | 507,926,000 | 524,797,000 | 541,934,000 | 559,345,000 | 577,024,000 | 594,064,000 |
| B. IMPACT ON OTHER FUNDS | | | | | | | | | | | | |
| Net MTA Revenue (Expense) | 459,829,000 | 186,321,000 | 3,404,000 | 10,897,000 | 11,204,000 | 11,520,000 | 12,310,000 | 12,643,000 | 12,985,000 | 13,339,000 | 13,704,000 | 13,969,000 |
| Net Library Revenue (Expense) | 35,954,000 | 14,639,000 | 354,000 | 919,000 | 939,000 | 961,000 | 984,000 | 1,007,000 | 1,030,000 | 1,053,000 | 1,078,000 | 1,077,000 |
| TOTAL NET REVENUE (EXPENSE) TO OTHER CCSF FUNDS | 495,783,000 | 200,960,000 | 3,758,000 | 11,816,000 | 12,143,000 | 12,481,000 | 13,294,000 | 13,650,000 | 14,015,000 | 14,392,000 | 14,782,000 | 15,046,000 |
| | | | | 257,410,000 | 269,553,000 | 282,034,000 | 295,328,000 | 308,978,000 | 322,993,000 | 337,385,000 | 352,167,000 | 367,213,000 |
| C. TOTAL CITYWIDE IMPACT | | | | | | | | | | | | |
| General Fund Revenue/(Expense) | 688,202,000 | 328,686,000 | 6,754,000 | 15,835,000 | 16,089,000 | 16,346,000 | 16,610,000 | 16,871,000 | 17,137,000 | 17,411,000 | 17,679,000 | 17,040,000 |
| Other Funds Revenue (Expense) | 495,783,000 | 200,960,000 | 3,758,000 | 11,816,000 | 12,143,000 | 12,481,000 | 13,294,000 | 13,650,000 | 14,015,000 | 14,392,000 | 14,782,000 | 15,046,000 |
| TOTAL NET REVENUE (EXPENSE) TO ALL CCSF FUNDS | 1,183,985,000 | 529,646,000 | 10,512,000 | 27,651,000 | 28,232,000 | 28,827,000 | 29,904,000 | 30,521,000 | 31,152,000 | 31,803,000 | 32,461,000 | 32,086,000 |
| | | | | 716,291,000 | 744,523,000 | 773,350,000 | 803,254,000 | 833,775,000 | 864,927,000 | 896,730,000 | 929,191,000 | 961,277,000 |
| D. OTHER RESTRICTED REVENUE | | | | | | | | | | | | |
| Children's Services Fund | 240,797,000 | 96,688,000 | 2,210,000 | 5,994,000 | 6,150,000 | 6,309,000 | 6,473,000 | 6,642,000 | 6,815,000 | 6,992,000 | 7,175,000 | 7,262,000 |
| Licenses, Permits and Fees | 59,063,000 | 59,063,000 | 514,000 | 1,491,000 | 1,536,000 | 1,582,000 | 1,629,000 | 1,678,000 | 1,728,000 | 1,780,000 | 1,834,000 | 1,889,000 |
| Fines, Forfeitures and Penalties | 10,145,000 | 10,145,000 | 89,000 | 256,000 | 264,000 | 272,000 | 280,000 | 288,000 | 297,000 | 306,000 | 315,000 | 324,000 |

Notes

¹ See Tables 2-A through 2-C for detail.

² Excludes 56.7% of base property tax levy, which is dedicated to funding infrastructure and affordable housing.

Table 1

NET FISCAL IMPACT ON ALL FUNDS¹
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ <i>3% discount</i> | Annual FY2035-2036 2016\$ <i>3% discount</i> | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|--|-----------------------------------|---|---|---|---|---|---|---|---|---|---|
| A. GENERAL FUND IMPACT² | | | | | | | | | | | |
| Recurring General Fund Revenue | 2,284,390,000 | 871,062,000 | 21,880,000 | 72,249,000 | 73,322,000 | 74,511,000 | 74,238,000 | 75,491,000 | 75,568,000 | 77,647,000 | 79,784,000 |
| Recurring General Fund Expense | 1,738,460,000 | 652,551,000 | 15,126,000 | 57,202,000 | 58,918,000 | 60,686,000 | 62,508,000 | 64,384,000 | 66,317,000 | 68,304,000 | 70,353,000 |
| Net Recurring Revenue (Expense) | 545,930,000 | 218,510,000 | 6,754,000 | 15,047,000 | 14,404,000 | 13,825,000 | 11,730,000 | 11,107,000 | 9,251,000 | 9,343,000 | 9,431,000 |
| Construction-Related Revenue | 142,272,000 | 110,175,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL NET GENERAL FUND REVENUE (EXPENSE) | 688,202,000 | 328,686,000 | 6,754,000 | 15,047,000 <i>609,111,000</i> | 14,404,000 <i>823,515,000</i> | 13,825,000 <i>637,340,000</i> | 11,730,000 <i>649,070,000</i> | 11,107,000 <i>660,177,000</i> | 9,251,000 <i>669,428,000</i> | 9,343,000 <i>678,771,000</i> | 9,431,000 <i>688,202,000</i> |
| B. IMPACT ON OTHER FUNDS | | | | | | | | | | | |
| Net MTA Revenue (Expense) | 459,829,000 | 186,321,000 | 3,404,000 | 14,093,000 | 14,380,000 | 14,685,000 | 14,827,000 | 15,152,000 | 15,346,000 | 15,778,000 | 16,217,000 |
| Net Library Revenue (Expense) | 35,954,000 | 14,639,000 | 354,000 | 1,038,000 | 1,038,000 | 1,040,000 | 999,000 | 1,001,000 | 969,000 | 991,000 | 1,016,000 |
| TOTAL NET REVENUE (EXPENSE) TO OTHER CCSF FUNDS | 495,783,000 | 200,960,000 | 3,758,000 | 15,131,000 <i>382,344,000</i> | 15,418,000 <i>397,762,000</i> | 15,725,000 <i>413,487,000</i> | 15,826,000 <i>429,313,000</i> | 16,153,000 <i>445,466,000</i> | 16,315,000 <i>461,781,000</i> | 16,769,000 <i>478,550,000</i> | 17,233,000 <i>495,783,000</i> |
| C. TOTAL CITYWIDE IMPACT | | | | | | | | | | | |
| General Fund Revenue/(Expense) | 688,202,000 | 328,686,000 | 6,754,000 | 15,047,000 | 14,404,000 | 13,825,000 | 11,730,000 | 11,107,000 | 9,251,000 | 9,343,000 | 9,431,000 |
| Other Funds Revenue (Expense) | 495,783,000 | 200,960,000 | 3,758,000 | 15,131,000 | 15,418,000 | 15,725,000 | 15,826,000 | 16,153,000 | 16,315,000 | 16,769,000 | 17,233,000 |
| TOTAL NET REVENUE (EXPENSE) TO ALL CCSF FUNDS | 1,183,985,000 | 529,646,000 | 10,512,000 | 30,178,000 <i>991,455,000</i> | 29,822,000 <i>1,021,277,000</i> | 29,550,000 <i>1,050,827,000</i> | 27,556,000 <i>1,078,383,000</i> | 27,260,000 <i>1,105,643,000</i> | 25,566,000 <i>1,131,209,000</i> | 26,112,000 <i>1,157,321,000</i> | 26,664,000 <i>1,183,985,000</i> |
| D. OTHER RESTRICTED REVENUE | | | | | | | | | | | |
| Children's Services Fund | 240,787,000 | 96,688,000 | 2,210,000 | 7,204,000 | 7,300,000 | 7,408,000 | 7,355,000 | 7,469,000 | 7,453,000 | 7,656,000 | 7,864,000 |
| Licenses, Permits and Fees | 59,063,000 | 59,063,000 | 514,000 | 1,945,000 | 2,004,000 | 2,064,000 | 2,126,000 | 2,189,000 | 2,255,000 | 2,323,000 | 2,392,000 |
| Fines, Forfeitures and Penalties | 10,145,000 | 10,145,000 | 89,000 | 334,000 | 344,000 | 355,000 | 365,000 | 376,000 | 387,000 | 399,000 | 411,000 |

Notes

¹ See Tables 2-A through 2-C for detail.

² Excludes 56.7% of base property tax levy, which is dedicated to funding infrastructure and affordable housing.

Table 2-A

NET GENERAL FUND IMPACT: RECURRING AND TOTAL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ <i>3% discount</i> | Annual FY2035-2036 2016\$ <i>3% discount</i> | Fiscal Year: | | | | | | | | |
|--|-----------------------------------|---|---|-----------------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | July 1 - June 30 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| A. RECURRING GENERAL FUND IMPACTS | | | | | | | | | | | | |
| RECURRING GENERAL FUND REVENUE - NEW FROM PROJECT ¹ | | | | | | | | | | | | |
| Portion of General Fund Property Tax ² | \$305,197,000 | \$125,512,000 | \$3,800,000 | 0 | 0 | 0 | 0 | 50,000 | 156,000 | 313,000 | 603,000 | 1,044,000 |
| Property Tax in Lieu of VLF | \$489,456,000 | \$186,843,000 | \$5,082,000 | 0 | 0 | 0 | 0 | 67,000 | 209,000 | 418,000 | 806,000 | 1,397,000 |
| Property Transfer Tax | \$438,962,000 | \$162,638,000 | \$3,883,000 | 0 | 0 | 0 | 0 | 42,000 | 234,000 | 530,000 | 889,000 | 1,220,000 |
| Sales and Use Tax | \$316,887,000 | \$117,370,000 | \$2,796,000 | 0 | 0 | 0 | 14,000 | 77,000 | 185,000 | 384,000 | 542,000 | 729,000 |
| Telephone Users Tax | \$58,182,000 | \$21,809,000 | \$507,000 | 0 | 0 | 0 | 4,000 | 22,000 | 54,000 | 111,000 | 161,000 | 211,000 |
| Access Line Tax | \$53,935,000 | \$20,216,000 | \$470,000 | 0 | 0 | 0 | 3,000 | 20,000 | 50,000 | 102,000 | 149,000 | 195,000 |
| Water Users Tax | \$1,405,000 | \$521,000 | \$12,000 | 0 | 0 | 0 | 0 | 0 | 1,000 | 2,000 | 2,000 | 3,000 |
| Gas Electric Steam Users Tax | \$15,263,000 | \$5,664,000 | \$134,000 | 0 | 0 | 0 | 1,000 | 4,000 | 7,000 | 22,000 | 27,000 | 34,000 |
| Gross Receipts Tax | \$65,292,000 | \$24,284,000 | \$574,000 | 0 | 0 | 0 | 0 | 0 | 5,000 | 112,000 | 132,000 | 182,000 |
| Business License Tax | \$4,602,000 | \$1,716,000 | \$40,000 | 0 | 0 | 0 | 0 | 0 | 0 | 12,000 | 12,000 | 14,000 |
| Hotel Room Tax | \$336,572,000 | \$130,915,000 | \$2,828,000 | 0 | 0 | 0 | 0 | 0 | 0 | 2,190,000 | 2,256,000 | 3,583,000 |
| Subtotal-Discretionary | \$2,085,753,000 | \$797,490,000 | \$20,127,000 | 0 | 0 | 0 | 22,000 | 282,000 | 901,000 | 4,196,000 | 5,579,000 | 8,612,000 |
| Public Safety Sales Tax | \$198,637,000 | \$73,572,000 | \$1,753,000 | 0 | 0 | 0 | 9,000 | 48,000 | 116,000 | 241,000 | 339,000 | 457,000 |
| TOTAL | \$2,284,390,000 | \$871,062,000 | \$21,880,000 | 0 | 0 | 0 | 31,000 | 330,000 | 1,017,000 | 4,437,000 | 5,918,000 | 9,069,000 |
| RECURRING GENERAL FUND EXPENSE - NEW FROM PROJECT ³ | | | | | | | | | | | | |
| Elections | \$32,234,000 | \$12,101,000 | \$281,000 | 0 | 0 | 0 | 2,000 | 13,000 | 32,000 | 63,000 | 94,000 | 124,000 |
| Assessor/Recorder | \$16,321,000 | \$6,546,000 | \$133,000 | 0 | 0 | 0 | 0 | 150,000 | 155,000 | 160,000 | 164,000 | 169,000 |
| 311 | \$9,502,000 | \$3,568,000 | \$82,000 | 0 | 0 | 0 | 1,000 | 4,000 | 9,000 | 19,000 | 28,000 | 36,000 |
| Police Services | \$414,006,000 | \$151,573,000 | \$3,691,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fire Protection | \$547,871,000 | \$208,697,000 | \$4,690,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,970,000 |
| 911 Emergency Response | \$48,985,000 | \$18,389,000 | \$427,000 | 0 | 0 | 0 | 3,000 | 19,000 | 49,000 | 96,000 | 143,000 | 188,000 |
| Public Health | \$112,564,000 | \$42,257,000 | \$981,000 | 0 | 0 | 0 | 7,000 | 44,000 | 112,000 | 221,000 | 329,000 | 431,000 |
| Public Works | \$108,600,000 | \$40,454,000 | \$951,000 | 0 | 0 | 0 | 0 | 0 | 42,000 | 69,000 | 169,000 | 239,000 |
| Library/Community Facilities | \$45,431,000 | \$17,924,000 | \$376,000 | 0 | 0 | 0 | 0 | 0 | 0 | 205,000 | 418,000 | 641,000 |
| SFMTA/MUNI (Prop. B) | \$402,946,000 | \$151,041,000 | \$3,515,000 | 0 | 0 | 0 | 26,000 | 152,000 | 375,000 | 766,000 | 1,116,000 | 1,459,000 |
| TOTAL | \$1,738,460,000 | \$652,551,000 | \$15,126,000 | 0 | 0 | 0 | 39,000 | 382,000 | 774,000 | 1,599,000 | 2,460,000 | 6,257,000 |
| NET RECURRING GENERAL FUND REVENUE (EXPENSE) | \$545,930,000 | \$218,510,000 | \$6,754,000 | 0 | 0 | 0 | (8,000) | (52,000) | 243,000 | 2,838,000 | 3,458,000 | 2,812,000 |
| | | | | <i>Cumulative</i> | <i>0</i> | <i>0</i> | <i>(8,000)</i> | <i>(60,000)</i> | <i>183,000</i> | <i>3,021,000</i> | <i>6,479,000</i> | <i>9,291,000</i> |
| B. NET CONSTRUCTION-RELATED REVENUE (EXPENSE)⁴ | \$142,272,000 | \$110,175,000 | \$0 | 375,000 | 1,894,000 | 4,412,000 | 5,959,000 | 7,454,000 | 10,773,000 | 9,299,000 | 10,045,000 | 13,295,000 |
| | | | | <i>Cumulative</i> | <i>2,269,000</i> | <i>6,681,000</i> | <i>12,640,000</i> | <i>20,094,000</i> | <i>30,867,000</i> | <i>40,166,000</i> | <i>50,211,000</i> | <i>63,506,000</i> |
| C. TOTAL NET GENERAL FUND REVENUE (EXPENSE) | \$688,202,000 | \$328,686,000 | \$6,754,000 | 375,000 | 1,894,000 | 4,412,000 | 5,951,000 | 7,402,000 | 11,016,000 | 12,137,000 | 13,503,000 | 16,107,000 |
| | | | | <i>Cumulative</i> | <i>2,269,000</i> | <i>6,681,000</i> | <i>12,632,000</i> | <i>20,034,000</i> | <i>31,050,000</i> | <i>43,187,000</i> | <i>56,690,000</i> | <i>72,797,000</i> |
| D. OTHER RESTRICTED GENERAL FUND REVENUES¹ | | | | | | | | | | | | |
| Licenses, Permits and Fees | \$59,063,000 | \$22,173,000 | \$514,000 | 0 | 0 | 0 | 4,000 | 23,000 | 59,000 | 116,000 | 173,000 | 226,000 |
| Fines, Forfeitures and Penalties | \$10,145,000 | \$3,809,000 | \$89,000 | 0 | 0 | 0 | 1,000 | 4,000 | 10,000 | 20,000 | 30,000 | 39,000 |

Notes:

- ¹ Excluding baseline transfers. See Table 11-A.
- ² Reflects 8% of base 1% tax levy. The balance of General Fund Property tax revenues are dedicated to funding infrastructure and affordable housing.
- ³ Table 17.
- ⁴ Table 2-B.

Table 2-A

NET GENERAL FUND IMPACT: RECURRING AND TOTAL
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ | Annual FY2035-2036 2016\$ | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-2033 |
|--|-----------------------------------|-------------------------------|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | 3% discount | 3% discount | | | | | | | | | |
| A. RECURRING GENERAL FUND IMPACTS | | | | | | | | | | | | |
| RECURRING GENERAL FUND REVENUE - NEW FROM PROJECT¹ | | | | | | | | | | | | |
| Portion of General Fund Property Tax ² | \$305,197,000 | \$125,512,000 | \$3,800,000 | 1,460,000 | 1,891,000 | 2,590,000 | 3,145,000 | 3,804,000 | 4,417,000 | 4,991,000 | 5,554,000 | 6,134,000 |
| Property Tax in Lieu of VLF | \$489,456,000 | \$186,843,000 | \$5,082,000 | 1,952,000 | 2,529,000 | 3,464,000 | 4,207,000 | 5,088,000 | 5,908,000 | 6,675,000 | 7,428,000 | 8,204,000 |
| Property Transfer Tax | \$438,962,000 | \$162,638,000 | \$3,883,000 | 1,677,000 | 2,245,000 | 2,857,000 | 3,479,000 | 4,109,000 | 4,750,000 | 5,425,000 | 6,089,000 | 6,422,000 |
| Sales and Use Tax | \$316,887,000 | \$117,370,000 | \$2,796,000 | 1,235,000 | 1,441,000 | 1,636,000 | 2,529,000 | 2,773,000 | 4,064,000 | 4,319,000 | 4,487,000 | 4,622,000 |
| Telephone Users Tax | \$58,182,000 | \$21,809,000 | \$507,000 | 291,000 | 368,000 | 436,000 | 533,000 | 615,000 | 710,000 | 778,000 | 814,000 | 839,000 |
| Access Line Tax | \$53,935,000 | \$20,216,000 | \$470,000 | 270,000 | 341,000 | 404,000 | 494,000 | 570,000 | 658,000 | 722,000 | 755,000 | 778,000 |
| Water Users Tax | \$1,405,000 | \$521,000 | \$12,000 | 6,000 | 6,000 | 7,000 | 13,000 | 13,000 | 18,000 | 19,000 | 20,000 | 21,000 |
| Gas Electric Steam Users Tax | \$15,263,000 | \$5,664,000 | \$134,000 | 64,000 | 69,000 | 76,000 | 135,000 | 143,000 | 199,000 | 209,000 | 215,000 | 223,000 |
| Gross Receipts Tax | \$65,292,000 | \$24,284,000 | \$574,000 | 261,000 | 278,000 | 290,000 | 674,000 | 712,000 | 867,000 | 893,000 | 920,000 | 948,000 |
| Business License Tax | \$4,602,000 | \$1,718,000 | \$40,000 | 22,000 | 22,000 | 23,000 | 44,000 | 45,000 | 61,000 | 63,000 | 65,000 | 67,000 |
| Hotel Room Tax | \$336,572,000 | \$130,915,000 | \$2,828,000 | 3,689,000 | 3,800,000 | 3,914,000 | 4,032,000 | 4,153,000 | 4,277,000 | 4,406,000 | 4,537,000 | 4,674,000 |
| Subtotal-Discretionary | \$2,085,753,000 | \$797,490,000 | \$20,127,000 | 10,927,000 | 12,990,000 | 15,697,000 | 19,265,000 | 22,025,000 | 25,929,000 | 28,500,000 | 30,884,000 | 32,932,000 |
| Public Safety Sales Tax | \$198,637,000 | \$73,572,000 | \$1,753,000 | 774,000 | 903,000 | 1,026,000 | 1,585,000 | 1,738,000 | 2,548,000 | 2,707,000 | 2,813,000 | 2,897,000 |
| TOTAL | \$2,284,390,000 | \$871,062,000 | \$21,880,000 | 11,701,000 | 13,893,000 | 16,723,000 | 20,870,000 | 23,763,000 | 28,477,000 | 31,207,000 | 33,697,000 | 35,829,000 |
| RECURRING GENERAL FUND EXPENSE - NEW FROM PROJECT³ | | | | | | | | | | | | |
| Elections | \$32,234,000 | \$12,101,000 | \$281,000 | 165,000 | 212,000 | 254,000 | 297,000 | 347,000 | 389,000 | 430,000 | 450,000 | 464,000 |
| Assessor/Recorder | \$16,321,000 | \$6,546,000 | \$133,000 | 174,000 | 180,000 | 185,000 | 191,000 | 196,000 | 202,000 | 208,000 | 214,000 | 221,000 |
| 311 | \$9,502,000 | \$3,568,000 | \$82,000 | 49,000 | 63,000 | 75,000 | 88,000 | 102,000 | 115,000 | 127,000 | 133,000 | 137,000 |
| Police Services | \$414,006,000 | \$151,573,000 | \$3,691,000 | 708,000 | 1,479,000 | 2,165,000 | 3,154,000 | 3,981,000 | 4,944,000 | 5,614,000 | 5,923,000 | 6,101,000 |
| Fire Protection | \$547,871,000 | \$208,697,000 | \$4,690,000 | 6,119,000 | 6,303,000 | 6,492,000 | 6,687,000 | 6,887,000 | 7,094,000 | 7,307,000 | 7,526,000 | 7,752,000 |
| 911 Emergency Response | \$48,985,000 | \$18,389,000 | \$427,000 | 251,000 | 322,000 | 387,000 | 451,000 | 527,000 | 591,000 | 653,000 | 685,000 | 705,000 |
| Public Health | \$112,564,000 | \$42,257,000 | \$981,000 | 577,000 | 741,000 | 888,000 | 1,037,000 | 1,211,000 | 1,358,000 | 1,501,000 | 1,573,000 | 1,620,000 |
| Public Works | \$108,600,000 | \$40,454,000 | \$951,000 | 279,000 | 611,000 | 736,000 | 977,000 | 1,497,000 | 1,473,000 | 1,494,000 | 1,527,000 | 1,572,000 |
| Library/Community Facilities | \$45,431,000 | \$17,924,000 | \$376,000 | 655,000 | 670,000 | 685,000 | 536,000 | 552,000 | 569,000 | 586,000 | 603,000 | 621,000 |
| SFMTA/MUNI (Prop. B) | \$402,946,000 | \$151,041,000 | \$3,515,000 | 2,014,000 | 2,544,000 | 3,022,000 | 3,690,000 | 4,260,000 | 4,916,000 | 5,390,000 | 5,640,000 | 5,809,000 |
| TOTAL | \$1,738,460,000 | \$652,551,000 | \$15,126,000 | 10,991,000 | 13,125,000 | 14,889,000 | 17,108,000 | 19,560,000 | 21,651,000 | 23,310,000 | 24,274,000 | 25,002,000 |
| NET RECURRING GENERAL FUND REVENUE (EXPENSE) | \$545,930,000 | \$218,510,000 | \$6,754,000 | 710,000 | 768,000 | 1,834,000 | 3,762,000 | 4,203,000 | 6,826,000 | 7,897,000 | 9,423,000 | 10,827,000 |
| | | | | 10,001,000 | 10,769,000 | 12,803,000 | 16,366,000 | 20,568,000 | 27,394,000 | 35,291,000 | 44,714,000 | 55,541,000 |
| B. NET CONSTRUCTION-RELATED REVENUE (EXPENSE)⁴ | | | | | | | | | | | | |
| | \$142,272,000 | \$110,175,000 | \$0 | 14,056,000 | 12,606,000 | 14,292,000 | 12,357,000 | 9,970,000 | 7,525,000 | 6,120,000 | 1,840,000 | 0 |
| | | | | 77,562,000 | 90,168,000 | 104,460,000 | 116,817,000 | 128,787,000 | 134,312,000 | 140,432,000 | 142,272,000 | 142,272,000 |
| C. TOTAL NET GENERAL FUND REVENUE (EXPENSE) | \$688,202,000 | \$328,686,000 | \$6,754,000 | 14,766,000 | 13,374,000 | 16,126,000 | 16,119,000 | 14,173,000 | 14,351,000 | 14,017,000 | 11,263,000 | 10,827,000 |
| | | | | 87,563,000 | 100,937,000 | 117,063,000 | 133,182,000 | 147,355,000 | 161,708,000 | 175,723,000 | 186,985,000 | 197,813,000 |
| D. OTHER RESTRICTED GENERAL FUND REVENUES¹ | | | | | | | | | | | | |
| Licenses, Permits and Fees | \$59,063,000 | \$22,173,000 | \$514,000 | 303,000 | 389,000 | 466,000 | 544,000 | 635,000 | 713,000 | 787,000 | 825,000 | 850,000 |
| Fines, Fofeitures and Penalties | \$10,145,000 | \$3,809,000 | \$89,000 | 52,000 | 67,000 | 80,000 | 93,000 | 109,000 | 122,000 | 135,000 | 142,000 | 146,000 |

Notes:

- ¹ Excluding baseline transfers. See Table 11-A.
- ² Reflects 8% of base 1% tax levy. The balance of General Fund Property tax revenues are dedicated to funding infrastructure and affordable housing.
- ³ Table 17.
- ⁴ Table 2-B.

Table 2-A

**NET GENERAL FUND IMPACT: RECURRING AND TOTAL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ | Annual FY2035-2036 2016\$ | 2033-34 | 2034-35 | 2035-36 | 2036-37 | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 |
|--|-----------------------------------|-------------------------------|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | 3% discount | 3% discount | | | | | | | | | |
| A. RECURRING GENERAL FUND IMPACTS | | | | | | | | | | | | |
| RECURRING GENERAL FUND REVENUE - NEW FROM PROJECT¹ | | | | | | | | | | | | |
| Portion of General Fund Property Tax ² | \$305,197,000 | \$125,512,000 | \$3,800,000 | 6,596,000 | 6,729,000 | 6,863,000 | 7,000,000 | 7,140,000 | 7,283,000 | 7,429,000 | 7,578,000 | 7,729,000 |
| Property Tax in Lieu of VLF | \$489,456,000 | \$186,843,000 | \$5,082,000 | 8,823,000 | 9,000,000 | 9,179,000 | 9,363,000 | 9,550,000 | 9,742,000 | 9,936,000 | 10,135,000 | 10,337,000 |
| Property Transfer Tax | \$438,962,000 | \$162,638,000 | \$3,883,000 | 6,614,000 | 6,811,000 | 7,014,000 | 7,224,000 | 7,440,000 | 7,662,000 | 7,891,000 | 8,126,000 | 8,370,000 |
| Sales and Use Tax | \$316,887,000 | \$117,370,000 | \$2,796,000 | 4,762,000 | 4,904,000 | 5,050,000 | 5,202,000 | 5,358,000 | 5,519,000 | 5,685,000 | 5,856,000 | 6,031,000 |
| Telephone Users Tax | \$58,182,000 | \$21,809,000 | \$507,000 | 864,000 | 890,000 | 916,000 | 944,000 | 972,000 | 1,002,000 | 1,031,000 | 1,062,000 | 1,094,000 |
| Access Line Tax | \$53,935,000 | \$20,216,000 | \$470,000 | 801,000 | 825,000 | 849,000 | 875,000 | 901,000 | 928,000 | 956,000 | 985,000 | 1,015,000 |
| Water Users Tax | \$1,405,000 | \$521,000 | \$12,000 | 21,000 | 22,000 | 22,000 | 23,000 | 24,000 | 25,000 | 26,000 | 26,000 | 26,000 |
| Gas Electric Steam Users Tax | \$15,263,000 | \$5,664,000 | \$134,000 | 229,000 | 236,000 | 242,000 | 250,000 | 258,000 | 266,000 | 274,000 | 282,000 | 290,000 |
| Gross Receipts Tax | \$65,292,000 | \$24,284,000 | \$574,000 | 976,000 | 1,006,000 | 1,036,000 | 1,066,000 | 1,099,000 | 1,132,000 | 1,166,000 | 1,200,000 | 1,236,000 |
| Business License Tax | \$4,602,000 | \$1,716,000 | \$40,000 | 69,000 | 71,000 | 73,000 | 75,000 | 77,000 | 80,000 | 82,000 | 85,000 | 87,000 |
| Hotel Room Tax | \$336,672,000 | \$130,915,000 | \$2,828,000 | 4,814,000 | 4,958,000 | 5,108,000 | 5,260,000 | 5,418,000 | 5,581,000 | 5,748,000 | 5,921,000 | 6,097,000 |
| Subtotal-Discretionary | \$2,085,753,000 | \$797,490,000 | \$20,127,000 | 34,569,000 | 35,452,000 | 36,352,000 | 37,282,000 | 38,237,000 | 39,220,000 | 40,224,000 | 41,256,000 | 42,312,000 |
| Public Safety Sales Tax | \$198,637,000 | \$73,572,000 | \$1,753,000 | 2,984,000 | 3,073,000 | 3,166,000 | 3,261,000 | 3,359,000 | 3,460,000 | 3,564,000 | 3,671,000 | 3,780,000 |
| TOTAL | \$2,284,390,000 | \$871,062,000 | \$21,880,000 | 37,553,000 | 38,525,000 | 39,518,000 | 40,543,000 | 41,596,000 | 42,680,000 | 43,788,000 | 44,927,000 | 46,092,000 |
| RECURRING GENERAL FUND EXPENSE - NEW FROM PROJECT³ | | | | | | | | | | | | |
| Elections | \$32,234,000 | \$12,101,000 | \$281,000 | 478,000 | 492,000 | 507,000 | 522,000 | 538,000 | 554,000 | 571,000 | 588,000 | 605,000 |
| Assessor/Recorder | \$16,321,000 | \$6,546,000 | \$133,000 | 227,000 | 234,000 | 241,000 | 249,000 | 256,000 | 264,000 | 272,000 | 280,000 | 288,000 |
| 311 | \$9,502,000 | \$3,568,000 | \$82,000 | 141,000 | 145,000 | 149,000 | 154,000 | 159,000 | 163,000 | 168,000 | 173,000 | 178,000 |
| Police Services | \$414,006,000 | \$151,573,000 | \$3,691,000 | 6,284,000 | 6,472,000 | 6,666,000 | 6,866,000 | 7,073,000 | 7,285,000 | 7,503,000 | 7,728,000 | 7,960,000 |
| Fire Protection | \$547,871,000 | \$208,697,000 | \$4,690,000 | 7,984,000 | 8,224,000 | 8,470,000 | 8,724,000 | 8,986,000 | 9,256,000 | 9,533,000 | 9,819,000 | 10,114,000 |
| 911 Emergency Response | \$48,985,000 | \$18,389,000 | \$427,000 | 726,000 | 748,000 | 771,000 | 794,000 | 817,000 | 842,000 | 867,000 | 893,000 | 920,000 |
| Public Health | \$112,564,000 | \$42,257,000 | \$981,000 | 1,669,000 | 1,719,000 | 1,771,000 | 1,824,000 | 1,878,000 | 1,935,000 | 1,993,000 | 2,053,000 | 2,114,000 |
| Public Works | \$108,600,000 | \$40,454,000 | \$951,000 | 1,619,000 | 1,668,000 | 1,718,000 | 1,770,000 | 1,823,000 | 1,877,000 | 1,935,000 | 1,992,000 | 2,051,000 |
| Library/Community Facilities | \$45,431,000 | \$17,924,000 | \$376,000 | 640,000 | 659,000 | 679,000 | 699,000 | 720,000 | 742,000 | 764,000 | 787,000 | 811,000 |
| SFMTA/MUNI (Prop. B) | \$402,946,000 | \$151,041,000 | \$3,515,000 | 5,983,000 | 6,163,000 | 6,348,000 | 6,538,000 | 6,734,000 | 6,936,000 | 7,144,000 | 7,359,000 | 7,580,000 |
| TOTAL | \$1,738,460,000 | \$652,551,000 | \$15,126,000 | 25,751,000 | 26,524,000 | 27,320,000 | 28,140,000 | 28,984,000 | 29,854,000 | 30,750,000 | 31,672,000 | 32,621,000 |
| NET RECURRING GENERAL FUND REVENUE (EXPENSE) | \$545,930,000 | \$218,510,000 | \$6,754,000 | 11,802,000 | 12,001,000 | 12,198,000 | 12,403,000 | 12,612,000 | 12,826,000 | 13,038,000 | 13,255,000 | 13,471,000 |
| | 67,343,000 | 79,344,000 | 91,542,000 | 103,945,000 | 116,557,000 | 129,383,000 | 142,421,000 | 155,676,000 | 169,147,000 | | | |
| B. NET CONSTRUCTION-RELATED REVENUE (EXPENSE)⁴ | \$142,272,000 | \$110,175,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 |
| C. TOTAL NET GENERAL FUND REVENUE (EXPENSE) | \$688,202,000 | \$328,686,000 | \$6,754,000 | 11,802,000 | 12,001,000 | 12,198,000 | 12,403,000 | 12,612,000 | 12,826,000 | 13,038,000 | 13,255,000 | 13,471,000 |
| | 209,615,000 | 221,616,000 | 233,814,000 | 246,217,000 | 258,829,000 | 271,655,000 | 284,693,000 | 297,948,000 | 311,419,000 | | | |
| D. OTHER RESTRICTED GENERAL FUND REVENUES¹ | | | | | | | | | | | | |
| Licenses, Permits and Fees | \$59,063,000 | \$22,173,000 | \$514,000 | 876,000 | 902,000 | 929,000 | 957,000 | 986,000 | 1,015,000 | 1,046,000 | 1,077,000 | 1,109,000 |
| Fines, Fofeitures and Penalties | \$10,145,000 | \$3,809,000 | \$89,000 | 150,000 | 155,000 | 160,000 | 164,000 | 169,000 | 174,000 | 180,000 | 185,000 | 191,000 |

Notes:

¹ Excluding baseline transfers. See Table 11-A.

² Reflects 8% of base 1% tax levy. The balance of General Fund Property tax revenues are dedicated to funding infrastructure and affordable housing.

³ Table 17.

⁴ Table 2-B.

Table 2-A

NET GENERAL FUND IMPACT: RECURRING AND TOTAL
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ | Annual FY2035-2036 2016\$ | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 | 2048-49 | 2049-50 | 2050-51 |
|--|-----------------------------------|-------------------------------|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | 3% discount | 3% discount | | | | | | | | | |
| A. RECURRING GENERAL FUND IMPACTS | | | | | | | | | | | | |
| RECURRING GENERAL FUND REVENUE - NEW FROM PROJECT ¹ | | | | | | | | | | | | |
| Portion of General Fund Property Tax ² | \$305,197,000 | \$125,512,000 | \$3,800,000 | 7,884,000 | 8,041,000 | 8,202,000 | 8,366,000 | 8,533,000 | 8,704,000 | 8,879,000 | 9,056,000 | 9,237,000 |
| Property Tax in Lieu of VLF | \$489,456,000 | \$186,843,000 | \$5,082,000 | 10,544,000 | 10,755,000 | 10,971,000 | 11,190,000 | 11,413,000 | 11,642,000 | 11,874,000 | 12,112,000 | 12,355,000 |
| Property Transfer Tax | \$438,962,000 | \$162,638,000 | \$3,883,000 | 8,619,000 | 8,877,000 | 9,143,000 | 9,415,000 | 9,697,000 | 9,987,000 | 10,285,000 | 10,593,000 | 10,909,000 |
| Sales and Use Tax | \$316,887,000 | \$117,370,000 | \$2,796,000 | 6,212,000 | 6,398,000 | 6,590,000 | 6,788,000 | 6,992,000 | 7,201,000 | 7,417,000 | 7,639,000 | 7,869,000 |
| Telephone Users Tax | \$58,182,000 | \$21,809,000 | \$507,000 | 1,127,000 | 1,161,000 | 1,196,000 | 1,232,000 | 1,269,000 | 1,307,000 | 1,346,000 | 1,386,000 | 1,428,000 |
| Access Line Tax | \$53,935,000 | \$20,216,000 | \$470,000 | 1,045,000 | 1,076,000 | 1,109,000 | 1,142,000 | 1,177,000 | 1,212,000 | 1,248,000 | 1,285,000 | 1,324,000 |
| Water Users Tax | \$1,405,000 | \$521,000 | \$12,000 | 27,000 | 28,000 | 30,000 | 30,000 | 31,000 | 32,000 | 33,000 | 34,000 | 35,000 |
| Gas Electric Steam Users Tax | \$15,263,000 | \$5,664,000 | \$134,000 | 298,000 | 308,000 | 317,000 | 326,000 | 336,000 | 346,000 | 357,000 | 367,000 | 378,000 |
| Gross Receipts Tax | \$65,292,000 | \$24,284,000 | \$574,000 | 1,274,000 | 1,312,000 | 1,351,000 | 1,392,000 | 1,433,000 | 1,476,000 | 1,521,000 | 1,567,000 | 1,613,000 |
| Business License Tax | \$4,602,000 | \$1,716,000 | \$40,000 | 89,000 | 93,000 | 95,000 | 98,000 | 101,000 | 104,000 | 107,000 | 110,000 | 113,000 |
| Hotel Room Tax | \$336,572,000 | \$130,915,000 | \$2,828,000 | 6,281,000 | 6,469,000 | 6,663,000 | 6,863,000 | 7,070,000 | 7,281,000 | 7,500,000 | 7,725,000 | 7,957,000 |
| Subtotal-Discretionary | \$2,085,753,000 | \$797,490,000 | \$20,127,000 | 43,400,000 | 44,518,000 | 45,667,000 | 46,842,000 | 48,052,000 | 49,292,000 | 50,567,000 | 51,874,000 | 53,218,000 |
| Public Safety Sales Tax | \$198,637,000 | \$73,572,000 | \$1,753,000 | 3,893,000 | 4,011,000 | 4,131,000 | 4,255,000 | 4,382,000 | 4,514,000 | 4,649,000 | 4,789,000 | 4,932,000 |
| TOTAL | \$2,284,390,000 | \$871,062,000 | \$21,880,000 | 47,293,000 | 48,529,000 | 49,798,000 | 51,097,000 | 52,434,000 | 53,806,000 | 55,216,000 | 56,663,000 | 58,150,000 |
| RECURRING GENERAL FUND EXPENSE - NEW FROM PROJECT ³ | | | | | | | | | | | | |
| Elections | \$32,234,000 | \$12,101,000 | \$281,000 | 624,000 | 642,000 | 662,000 | 681,000 | 702,000 | 723,000 | 745,000 | 767,000 | 790,000 |
| Assessor/Recorder | \$16,321,000 | \$6,546,000 | \$133,000 | 297,000 | 306,000 | 315,000 | 324,000 | 334,000 | 344,000 | 354,000 | 365,000 | 376,000 |
| 311 | \$9,502,000 | \$3,568,000 | \$82,000 | 184,000 | 189,000 | 195,000 | 201,000 | 207,000 | 213,000 | 219,000 | 226,000 | 233,000 |
| Police Services | \$414,006,000 | \$151,573,000 | \$3,691,000 | 8,199,000 | 8,445,000 | 8,699,000 | 8,959,000 | 9,228,000 | 9,505,000 | 9,790,000 | 10,084,000 | 10,387,000 |
| Fire Protection | \$547,871,000 | \$208,697,000 | \$4,690,000 | 10,417,000 | 10,730,000 | 11,052,000 | 11,383,000 | 11,725,000 | 12,077,000 | 12,439,000 | 12,812,000 | 13,197,000 |
| 911 Emergency Response | \$48,985,000 | \$18,389,000 | \$427,000 | 948,000 | 976,000 | 1,005,000 | 1,036,000 | 1,067,000 | 1,099,000 | 1,132,000 | 1,166,000 | 1,200,000 |
| Public Health | \$112,564,000 | \$42,257,000 | \$981,000 | 2,178,000 | 2,243,000 | 2,310,000 | 2,380,000 | 2,451,000 | 2,525,000 | 2,600,000 | 2,678,000 | 2,759,000 |
| Public Works | \$108,600,000 | \$40,454,000 | \$951,000 | 2,113,000 | 2,176,000 | 2,242,000 | 2,309,000 | 2,377,000 | 2,450,000 | 2,523,000 | 2,599,000 | 2,677,000 |
| Library/Community Facilities | \$45,431,000 | \$17,924,000 | \$376,000 | 835,000 | 860,000 | 886,000 | 912,000 | 940,000 | 968,000 | 997,000 | 1,027,000 | 1,058,000 |
| SFMTA/MUNI (Prop. B) | \$402,946,000 | \$151,041,000 | \$3,515,000 | 7,807,000 | 8,041,000 | 8,282,000 | 8,531,000 | 8,787,000 | 9,050,000 | 9,322,000 | 9,601,000 | 9,890,000 |
| TOTAL | \$1,738,460,000 | \$652,551,000 | \$15,126,000 | 33,602,000 | 34,608,000 | 35,648,000 | 36,716,000 | 37,818,000 | 38,954,000 | 40,121,000 | 41,325,000 | 42,567,000 |
| NET RECURRING GENERAL FUND REVENUE (EXPENSE) | \$645,930,000 | \$218,510,000 | \$6,754,000 | 13,691,000 | 13,921,000 | 14,150,000 | 14,381,000 | 14,616,000 | 14,852,000 | 15,095,000 | 15,338,000 | 15,583,000 |
| | | | | 182,838,000 | 196,759,000 | 210,909,000 | 225,290,000 | 239,906,000 | 254,758,000 | 269,853,000 | 285,191,000 | 300,774,000 |
| B. NET CONSTRUCTION-RELATED REVENUE (EXPENSE)⁴ | | | | | | | | | | | | |
| | \$142,272,000 | \$110,175,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 |
| C. TOTAL NET GENERAL FUND REVENUE (EXPENSE) | | | | | | | | | | | | |
| | \$688,202,000 | \$328,686,000 | \$6,754,000 | 13,691,000 | 13,921,000 | 14,150,000 | 14,381,000 | 14,616,000 | 14,852,000 | 15,095,000 | 15,338,000 | 15,583,000 |
| | | | | 325,110,000 | 339,031,000 | 353,181,000 | 367,562,000 | 382,178,000 | 397,030,000 | 412,125,000 | 427,463,000 | 443,046,000 |
| D. OTHER RESTRICTED GENERAL FUND REVENUES¹ | | | | | | | | | | | | |
| Licenses, Permits and Fees | \$59,063,000 | \$22,173,000 | \$514,000 | 1,143,000 | 1,177,000 | 1,212,000 | 1,249,000 | 1,286,000 | 1,325,000 | 1,364,000 | 1,405,000 | 1,447,000 |
| Fines, Fofeitures and Penalties | \$10,145,000 | \$3,809,000 | \$89,000 | 196,000 | 202,000 | 208,000 | 215,000 | 221,000 | 228,000 | 234,000 | 241,000 | 249,000 |

Notes:

- ¹ Excluding baseline transfers. See Table 11-A.
- ² Reflects 8% of base 1% tax levy. The balance of General Fund Property tax revenues are dedicated to funding infrastructure and affordable housing.
- ³ Table 17.
- ⁴ Table 2-B.

Table 2-A

NET GENERAL FUND IMPACT: RECURRING AND TOTAL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative | Cumulative | Annual | | | | | | | | | | |
|--|------------------------|----------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | TOTAL | TOTAL | Annual | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 | 2059-60 | 2060-61 |
| | NOMINAL \$ | 2016\$ | 2016\$ | | | | | | | | | | |
| | | 3% discount | 3% discount | | | | | | | | | | |
| A. RECURRING GENERAL FUND IMPACTS | | | | | | | | | | | | | |
| RECURRING GENERAL FUND REVENUE - NEW FROM PROJECT ¹ | | | | | | | | | | | | | |
| Portion of General Fund Property Tax ² | \$305,197,000 | \$125,512,000 | \$3,800,000 | 9,422,000 | 9,610,000 | 9,802,000 | 9,998,000 | 10,199,000 | 10,402,000 | 10,610,000 | 10,822,000 | 10,125,000 | 8,071,000 |
| Property Tax in Lieu of VLF | \$489,456,000 | \$186,843,000 | \$5,082,000 | 12,602,000 | 12,853,000 | 13,111,000 | 13,373,000 | 13,640,000 | 13,913,000 | 14,192,000 | 14,478,000 | 14,764,000 | 15,060,000 |
| Property Transfer Tax | \$438,962,000 | \$162,638,000 | \$3,883,000 | 11,235,000 | 11,571,000 | 11,918,000 | 12,274,000 | 12,640,000 | 13,019,000 | 13,408,000 | 13,810,000 | 14,222,000 | 14,648,000 |
| Sales and Use Tax | \$316,887,000 | \$117,370,000 | \$2,796,000 | 8,105,000 | 8,348,000 | 8,599,000 | 8,856,000 | 9,122,000 | 9,396,000 | 9,678,000 | 9,967,000 | 10,267,000 | 10,575,000 |
| Telephone Users Tax | \$58,182,000 | \$21,809,000 | \$507,000 | 1,471,000 | 1,515,000 | 1,560,000 | 1,607,000 | 1,656,000 | 1,705,000 | 1,756,000 | 1,809,000 | 1,863,000 | 1,919,000 |
| Access Line Tax | \$53,935,000 | \$20,216,000 | \$470,000 | 1,363,000 | 1,405,000 | 1,446,000 | 1,490,000 | 1,535,000 | 1,581,000 | 1,628,000 | 1,677,000 | 1,727,000 | 1,779,000 |
| Water Users Tax | \$1,405,000 | \$521,000 | \$12,000 | 36,000 | 37,000 | 38,000 | 39,000 | 41,000 | 41,000 | 43,000 | 44,000 | 45,000 | 47,000 |
| Gas Electric Steam Users Tax | \$15,263,000 | \$5,664,000 | \$134,000 | 389,000 | 401,000 | 413,000 | 426,000 | 439,000 | 451,000 | 465,000 | 479,000 | 494,000 | 508,000 |
| Gross Receipts Tax | \$65,292,000 | \$24,284,000 | \$574,000 | 1,661,000 | 1,712,000 | 1,763,000 | 1,816,000 | 1,870,000 | 1,926,000 | 1,985,000 | 2,044,000 | 2,105,000 | 2,168,000 |
| Business License Tax | \$4,602,000 | \$1,716,000 | \$40,000 | 116,000 | 120,000 | 124,000 | 128,000 | 132,000 | 136,000 | 140,000 | 144,000 | 148,000 | 152,000 |
| Hotel Room Tax | \$336,572,000 | \$130,915,000 | \$2,828,000 | 8,195,000 | 8,442,000 | 8,694,000 | 8,956,000 | 9,224,000 | 9,501,000 | 9,787,000 | 10,080,000 | 10,382,000 | 10,693,000 |
| Subtotal-Discretionary | \$2,085,753,000 | \$797,490,000 | \$20,127,000 | 54,595,000 | 56,014,000 | 57,468,000 | 58,963,000 | 60,498,000 | 62,071,000 | 63,692,000 | 65,352,000 | 66,142,000 | 65,620,000 |
| Public Safety Sales Tax | \$198,637,000 | \$73,572,000 | \$1,753,000 | 5,081,000 | 5,233,000 | 5,390,000 | 5,552,000 | 5,718,000 | 5,890,000 | 6,067,000 | 6,248,000 | 6,436,000 | 6,629,000 |
| TOTAL | \$2,284,390,000 | \$871,062,000 | \$21,880,000 | 59,676,000 | 61,247,000 | 62,858,000 | 64,515,000 | 66,216,000 | 67,961,000 | 69,759,000 | 71,600,000 | 72,578,000 | 72,249,000 |
| RECURRING GENERAL FUND EXPENSE - NEW FROM PROJECT ³ | | | | | | | | | | | | | |
| Elections | \$32,234,000 | \$12,101,000 | \$281,000 | 814,000 | 838,000 | 863,000 | 889,000 | 916,000 | 943,000 | 971,000 | 1,001,000 | 1,031,000 | 1,062,000 |
| Assessor/Recorder | \$16,321,000 | \$6,546,000 | \$133,000 | 387,000 | 399,000 | 411,000 | 423,000 | 436,000 | 449,000 | 462,000 | 476,000 | 491,000 | 505,000 |
| 311 | \$9,502,000 | \$3,568,000 | \$82,000 | 240,000 | 247,000 | 254,000 | 262,000 | 270,000 | 278,000 | 286,000 | 295,000 | 304,000 | 313,000 |
| Police Services | \$414,006,000 | \$151,573,000 | \$3,691,000 | 10,698,000 | 11,019,000 | 11,350,000 | 11,689,000 | 12,041,000 | 12,402,000 | 12,774,000 | 13,157,000 | 13,552,000 | 13,958,000 |
| Fire Protection | \$547,871,000 | \$208,697,000 | \$4,690,000 | 13,592,000 | 14,000,000 | 14,420,000 | 14,853,000 | 15,298,000 | 15,757,000 | 16,230,000 | 16,717,000 | 17,218,000 | 17,735,000 |
| 911 Emergency Response | \$48,985,000 | \$18,389,000 | \$427,000 | 1,237,000 | 1,274,000 | 1,312,000 | 1,351,000 | 1,392,000 | 1,433,000 | 1,476,000 | 1,521,000 | 1,566,000 | 1,613,000 |
| Public Health | \$112,564,000 | \$42,257,000 | \$981,000 | 2,841,000 | 2,927,000 | 3,014,000 | 3,105,000 | 3,198,000 | 3,294,000 | 3,393,000 | 3,495,000 | 3,599,000 | 3,707,000 |
| Public Works | \$108,600,000 | \$40,454,000 | \$951,000 | 2,757,000 | 2,840,000 | 2,925,000 | 3,012,000 | 3,103,000 | 3,196,000 | 3,292,000 | 3,391,000 | 3,493,000 | 3,597,000 |
| Library/Community Facilities | \$45,431,000 | \$17,924,000 | \$376,000 | 1,089,000 | 1,122,000 | 1,156,000 | 1,190,000 | 1,226,000 | 1,263,000 | 1,301,000 | 1,340,000 | 1,380,000 | 1,421,000 |
| SFMTA/MUNI (Prop. B) | \$402,946,000 | \$151,041,000 | \$3,515,000 | 10,186,000 | 10,492,000 | 10,807,000 | 11,131,000 | 11,465,000 | 11,809,000 | 12,163,000 | 12,528,000 | 12,904,000 | 13,291,000 |
| TOTAL | \$1,738,460,000 | \$652,551,000 | \$15,126,000 | 43,841,000 | 45,158,000 | 46,512,000 | 47,905,000 | 49,345,000 | 50,824,000 | 52,348,000 | 53,921,000 | 55,538,000 | 57,202,000 |
| NET RECURRING GENERAL FUND REVENUE (EXPENSE) | \$545,930,000 | \$218,510,000 | \$6,754,000 | 15,835,000 | 16,089,000 | 16,346,000 | 16,610,000 | 16,871,000 | 17,137,000 | 17,411,000 | 17,679,000 | 17,040,000 | 15,047,000 |
| | | | | <i>316,609,000</i> | <i>332,698,000</i> | <i>349,044,000</i> | <i>365,654,000</i> | <i>382,525,000</i> | <i>399,662,000</i> | <i>417,073,000</i> | <i>434,752,000</i> | <i>451,792,000</i> | <i>466,839,000</i> |
| B. NET CONSTRUCTION-RELATED REVENUE (EXPENSE)⁴ | \$142,272,000 | \$110,175,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | <i>142,272,000</i> | <i>142,272,000</i> | <i>142,272,000</i> | <i>142,272,000</i> | <i>142,272,000</i> | <i>142,272,000</i> | <i>142,272,000</i> | <i>142,272,000</i> | <i>142,272,000</i> | <i>142,272,000</i> |
| C. TOTAL NET GENERAL FUND REVENUE (EXPENSE) | \$688,202,000 | \$328,686,000 | \$6,754,000 | 15,835,000 | 16,089,000 | 16,346,000 | 16,610,000 | 16,871,000 | 17,137,000 | 17,411,000 | 17,679,000 | 17,040,000 | 15,047,000 |
| | | | | <i>458,881,000</i> | <i>474,970,000</i> | <i>491,316,000</i> | <i>507,926,000</i> | <i>524,797,000</i> | <i>541,934,000</i> | <i>559,345,000</i> | <i>577,024,000</i> | <i>594,064,000</i> | <i>609,111,000</i> |
| D. OTHER RESTRICTED GENERAL FUND REVENUES¹ | | | | | | | | | | | | | |
| Licenses, Permits and Fees | \$59,063,000 | \$22,173,000 | \$514,000 | 1,491,000 | 1,536,000 | 1,582,000 | 1,629,000 | 1,678,000 | 1,728,000 | 1,780,000 | 1,834,000 | 1,889,000 | 1,945,000 |
| Fines, Forfeitures and Penalties | \$10,145,000 | \$3,809,000 | \$89,000 | 256,000 | 264,000 | 272,000 | 280,000 | 288,000 | 297,000 | 306,000 | 315,000 | 324,000 | 334,000 |

Notes:

¹ Excluding baseline transfers. See Table 11-A.

² Reflects 8% of base 1% tax levy. The balance of General Fund Property tax revenues are dedicated to funding infrastructure and affordable housing.

³ Table 17.

⁴ Table 2-B.

Table 2-A

NET GENERAL FUND IMPACT: RECURRING AND TOTAL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ <i>3% discount</i> | Annual FY2035-2036 2016\$ <i>3% discount</i> | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|--|-----------------------------------|---|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| A. RECURRING GENERAL FUND IMPACTS | | | | | | | | | | |
| RECURRING GENERAL FUND REVENUE - NEW FROM PROJECT ¹ | | | | | | | | | | |
| Portion of General Fund Property Tax ² | \$305,197,000 | \$125,512,000 | \$3,800,000 | 7,369,000 | 6,736,000 | 4,586,000 | 3,912,000 | 2,004,000 | 2,044,000 | 2,084,000 |
| Property Tax in Lieu of VLF | \$489,456,000 | \$186,843,000 | \$5,082,000 | 15,361,000 | 15,668,000 | 15,982,000 | 16,301,000 | 16,628,000 | 16,960,000 | 17,299,000 |
| Property Transfer Tax | \$438,962,000 | \$162,638,000 | \$3,883,000 | 15,087,000 | 15,538,000 | 16,002,000 | 16,481,000 | 16,975,000 | 17,483,000 | 18,006,000 |
| Sales and Use Tax | \$316,887,000 | \$117,370,000 | \$2,796,000 | 10,893,000 | 11,219,000 | 11,556,000 | 11,903,000 | 12,260,000 | 12,627,000 | 13,006,000 |
| Telephone Users Tax | \$58,182,000 | \$21,809,000 | \$507,000 | 1,977,000 | 2,036,000 | 2,097,000 | 2,160,000 | 2,225,000 | 2,292,000 | 2,360,000 |
| Access Line Tax | \$53,935,000 | \$20,216,000 | \$470,000 | 1,832,000 | 1,887,000 | 1,944,000 | 2,002,000 | 2,063,000 | 2,124,000 | 2,188,000 |
| Water Users Tax | \$1,405,000 | \$521,000 | \$12,000 | 48,000 | 49,000 | 51,000 | 53,000 | 54,000 | 56,000 | 57,000 |
| Gas Electric Steam Users Tax | \$15,263,000 | \$5,664,000 | \$134,000 | 523,000 | 539,000 | 555,000 | 572,000 | 589,000 | 607,000 | 625,000 |
| Gross Receipts Tax | \$65,292,000 | \$24,284,000 | \$574,000 | 2,233,000 | 2,300,000 | 2,370,000 | 2,440,000 | 2,513,000 | 2,589,000 | 2,667,000 |
| Business License Tax | \$4,602,000 | \$1,716,000 | \$40,000 | 157,000 | 162,000 | 167,000 | 171,000 | 177,000 | 182,000 | 187,000 |
| Hotel Room Tax | \$336,572,000 | \$130,915,000 | \$2,828,000 | 11,014,000 | 11,344,000 | 11,684,000 | 12,035,000 | 12,396,000 | 12,768,000 | 13,152,000 |
| Subtotal-Discretionary | \$2,085,753,000 | \$797,490,000 | \$20,127,000 | 66,494,000 | 67,478,000 | 66,994,000 | 68,030,000 | 67,884,000 | 69,732,000 | 71,631,000 |
| Public Safety Sales Tax | \$198,637,000 | \$73,572,000 | \$1,753,000 | 6,828,000 | 7,033,000 | 7,244,000 | 7,461,000 | 7,684,000 | 7,915,000 | 8,153,000 |
| TOTAL | \$2,284,390,000 | \$871,062,000 | \$21,880,000 | 73,322,000 | 74,511,000 | 74,238,000 | 75,491,000 | 75,568,000 | 77,647,000 | 79,784,000 |
| RECURRING GENERAL FUND EXPENSE - NEW FROM PROJECT ³ | | | | | | | | | | |
| Elections | \$32,234,000 | \$12,101,000 | \$281,000 | 1,093,000 | 1,126,000 | 1,160,000 | 1,195,000 | 1,231,000 | 1,268,000 | 1,306,000 |
| Assessor/Recorder | \$18,321,000 | \$6,546,000 | \$133,000 | 520,000 | 536,000 | 552,000 | 569,000 | 586,000 | 603,000 | 621,000 |
| 311 | \$9,502,000 | \$3,568,000 | \$82,000 | 322,000 | 332,000 | 342,000 | 352,000 | 363,000 | 374,000 | 385,000 |
| Police Services | \$414,008,000 | \$151,573,000 | \$3,691,000 | 14,377,000 | 14,808,000 | 15,253,000 | 15,710,000 | 16,182,000 | 16,667,000 | 17,167,000 |
| Fire Protection | \$547,871,000 | \$208,697,000 | \$4,690,000 | 18,267,000 | 18,815,000 | 19,380,000 | 19,961,000 | 20,560,000 | 21,177,000 | 21,812,000 |
| 911 Emergency Response | \$48,985,000 | \$18,389,000 | \$427,000 | 1,662,000 | 1,712,000 | 1,763,000 | 1,816,000 | 1,870,000 | 1,926,000 | 1,984,000 |
| Public Health | \$112,564,000 | \$42,257,000 | \$981,000 | 3,819,000 | 3,933,000 | 4,051,000 | 4,173,000 | 4,298,000 | 4,427,000 | 4,560,000 |
| Public Works | \$108,600,000 | \$40,454,000 | \$951,000 | 3,705,000 | 3,816,000 | 3,931,000 | 4,049,000 | 4,171,000 | 4,295,000 | 4,424,000 |
| Library/Community Facilities | \$45,431,000 | \$17,924,000 | \$376,000 | 1,464,000 | 1,508,000 | 1,553,000 | 1,600,000 | 1,648,000 | 1,697,000 | 1,748,000 |
| SFMTA/MUNI (Prop. B) | \$402,946,000 | \$151,041,000 | \$3,515,000 | 13,689,000 | 14,100,000 | 14,523,000 | 14,959,000 | 15,408,000 | 15,870,000 | 16,346,000 |
| TOTAL | \$1,738,460,000 | \$652,551,000 | \$15,126,000 | 58,918,000 | 60,686,000 | 62,508,000 | 64,384,000 | 66,317,000 | 68,304,000 | 70,353,000 |
| NET RECURRING GENERAL FUND REVENUE (EXPENSE) | \$545,930,000 | \$218,510,000 | \$6,754,000 | 14,404,000 | 13,825,000 | 11,730,000 | 11,107,000 | 9,251,000 | 9,343,000 | 9,431,000 |
| | | | | <i>481,243,000</i> | <i>495,068,000</i> | <i>506,798,000</i> | <i>517,905,000</i> | <i>527,156,000</i> | <i>536,499,000</i> | <i>545,930,000</i> |
| B. NET CONSTRUCTION-RELATED REVENUE (EXPENSE)⁴ | | | | | | | | | | |
| | \$142,272,000 | \$110,175,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | <i>142,272,000</i> | <i>142,272,000</i> | <i>142,272,000</i> | <i>142,272,000</i> | <i>142,272,000</i> | <i>142,272,000</i> | <i>142,272,000</i> |
| C. TOTAL NET GENERAL FUND REVENUE (EXPENSE) | \$688,202,000 | \$328,686,000 | \$6,754,000 | 14,404,000 | 13,825,000 | 11,730,000 | 11,107,000 | 9,251,000 | 9,343,000 | 9,431,000 |
| | | | | <i>623,515,000</i> | <i>637,340,000</i> | <i>649,070,000</i> | <i>660,177,000</i> | <i>669,428,000</i> | <i>678,771,000</i> | <i>688,202,000</i> |
| D. OTHER RESTRICTED GENERAL FUND REVENUES¹ | | | | | | | | | | |
| Licenses, Permits and Fees | \$59,063,000 | \$22,173,000 | \$514,000 | 2,004,000 | 2,064,000 | 2,126,000 | 2,189,000 | 2,255,000 | 2,323,000 | 2,392,000 |
| Fines, Fofeitures and Penalties | \$10,145,000 | \$3,809,000 | \$89,000 | 344,000 | 355,000 | 365,000 | 376,000 | 387,000 | 399,000 | 411,000 |

Notes:

- ¹ Excluding baseline transfers. See Table 11-A.
- ² Reflects 8% of base 1% tax levy. The balance of General Fund Property tax revenues are dedicated to funding infrastructure and affordable housing.
- ³ Table 17.
- ⁴ Table 2-B.

Table 2-B

NET GENERAL FUND IMPACT: CONSTRUCTION-RELATED
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ <i>3% discount</i> | Fiscal Year: | | | | | | | | | | | | |
|--|-----------------------------------|---|-----------------------------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|--|--|
| | | | July 1 - June 30 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | | |
| NET CONSTRUCTION REVENUES | | | | | | | | | | | | | | | |
| Transfer Tax On Initial Pad & Unit Sales | \$99,174,000 | \$76,053,000 | 116,000 | 1,118,000 | 2,826,000 | 3,644,000 | 4,095,000 | 8,133,000 | 6,693,000 | 5,460,000 | 8,997,000 | 9,764,000 | 8,337,000 | | |
| Gross Receipts Taxes / Construction | \$20,294,000 | \$15,979,000 | 28,000 | 175,000 | 554,000 | 1,115,000 | 1,619,000 | 1,275,000 | 1,256,000 | 2,215,000 | 2,078,000 | 2,072,000 | 2,064,000 | | |
| Payroll Tax / Construction | \$574,000 | \$554,000 | 111,000 | 226,000 | 237,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| Construction Sales Tax (General) | \$14,820,000 | \$11,726,000 | 80,000 | 250,000 | 530,000 | 800,000 | 1,160,000 | 910,000 | 900,000 | 1,580,000 | 1,480,000 | 1,480,000 | 1,470,000 | | |
| Subtotal-Discretionary | \$134,862,000 | \$104,312,000 | 335,000 | 1,769,000 | 4,147,000 | 5,559,000 | 6,874,000 | 10,318,000 | 8,849,000 | 9,255,000 | 12,555,000 | 13,316,000 | 11,871,000 | | |
| Construction Sales Tax (Public Safety) | \$7,410,000 | \$5,863,000 | 40,000 | 125,000 | 265,000 | 400,000 | 580,000 | 455,000 | 450,000 | 790,000 | 740,000 | 740,000 | 735,000 | | |
| TOTAL | \$142,272,000 | \$110,175,000 | 375,000 | 1,894,000 | 4,412,000 | 5,959,000 | 7,454,000 | 10,773,000 | 9,299,000 | 10,045,000 | 13,295,000 | 14,056,000 | 12,606,000 | | |
| | | | <i>Cumulative</i> | 2,269,000 | 6,681,000 | 12,640,000 | 20,094,000 | 30,867,000 | 40,166,000 | 50,211,000 | 63,506,000 | 77,562,000 | 90,168,000 | | |

Notes:

1 Excluding baseline transfers. See Table 24.

Table 2-B

NET GENERAL FUND IMPACT: CONSTRUCTION-RELATED
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-2033 | 2033-34 | 2034-35 | 2035-36 |
|--|-----------------------------------|-------------------------------|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | | | <i>3% discount</i> | | | | | | | | | |
| NET CONSTRUCTION REVENUES | | | | | | | | | | | | |
| Transfer Tax On Initial Pad & Unit Sales | \$99,174,000 | \$76,053,000 | 10,381,000 | 8,672,000 | 6,491,000 | 6,487,000 | 6,120,000 | 1,840,000 | 0 | 0 | 0 | 0 |
| Gross Receipts Taxes / Construction | \$20,294,000 | \$15,979,000 | 1,886,000 | 1,780,000 | 1,679,000 | 498,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Payroll Tax / Construction | \$574,000 | \$554,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Construction Sales Tax (General) | \$14,820,000 | \$11,726,000 | 1,350,000 | 1,270,000 | 1,200,000 | 360,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal-Discretionary | \$134,862,000 | \$104,312,000 | 13,617,000 | 11,722,000 | 9,370,000 | 7,345,000 | 6,120,000 | 1,840,000 | 0 | 0 | 0 | 0 |
| Construction Sales Tax (Public Safety) | \$7,410,000 | \$5,863,000 | 675,000 | 635,000 | 600,000 | 180,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$142,272,000 | \$110,175,000 | 14,292,000 | 12,357,000 | 9,970,000 | 7,525,000 | 6,120,000 | 1,840,000 | 0 | 0 | 0 | 0 |
| | | | 104,460,000 | 116,817,000 | 126,787,000 | 134,312,000 | 140,432,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 | 142,272,000 |

Notes:

1 Excluding baseline transfers. See Table 24.

Table 2-C

IMPACT ON OTHER FUNDS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ 3% discount | Annual FY2035-2036 2016\$ 3% discount | Fiscal Year: July 1 - June 30 | | | | | | | | | |
|--|-----------------------------------|--|--|-------------------------------|----------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|--|
| | | | | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | |
| CONSTRUCTION-RELATED TRANSFERS¹ | | | | | | | | | | | | | |
| Baseline Transfers (Deducted from Revenues) | | | | | | | | | | | | | |
| MTA | \$12,398,000 | \$9,590,000 | \$0 | 31,000 | 163,000 | 381,000 | 511,000 | 632,000 | 949,000 | 813,000 | 851,000 | 1,154,000 | |
| Library | \$3,082,000 | \$2,384,000 | \$0 | 8,000 | 40,000 | 95,000 | 127,000 | 157,000 | 236,000 | 202,000 | 212,000 | 287,000 | |
| TOTAL | \$15,480,000 | \$11,974,000 | \$0 | 39,000 | 203,000 | 476,000 | 638,000 | 789,000 | 1,185,000 | 1,015,000 | 1,063,000 | 1,441,000 | |
| RECURRING TRANSFERS | | | | | | | | | | | | | |
| Baseline Transfers (Deducted from Revenues) ² | | | | | | | | | | | | | |
| MTA | \$240,389,000 | \$91,913,000 | \$2,320,000 | 0 | 0 | 0 | 2,000 | 32,000 | 104,000 | 484,000 | 643,000 | 993,000 | |
| Library | \$59,780,000 | \$22,857,000 | \$577,000 | 0 | 0 | 0 | 1,000 | 6,000 | 26,000 | 120,000 | 160,000 | 247,000 | |
| Subtotal - Baseline Transfers | \$300,169,000 | \$114,770,000 | \$2,897,000 | 0 | 0 | 0 | 3,000 | 40,000 | 130,000 | 604,000 | 803,000 | 1,240,000 | |
| Other Transfers (Treated As Expense) | \$0 | \$0 | \$0 | | | | | | | | | | |
| MTA - Prop B. ³ | \$402,946,000 | \$151,041,000 | \$3,515,000 | 0 | 0 | 0 | 26,000 | 152,000 | 375,000 | 766,000 | 1,116,000 | 1,459,000 | |
| Library - Supplemental ⁴ | \$0 | \$0 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| TOTAL | \$1,003,284,000 | \$380,581,000 | \$6,412,000 | 0 | 0 | 0 | 29,000 | 192,000 | 505,000 | 1,370,000 | 1,919,000 | 2,699,000 | |
| TOTAL TRANSFERS IN | | | | | | | | | | | | | |
| MTA | \$655,733,000 | \$252,543,000 | \$5,835,000 | 31,000 | 163,000 | 381,000 | 539,000 | 816,000 | 1,428,000 | 2,063,000 | 2,610,000 | 3,606,000 | |
| Library | \$62,862,000 | \$25,241,000 | \$577,000 | 8,000 | 40,000 | 95,000 | 128,000 | 165,000 | 262,000 | 322,000 | 372,000 | 534,000 | |
| TOTAL | \$718,595,000 | \$277,784,000 | \$6,412,000 | 39,000 | 203,000 | 476,000 | 667,000 | 981,000 | 1,690,000 | 2,385,000 | 2,982,000 | 4,140,000 | |
| NET OPERATIONAL (EXPENSE)/REVENUES | | | | | | | | | | | | | |
| MTA ³ | (\$195,904,000) | (\$66,222,000) | (\$2,431,000) | 40,000 | 125,000 | 264,000 | 407,000 | 637,000 | 599,000 | 753,000 | 1,344,000 | 1,441,000 | |
| Library ⁴ | (\$26,908,000) | (\$10,602,000) | (\$223,000) | 0 | 0 | 0 | 0 | 0 | 0 | (119,000) | (243,000) | (372,000) | |
| TOTAL | (\$222,812,000) | (\$76,824,000) | (\$2,654,000) | 40,000 | 125,000 | 264,000 | 407,000 | 637,000 | 599,000 | 634,000 | 1,101,000 | 1,069,000 | |
| NET FUND BALANCES⁵ | | | | | | | | | | | | | |
| MTA ³ | \$459,829,000 | \$186,321,000 | \$3,404,000 | 71,000 | 288,000 | 645,000 | 946,000 | 1,453,000 | 2,027,000 | 2,816,000 | 3,954,000 | 5,047,000 | |
| Library ⁴ | \$35,954,000 | \$14,639,000 | \$354,000 | 8,000 | 40,000 | 95,000 | 128,000 | 165,000 | 262,000 | 203,000 | 129,000 | 162,000 | |
| TOTAL | \$495,783,000 | \$200,960,000 | \$3,758,000 | 79,000 | 328,000 | 740,000 | 1,074,000 | 1,618,000 | 2,289,000 | 3,019,000 | 4,083,000 | 5,209,000 | |
| CHILDREN'S SERVICES FUND REVENUES⁵ | | | | | | | | | | | | | |
| Construction-Related Transfers | \$11,809,000 | \$9,134,000 | \$0 | 29,000 | 155,000 | 363,000 | 487,000 | 602,000 | 904,000 | 775,000 | 810,000 | 1,099,000 | |
| Recurring Transfers | \$228,988,000 | \$87,554,000 | \$2,210,000 | 0 | 0 | 0 | 2,000 | 31,000 | 99,000 | 461,000 | 613,000 | 945,000 | |
| TOTAL | \$240,797,000 | \$96,688,000 | \$2,210,000 | 29,000 | 155,000 | 363,000 | 489,000 | 633,000 | 1,003,000 | 1,236,000 | 1,423,000 | 2,044,000 | |

Notes:

¹ Table 24.

² Table 11-A.

³ Table 21-A.

⁴ Table 23.

⁵ Children's Fund expenditures not estimated

Table 2-C

IMPACT ON OTHER FUNDS
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ <i>3% discount</i> | Annual FY2035-2036 2016\$ <i>3% discount</i> | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-2033 |
|--|-----------------------------------|---|---|-----------|-----------|-----------|------------|------------|-------------|-------------|-------------|-------------|
| CONSTRUCTION-RELATED TRANSFERS¹ | | | | | | | | | | | | |
| Baseline Transfers (Deducted from Revenues) | | | | | | | | | | | | |
| MTA | \$12,398,000 | \$9,590,000 | \$0 | 1,224,000 | 1,091,000 | 1,252,000 | 1,078,000 | 861,000 | 675,000 | 563,000 | 169,000 | 0 |
| Library | \$3,082,000 | \$2,384,000 | \$0 | 304,000 | 271,000 | 311,000 | 268,000 | 214,000 | 168,000 | 140,000 | 42,000 | 0 |
| TOTAL | \$15,480,000 | \$11,974,000 | \$0 | 1,528,000 | 1,362,000 | 1,563,000 | 1,346,000 | 1,075,000 | 843,000 | 703,000 | 211,000 | 0 |
| RECURRING TRANSFERS | | | | | | | | | | | | |
| Baseline Transfers (Deducted from Revenues) ² | | | | | | | | | | | | |
| MTA | \$240,389,000 | \$91,913,000 | \$2,320,000 | 1,259,000 | 1,497,000 | 1,809,000 | 2,223,000 | 2,538,000 | 2,988,000 | 3,285,000 | 3,560,000 | 3,795,000 |
| Library | \$59,780,000 | \$22,857,000 | \$577,000 | 313,000 | 372,000 | 450,000 | 553,000 | 631,000 | 743,000 | 817,000 | 885,000 | 944,000 |
| Subtotal - Baseline Transfers | \$300,169,000 | \$114,770,000 | \$2,897,000 | 1,572,000 | 1,869,000 | 2,259,000 | 2,776,000 | 3,169,000 | 3,731,000 | 4,102,000 | 4,445,000 | 4,739,000 |
| Other Transfers (Treated As Expense) | | | | | | | | | | | | |
| MTA - Prop B. ³ | \$402,946,000 | \$151,041,000 | \$3,515,000 | 2,014,000 | 2,544,000 | 3,022,000 | 3,690,000 | 4,260,000 | 4,916,000 | 5,390,000 | 5,640,000 | 5,809,000 |
| Library - Supplemental ⁴ | \$0 | \$0 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$1,003,284,000 | \$380,581,000 | \$6,412,000 | 3,586,000 | 4,413,000 | 5,281,000 | 6,466,000 | 7,429,000 | 8,647,000 | 9,492,000 | 10,085,000 | 10,548,000 |
| TOTAL TRANSFERS IN | | | | | | | | | | | | |
| MTA | \$655,733,000 | \$252,543,000 | \$5,835,000 | 4,497,000 | 5,132,000 | 6,083,000 | 6,991,000 | 7,659,000 | 8,579,000 | 9,238,000 | 9,369,000 | 9,604,000 |
| Library | \$62,862,000 | \$25,241,000 | \$577,000 | 617,000 | 643,000 | 761,000 | 821,000 | 845,000 | 911,000 | 957,000 | 927,000 | 944,000 |
| TOTAL | \$718,595,000 | \$277,784,000 | \$6,412,000 | 5,114,000 | 5,775,000 | 6,844,000 | 7,812,000 | 8,504,000 | 9,490,000 | 10,195,000 | 10,296,000 | 10,548,000 |
| NET OPERATIONAL (EXPENSE)/REVENUES | | | | | | | | | | | | |
| MTA ³ | (\$195,904,000) | (\$66,222,000) | (\$2,431,000) | (249,000) | 1,687,000 | 2,093,000 | 2,663,000 | 3,129,000 | (2,972,000) | (3,109,000) | (4,015,000) | (4,105,000) |
| Library ⁴ | (\$26,908,000) | (\$10,602,000) | (\$223,000) | (381,000) | (390,000) | (399,000) | (318,000) | (327,000) | (337,000) | (347,000) | (358,000) | (369,000) |
| TOTAL | (\$222,812,000) | (\$76,824,000) | (\$2,654,000) | (630,000) | 1,297,000 | 1,694,000 | 2,345,000 | 2,802,000 | (3,309,000) | (3,456,000) | (4,373,000) | (4,474,000) |
| NET FUND BALANCES⁵ | | | | | | | | | | | | |
| MTA ³ | \$459,829,000 | \$186,321,000 | \$3,404,000 | 4,248,000 | 6,819,000 | 8,176,000 | 9,654,000 | 10,788,000 | 5,607,000 | 6,129,000 | 5,354,000 | 5,499,000 |
| Library ⁴ | \$35,954,000 | \$14,639,000 | \$354,000 | 236,000 | 253,000 | 362,000 | 503,000 | 518,000 | 574,000 | 610,000 | 569,000 | 575,000 |
| TOTAL | \$495,783,000 | \$200,960,000 | \$3,758,000 | 4,484,000 | 7,072,000 | 8,538,000 | 10,157,000 | 11,306,000 | 6,181,000 | 6,739,000 | 5,923,000 | 6,074,000 |
| CHILDREN'S SERVICES FUND REVENUES⁵ | | | | | | | | | | | | |
| Construction-Related Transfers | \$11,809,000 | \$9,134,000 | \$0 | 1,166,000 | 1,040,000 | 1,192,000 | 1,026,000 | 821,000 | 643,000 | 536,000 | 161,000 | 0 |
| Recurring Transfers | \$228,988,000 | \$87,554,000 | \$2,210,000 | 1,200,000 | 1,426,000 | 1,723,000 | 2,117,000 | 2,418,000 | 2,847,000 | 3,129,000 | 3,391,000 | 3,615,000 |
| TOTAL | \$240,797,000 | \$96,688,000 | \$2,210,000 | 2,366,000 | 2,466,000 | 2,915,000 | 3,143,000 | 3,239,000 | 3,490,000 | 3,665,000 | 3,552,000 | 3,615,000 |

Notes:

- 1. Table 24.
- 2. Table 11-A.
- 3. Table 21-A.
- 4. Table 23.
- 5. Children's Fund expenditures not estimated

Table 2-C

IMPACT ON OTHER FUNDS
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ <i>3% discount</i> | Annual FY2035-2036 2016\$ <i>3% discount</i> | 2033-34 | 2034-35 | 2035-36 | 2036-37 | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 |
|--|-----------------------------------|---|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| CONSTRUCTION-RELATED TRANSFERS¹ | | | | | | | | | | | | |
| Baseline Transfers (Deducted from Revenues) | | | | | | | | | | | | |
| MTA | \$12,398,000 | \$9,590,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Library | \$3,082,000 | \$2,384,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$15,480,000 | \$11,974,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| RECURRING TRANSFERS | | | | | | | | | | | | |
| Baseline Transfers (Deducted from Revenues) ² | | | | | | | | | | | | |
| MTA | \$240,389,000 | \$91,913,000 | \$2,320,000 | 3,984,000 | 4,086,000 | 4,190,000 | 4,297,000 | 4,407,000 | 4,520,000 | 4,636,000 | 4,755,000 | 4,877,000 |
| Library | \$59,780,000 | \$22,857,000 | \$577,000 | 991,000 | 1,016,000 | 1,042,000 | 1,069,000 | 1,096,000 | 1,124,000 | 1,153,000 | 1,182,000 | 1,213,000 |
| Subtotal - Baseline Transfers | \$300,169,000 | \$114,770,000 | \$2,897,000 | 4,975,000 | 5,102,000 | 5,232,000 | 5,366,000 | 5,503,000 | 5,644,000 | 5,789,000 | 5,937,000 | 6,090,000 |
| Other Transfers (Treated As Expense) | \$0 | \$0 | \$0 | | | | | | | | | |
| MTA - Prop B. ³ | \$402,946,000 | \$151,041,000 | \$3,515,000 | 5,983,000 | 6,163,000 | 6,348,000 | 6,538,000 | 6,734,000 | 6,936,000 | 7,144,000 | 7,359,000 | 7,580,000 |
| Library - Supplemental ⁴ | \$0 | \$0 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$1,003,284,000 | \$380,581,000 | \$6,412,000 | 10,958,000 | 11,265,000 | 11,580,000 | 11,904,000 | 12,237,000 | 12,580,000 | 12,933,000 | 13,296,000 | 13,670,000 |
| TOTAL TRANSFERS IN | | | | | | | | | | | | |
| MTA | \$655,733,000 | \$252,543,000 | \$5,835,000 | 9,967,000 | 10,249,000 | 10,538,000 | 10,835,000 | 11,141,000 | 11,456,000 | 11,780,000 | 12,114,000 | 12,457,000 |
| Library | \$62,862,000 | \$25,241,000 | \$577,000 | 991,000 | 1,016,000 | 1,042,000 | 1,069,000 | 1,096,000 | 1,124,000 | 1,153,000 | 1,182,000 | 1,213,000 |
| TOTAL | \$718,595,000 | \$277,784,000 | \$6,412,000 | 10,958,000 | 11,265,000 | 11,580,000 | 11,904,000 | 12,237,000 | 12,580,000 | 12,933,000 | 13,296,000 | 13,670,000 |
| NET OPERATIONAL (EXPENSE)/REVENUES | | | | | | | | | | | | |
| MTA ³ | (\$195,904,000) | (\$66,222,000) | (\$2,431,000) | (4,196,000) | (4,292,000) | (4,390,000) | (4,490,000) | (4,596,000) | (4,017,000) | (4,126,000) | (4,241,000) | (4,357,000) |
| Library ⁴ | (\$26,908,000) | (\$10,602,000) | (\$223,000) | (380,000) | (391,000) | (403,000) | (415,000) | (427,000) | (440,000) | (453,000) | (467,000) | (481,000) |
| TOTAL | (\$222,812,000) | (\$76,824,000) | (\$2,654,000) | (4,576,000) | (4,683,000) | (4,793,000) | (4,905,000) | (5,023,000) | (4,457,000) | (4,579,000) | (4,708,000) | (4,838,000) |
| NET FUND BALANCES⁵ | | | | | | | | | | | | |
| MTA ³ | \$459,829,000 | \$186,321,000 | \$3,404,000 | 5,771,000 | 5,957,000 | 6,148,000 | 6,345,000 | 6,545,000 | 7,439,000 | 7,654,000 | 7,873,000 | 8,100,000 |
| Library ⁴ | \$35,954,000 | \$14,639,000 | \$354,000 | 611,000 | 625,000 | 639,000 | 654,000 | 669,000 | 684,000 | 700,000 | 715,000 | 732,000 |
| TOTAL | \$495,783,000 | \$200,960,000 | \$3,758,000 | 6,382,000 | 6,582,000 | 6,787,000 | 6,999,000 | 7,214,000 | 8,123,000 | 8,354,000 | 8,588,000 | 8,832,000 |
| CHILDREN'S SERVICES FUND REVENUES⁵ | | | | | | | | | | | | |
| Construction-Related Transfers | \$11,809,000 | \$9,134,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Recurring Transfers | \$228,988,000 | \$87,554,000 | \$2,210,000 | 3,795,000 | 3,892,000 | 3,991,000 | 4,093,000 | 4,198,000 | 4,306,000 | 4,416,000 | 4,529,000 | 4,645,000 |
| TOTAL | \$240,797,000 | \$96,688,000 | \$2,210,000 | 3,795,000 | 3,892,000 | 3,991,000 | 4,093,000 | 4,198,000 | 4,306,000 | 4,416,000 | 4,529,000 | 4,645,000 |

Notes:

¹ Table 24.

² Table 11-A.

³ Table 21-A.

⁴ Table 23.

⁵ Children's Fund expenditures not estimated

Table 2-C

IMPACT ON OTHER FUNDS
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ <i>3% discount</i> | Annual FY2035-2036 2016\$ <i>3% discount</i> | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 | 2048-49 | 2049-50 | 2050-51 |
|--|-----------------------------------|---|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| CONSTRUCTION-RELATED TRANSFERS¹ | | | | | | | | | | | | |
| Baseline Transfers (Deducted from Revenues) | | | | | | | | | | | | |
| MTA | \$12,398,000 | \$9,590,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Library | \$3,082,000 | \$2,384,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$15,480,000 | \$11,974,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| RECURRING TRANSFERS | | | | | | | | | | | | |
| Baseline Transfers (Deducted from Revenues) ² | | | | | | | | | | | | |
| MTA | \$240,389,000 | \$91,913,000 | \$2,320,000 | 5,002,000 | 5,131,000 | 5,263,000 | 5,399,000 | 5,538,000 | 5,681,000 | 5,828,000 | 5,978,000 | 6,133,000 |
| Library | \$59,780,000 | \$22,857,000 | \$577,000 | 1,244,000 | 1,276,000 | 1,309,000 | 1,342,000 | 1,377,000 | 1,413,000 | 1,449,000 | 1,487,000 | 1,525,000 |
| Subtotal - Baseline Transfers | \$300,169,000 | \$114,770,000 | \$2,897,000 | 6,246,000 | 6,407,000 | 6,572,000 | 6,741,000 | 6,915,000 | 7,094,000 | 7,277,000 | 7,465,000 | 7,658,000 |
| Other Transfers (Treated As Expense) | \$0 | \$0 | \$0 | | | | | | | | | |
| MTA - Prop B. ³ | \$402,946,000 | \$151,041,000 | \$3,515,000 | 7,807,000 | 8,041,000 | 8,282,000 | 8,531,000 | 8,787,000 | 9,050,000 | 9,322,000 | 9,601,000 | 9,890,000 |
| Library - Supplemental ⁴ | \$0 | \$0 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$1,003,284,000 | \$380,581,000 | \$6,412,000 | 14,053,000 | 14,448,000 | 14,854,000 | 15,272,000 | 15,702,000 | 16,144,000 | 16,599,000 | 17,066,000 | 17,548,000 |
| TOTAL TRANSFERS IN | | | | | | | | | | | | |
| MTA | \$655,733,000 | \$252,543,000 | \$5,835,000 | 12,809,000 | 13,172,000 | 13,545,000 | 13,930,000 | 14,325,000 | 14,731,000 | 15,150,000 | 15,579,000 | 16,023,000 |
| Library | \$62,862,000 | \$25,241,000 | \$577,000 | 1,244,000 | 1,276,000 | 1,309,000 | 1,342,000 | 1,377,000 | 1,413,000 | 1,449,000 | 1,487,000 | 1,525,000 |
| TOTAL | \$718,595,000 | \$277,784,000 | \$6,412,000 | 14,053,000 | 14,448,000 | 14,854,000 | 15,272,000 | 15,702,000 | 16,144,000 | 16,599,000 | 17,066,000 | 17,548,000 |
| NET OPERATIONAL (EXPENSE)/REVENUES | | | | | | | | | | | | |
| MTA ³ | (\$195,904,000) | (\$66,222,000) | (\$2,431,000) | (4,478,000) | (4,443,000) | (4,573,000) | (4,705,000) | (4,838,000) | (4,980,000) | (5,122,000) | (5,273,000) | (5,425,000) |
| Library ⁴ | (\$26,908,000) | (\$10,602,000) | (\$223,000) | (495,000) | (510,000) | (525,000) | (541,000) | (557,000) | (574,000) | (591,000) | (609,000) | (627,000) |
| TOTAL | (\$222,812,000) | (\$76,824,000) | (\$2,654,000) | (4,973,000) | (4,953,000) | (5,098,000) | (5,246,000) | (5,395,000) | (5,554,000) | (5,713,000) | (5,882,000) | (6,052,000) |
| NET FUND BALANCES⁵ | | | | | | | | | | | | |
| MTA ³ | \$459,829,000 | \$186,321,000 | \$3,404,000 | 8,331,000 | 8,729,000 | 8,972,000 | 9,225,000 | 9,487,000 | 9,751,000 | 10,028,000 | 10,306,000 | 10,598,000 |
| Library ⁴ | \$35,954,000 | \$14,639,000 | \$354,000 | 749,000 | 766,000 | 784,000 | 801,000 | 820,000 | 839,000 | 858,000 | 878,000 | 898,000 |
| TOTAL | \$495,783,000 | \$200,960,000 | \$3,758,000 | 9,080,000 | 9,495,000 | 9,756,000 | 10,026,000 | 10,307,000 | 10,590,000 | 10,886,000 | 11,184,000 | 11,496,000 |
| CHILDREN'S SERVICES FUND REVENUES⁵ | | | | | | | | | | | | |
| Construction-Related Transfers | \$11,809,000 | \$9,134,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Recurring Transfers | \$228,988,000 | \$87,554,000 | \$2,210,000 | 4,765,000 | 4,888,000 | 5,013,000 | 5,143,000 | 5,275,000 | 5,412,000 | 5,552,000 | 5,695,000 | 5,842,000 |
| TOTAL | \$240,797,000 | \$96,688,000 | \$2,210,000 | 4,765,000 | 4,888,000 | 5,013,000 | 5,143,000 | 5,275,000 | 5,412,000 | 5,552,000 | 5,695,000 | 5,842,000 |

Notes:

¹ Table 24.

² Table 11-A.

³ Table 21-A.

⁴ Table 23.

⁵ Children's Fund expenditures not estimated

Table 2-C

IMPACT ON OTHER FUNDS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ 3% discount | Annual FY2035-2036 2016\$ 3% discount | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 | 2059-60 |
|--|-----------------------------------|--|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| CONSTRUCTION-RELATED TRANSFERS¹ | | | | | | | | | | | | |
| Baseline Transfers (Deducted from Revenues) | | | | | | | | | | | | |
| MTA | \$12,398,000 | \$9,590,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Library | \$3,082,000 | \$2,384,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$15,480,000 | \$11,974,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| RECURRING TRANSFERS | | | | | | | | | | | | |
| Baseline Transfers (Deducted from Revenues) ² | | | | | | | | | | | | |
| MTA | \$240,389,000 | \$91,913,000 | \$2,320,000 | 6,292,000 | 6,456,000 | 6,623,000 | 6,796,000 | 6,972,000 | 7,154,000 | 7,341,000 | 7,532,000 | 7,623,000 |
| Library | \$59,780,000 | \$22,857,000 | \$577,000 | 1,565,000 | 1,605,000 | 1,647,000 | 1,690,000 | 1,734,000 | 1,779,000 | 1,825,000 | 1,873,000 | 1,896,000 |
| Subtotal - Baseline Transfers | \$300,169,000 | \$114,770,000 | \$2,897,000 | 7,857,000 | 8,061,000 | 8,270,000 | 8,486,000 | 8,706,000 | 8,933,000 | 9,166,000 | 9,405,000 | 9,519,000 |
| Other Transfers (Treated As Expense) | | | | | | | | | | | | |
| MTA - Prop B. ³ | \$402,946,000 | \$151,041,000 | \$3,515,000 | 10,186,000 | 10,492,000 | 10,807,000 | 11,131,000 | 11,465,000 | 11,809,000 | 12,163,000 | 12,528,000 | 12,904,000 |
| Library - Supplemental ⁴ | \$0 | \$0 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$1,003,284,000 | \$380,581,000 | \$6,412,000 | 18,043,000 | 18,553,000 | 19,077,000 | 19,617,000 | 20,171,000 | 20,742,000 | 21,329,000 | 21,933,000 | 22,423,000 |
| TOTAL TRANSFERS IN | | | | | | | | | | | | |
| MTA | \$655,733,000 | \$252,543,000 | \$5,835,000 | 16,478,000 | 16,948,000 | 17,430,000 | 17,927,000 | 18,437,000 | 18,963,000 | 19,504,000 | 20,060,000 | 20,527,000 |
| Library | \$62,862,000 | \$25,241,000 | \$577,000 | 1,565,000 | 1,605,000 | 1,647,000 | 1,690,000 | 1,734,000 | 1,779,000 | 1,825,000 | 1,873,000 | 1,896,000 |
| TOTAL | \$718,595,000 | \$277,784,000 | \$6,412,000 | 18,043,000 | 18,553,000 | 19,077,000 | 19,617,000 | 20,171,000 | 20,742,000 | 21,329,000 | 21,933,000 | 22,423,000 |
| NET OPERATIONAL (EXPENSE)/REVENUES | | | | | | | | | | | | |
| MTA ³ | (\$195,904,000) | (\$66,222,000) | (\$2,431,000) | (5,581,000) | (5,744,000) | (5,910,000) | (5,617,000) | (5,794,000) | (5,978,000) | (6,165,000) | (6,356,000) | (6,558,000) |
| Library ⁴ | (\$26,908,000) | (\$10,602,000) | (\$223,000) | (646,000) | (666,000) | (686,000) | (706,000) | (727,000) | (749,000) | (772,000) | (795,000) | (819,000) |
| TOTAL | (\$222,812,000) | (\$76,824,000) | (\$2,654,000) | (6,227,000) | (6,410,000) | (6,596,000) | (6,323,000) | (6,521,000) | (6,727,000) | (6,937,000) | (7,151,000) | (7,377,000) |
| NET FUND BALANCES⁵ | | | | | | | | | | | | |
| MTA ³ | \$459,829,000 | \$186,321,000 | \$3,404,000 | 10,897,000 | 11,204,000 | 11,520,000 | 12,310,000 | 12,643,000 | 12,985,000 | 13,339,000 | 13,704,000 | 13,969,000 |
| Library ⁴ | \$35,954,000 | \$14,639,000 | \$354,000 | 919,000 | 939,000 | 961,000 | 984,000 | 1,007,000 | 1,030,000 | 1,053,000 | 1,078,000 | 1,077,000 |
| TOTAL | \$495,783,000 | \$200,960,000 | \$3,758,000 | 11,816,000 | 12,143,000 | 12,481,000 | 13,294,000 | 13,650,000 | 14,015,000 | 14,392,000 | 14,782,000 | 15,046,000 |
| CHILDREN'S SERVICES FUND REVENUES⁵ | | | | | | | | | | | | |
| Construction-Related Transfers | \$11,809,000 | \$9,134,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Recurring Transfers | \$228,988,000 | \$87,554,000 | \$2,210,000 | 5,994,000 | 6,150,000 | 6,309,000 | 6,473,000 | 6,642,000 | 6,815,000 | 6,992,000 | 7,175,000 | 7,262,000 |
| TOTAL | \$240,797,000 | \$96,688,000 | \$2,210,000 | 5,994,000 | 6,150,000 | 6,309,000 | 6,473,000 | 6,642,000 | 6,815,000 | 6,992,000 | 7,175,000 | 7,262,000 |

Notes:

- ¹ Table 24.
- ² Table 11-A.
- ³ Table 21-A.
- ⁴ Table 23.

⁵ Children's Fund expenditures not estimated

Table 2-C

IMPACT ON OTHER FUNDS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | Cumulative TOTAL NOMINAL \$ | Cumulative TOTAL 2016\$ | Annual FY2035-2036 2016\$ | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|--|-----------------------------------|-------------------------------|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | | 3% discount | 3% discount | | | | | | | | |
| CONSTRUCTION-RELATED TRANSFERS¹ | | | | | | | | | | | |
| Baseline Transfers (Deducted from Revenues) | | | | | | | | | | | |
| MTA | \$12,398,000 | \$9,590,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Library | \$3,082,000 | \$2,384,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$15,480,000 | \$11,974,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| RECURRING TRANSFERS | | | | | | | | | | | |
| Baseline Transfers (Deducted from Revenues) ² | | | | | | | | | | | |
| MTA | \$240,389,000 | \$91,913,000 | \$2,320,000 | 7,563,000 | 7,664,000 | 7,777,000 | 7,721,000 | 7,841,000 | 7,824,000 | 8,037,000 | 8,256,000 |
| Library | \$59,780,000 | \$22,857,000 | \$577,000 | 1,881,000 | 1,906,000 | 1,934,000 | 1,920,000 | 1,950,000 | 1,946,000 | 1,998,000 | 2,053,000 |
| Subtotal - Baseline Transfers | \$300,169,000 | \$114,770,000 | \$2,897,000 | 9,444,000 | 9,570,000 | 9,711,000 | 9,641,000 | 9,791,000 | 9,770,000 | 10,035,000 | 10,309,000 |
| Other Transfers (Treated As Expense) | | | | | | | | | | | |
| MTA - Prop B. ³ | \$402,946,000 | \$151,041,000 | \$3,515,000 | 13,291,000 | 13,689,000 | 14,100,000 | 14,523,000 | 14,959,000 | 15,408,000 | 15,870,000 | 16,346,000 |
| Library - Supplemental ⁴ | \$0 | \$0 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$1,003,284,000 | \$380,581,000 | \$6,412,000 | 22,735,000 | 23,259,000 | 23,811,000 | 24,164,000 | 24,750,000 | 25,178,000 | 25,905,000 | 26,655,000 |
| TOTAL TRANSFERS IN | | | | | | | | | | | |
| MTA | \$655,733,000 | \$252,543,000 | \$5,835,000 | 20,854,000 | 21,353,000 | 21,877,000 | 22,244,000 | 22,800,000 | 23,232,000 | 23,907,000 | 24,602,000 |
| Library | \$62,862,000 | \$25,241,000 | \$577,000 | 1,881,000 | 1,906,000 | 1,934,000 | 1,920,000 | 1,950,000 | 1,946,000 | 1,998,000 | 2,053,000 |
| TOTAL | \$718,595,000 | \$277,784,000 | \$6,412,000 | 22,735,000 | 23,259,000 | 23,811,000 | 24,164,000 | 24,750,000 | 25,178,000 | 25,905,000 | 26,655,000 |
| NET OPERATIONAL (EXPENSE)/REVENUES | | | | | | | | | | | |
| MTA ³ | (\$195,904,000) | (\$66,222,000) | (\$2,431,000) | (6,761,000) | (6,973,000) | (7,192,000) | (7,417,000) | (7,648,000) | (7,886,000) | (8,129,000) | (8,385,000) |
| Library ⁴ | (\$26,908,000) | (\$10,602,000) | (\$223,000) | (843,000) | (868,000) | (894,000) | (921,000) | (949,000) | (977,000) | (1,007,000) | (1,037,000) |
| TOTAL | (\$222,812,000) | (\$76,824,000) | (\$2,654,000) | (7,604,000) | (7,841,000) | (8,086,000) | (8,338,000) | (8,597,000) | (8,863,000) | (9,136,000) | (9,422,000) |
| NET FUND BALANCES⁵ | | | | | | | | | | | |
| MTA ³ | \$459,829,000 | \$186,321,000 | \$3,404,000 | 14,093,000 | 14,380,000 | 14,685,000 | 14,827,000 | 15,152,000 | 15,346,000 | 15,778,000 | 16,217,000 |
| Library ⁴ | \$35,954,000 | \$14,639,000 | \$354,000 | 1,038,000 | 1,038,000 | 1,040,000 | 999,000 | 1,001,000 | 969,000 | 991,000 | 1,016,000 |
| TOTAL | \$495,783,000 | \$200,960,000 | \$3,758,000 | 15,131,000 | 15,418,000 | 15,725,000 | 15,826,000 | 16,153,000 | 16,315,000 | 16,769,000 | 17,233,000 |
| CHILDREN'S SERVICES FUND REVENUES⁵ | | | | | | | | | | | |
| Construction-Related Transfers | \$11,809,000 | \$9,134,000 | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Recurring Transfers | \$228,988,000 | \$87,554,000 | \$2,210,000 | 7,204,000 | 7,300,000 | 7,408,000 | 7,355,000 | 7,469,000 | 7,453,000 | 7,656,000 | 7,864,000 |
| TOTAL | \$240,797,000 | \$96,688,000 | \$2,210,000 | 7,204,000 | 7,300,000 | 7,408,000 | 7,355,000 | 7,469,000 | 7,453,000 | 7,656,000 | 7,864,000 |

Notes:

¹ Table 24.² Table 11-A.³ Table 21-A.⁴ Table 23.⁵ Children's Fund expenditures not estimated

Table 3

PROJECT DESCRIPTION
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | TOTAL AT BUILDOUT | | | UNITS |
|------------------------------|-------------------|-----|---------|--------|
| | MARKET | BMR | TOTAL | |
| PROJECT BUILD-OUT | | | | |
| RESIDENTIAL | | | | |
| For Sale | | | | |
| YBI Townhomes | 200 | 10 | 210 | DU |
| TI Townhomes | 271 | 0 | 271 | DU |
| Flats | 2,044 | 117 | 2,161 | DU |
| Neighborhood Tower | 1,771 | 96 | 1,867 | DU |
| High Rise | 895 | 0 | 895 | DU |
| Branded condo w/ hotel svcs. | 117 | 0 | 117 | DU |
| | 5,298 | 223 | 5,521 | DU |
| For Rent | 529 | 84 | 613 | DU |
| TIDA | | | 1,866 | DU |
| | | | 8,000 | DU |
| COMMERCIAL | | | | |
| Full Service Hotel | | | 200 | Rms. |
| YBI Spa Hotel | | | 50 | Rms. |
| Retail | | | 451,000 | SQ.FT. |
| Office | | | 100,000 | SQ.FT. |

Source: TICD (March 2016, TI 27.2 Percent Affordable Pro Forma).

Table 4

CUMULATIVE DEVELOPMENT ABSORPTION
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| TOTAL AT BUILDOUT | CUMULATIVE ABSORPTION ¹ | | | | | | | | | | | | | | | | | | |
|------------------------------|------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | |
| <i>Build-out</i> | | | | | | | | | | | | | | | | | | | |
| RESIDENTIAL | | | | | | | | | | | | | | | | | | | |
| Market Rate | | | | | | | | | | | | | | | | | | | |
| For Sale Units | | | | | | | | | | | | | | | | | | | |
| YBI Townhomes | 200 Units | 0 | 0 | 0 | 34 | 103 | 171 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| TI Townhomes | 271 Units | 0 | 0 | 0 | 34 | 94 | 101 | 101 | 136 | 151 | 211 | 252 | 271 | 271 | 271 | 271 | 271 | 271 | 271 |
| Flats | 2,044 Units | 0 | 0 | 0 | 91 | 272 | 454 | 636 | 817 | 999 | 1,180 | 1,362 | 1,544 | 1,725 | 1,907 | 2,044 | 2,044 | 2,044 | 2,044 |
| Neighborhood Tower | 1,771 Units | 0 | 0 | 0 | 0 | 0 | 171 | 341 | 512 | 683 | 854 | 1,024 | 1,195 | 1,366 | 1,537 | 1,707 | 1,771 | 1,771 | 1,771 |
| High Rise | 895 Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 120 | 240 | 360 | 480 | 600 | 720 | 840 | 895 | 895 | 895 | 895 |
| Branded condo w/ hotel svcs. | 117 Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 72 | 117 | 117 | 117 | 117 | 117 | 117 | 117 | 117 | 117 | 117 |
| Rental | 529 Units | 0 | 0 | 0 | 0 | 35 | 139 | 257 | 268 | 343 | 405 | 422 | 422 | 529 | 529 | 529 | 529 | 529 | 529 |
| | 5,827 Units | 0 | 0 | 0 | 34 | 228 | 573 | 1,065 | 1,535 | 2,005 | 2,612 | 3,207 | 3,737 | 4,229 | 4,808 | 5,281 | 5,708 | 5,827 | 5,827 |
| BMR | | | | | | | | | | | | | | | | | | | |
| For Sale Units | | | | | | | | | | | | | | | | | | | |
| YBI Townhomes | 10 Units | 0 | 0 | 0 | 2 | 5 | 9 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| TI Townhomes | 0 Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Flats | 117 Units | 0 | 0 | 0 | 5 | 16 | 26 | 36 | 47 | 57 | 68 | 78 | 88 | 99 | 109 | 117 | 117 | 117 | 117 |
| Neighborhood Tower | 96 Units | 0 | 0 | 0 | 0 | 0 | 9 | 19 | 28 | 37 | 46 | 56 | 65 | 74 | 83 | 93 | 96 | 96 | 96 |
| High Rise | 0 Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Branded condo w/ hotel svcs. | 0 Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rental | 84 Units | 0 | 0 | 0 | 0 | 6 | 22 | 41 | 42 | 54 | 64 | 67 | 67 | 84 | 84 | 84 | 84 | 84 | 84 |
| | 307 Units | 0 | 0 | 0 | 2 | 10 | 30 | 67 | 106 | 127 | 159 | 188 | 211 | 230 | 267 | 286 | 304 | 307 | 307 |
| TIDA | 1,866 Units | 0 | 0 | 0 | 6 | 37 | 96 | 274 | 433 | 538 | 752 | 1,014 | 1,206 | 1,404 | 1,602 | 1,728 | 1,839 | 1,866 | 1,866 |
| Total | 8,000 Units | 0 | 0 | 0 | 42 | 275 | 699 | 1,406 | 2,074 | 2,670 | 3,523 | 4,409 | 5,154 | 5,863 | 6,677 | 7,295 | 7,851 | 8,000 | 8,000 |
| COMMERCIAL | | | | | | | | | | | | | | | | | | | |
| Full Service Hotel | 200 Rms | 0 | 0 | 0 | 0 | 0 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| YBI Spa Hotel | 50 Rms | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Retail | 451,000 SF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 109,000 | 109,000 | 109,000 | 249,000 | 249,000 | 451,000 | 451,000 | 451,000 | 451,000 | 451,000 |
| Office | 100,000 SF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |

Notes:
¹ Absorption reflects home sales / completion of construction.

Source: TICD (March 2016, TI 27.2 Percent Affordable Pro Forma).

Table 5

ANNUAL DEVELOPMENT ABSORPTION
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| TOTAL AT BUILDOUT | ANNUAL ABSORPTION ¹ | | | | | | | | | | | | | | | | | |
|------------------------------|--------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 |
| <i>Build-out</i> | | | | | | | | | | | | | | | | | | |
| RESIDENTIAL | | | | | | | | | | | | | | | | | | |
| Market Rate | | | | | | | | | | | | | | | | | | |
| For Sale Units | | | | | | | | | | | | | | | | | | |
| YBI Townhomes | 200 Units | 0 | 0 | 0 | 34 | 69 | 69 | 29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TI Townhomes | 271 Units | 0 | 0 | 0 | 0 | 34 | 60 | 7 | 0 | 35 | 15 | 60 | 41 | 19 | 0 | 0 | 0 | 0 |
| Flats | 2,044 Units | 0 | 0 | 0 | 0 | 91 | 182 | 182 | 182 | 182 | 182 | 182 | 182 | 182 | 182 | 137 | 0 | 0 |
| Neighborhood Tower | 1,771 Units | 0 | 0 | 0 | 0 | 0 | 0 | 171 | 171 | 171 | 171 | 171 | 171 | 171 | 171 | 171 | 64 | 0 |
| High Rise | 895 Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 55 | 0 |
| Branded condo w/ hotel svcs. | 117 Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 72 | 45 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rental | 529 Units | 0 | 0 | 0 | 0 | 35 | 104 | 118 | 10 | 75 | 82 | 17 | 0 | 107 | 0 | 0 | 0 | 0 |
| | 5,827 Units | 0 | 0 | 0 | 34 | 193 | 346 | 491 | 471 | 470 | 607 | 594 | 531 | 491 | 579 | 472 | 428 | 119 |
| BMR | | | | | | | | | | | | | | | | | | |
| For Sale Units | | | | | | | | | | | | | | | | | | |
| YBI Townhomes | 10 Units | 0 | 0 | 0 | 2 | 3 | 3 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TI Townhomes | 0 Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Flats | 117 Units | 0 | 0 | 0 | 0 | 5 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 8 | 0 | 0 |
| Neighborhood Tower | 96 Units | 0 | 0 | 0 | 0 | 0 | 0 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 3 | 0 |
| High Rise | 0 Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Branded condo w/ hotel svcs. | 0 Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rental | 84 Units | 0 | 0 | 0 | 0 | 6 | 16 | 19 | 2 | 12 | 10 | 3 | 0 | 17 | 0 | 0 | 0 | 0 |
| | 307 Units | 0 | 0 | 0 | 2 | 9 | 19 | 38 | 38 | 21 | 32 | 30 | 22 | 20 | 37 | 20 | 17 | 3 |
| TIDA | 1,866 Units | 0 | 0 | 0 | 6 | 32 | 59 | 178 | 159 | 105 | 214 | 263 | 192 | 198 | 198 | 126 | 111 | 27 |
| Total | 8,000 Units | 0 | 0 | 0 | 42 | 234 | 424 | 707 | 668 | 596 | 853 | 887 | 745 | 709 | 814 | 618 | 556 | 149 |
| COMMERCIAL | | | | | | | | | | | | | | | | | | |
| Full Service Hotel | 200 Rms | 0 | 0 | 0 | 0 | 0 | 0 | 200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| YBI Spa Hotel | 50 Rms | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Retail | 451,000 SF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 109,000 | 0 | 0 | 140,000 | 0 | 202,000 | 0 | 0 |
| Office | 100,000 SF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,000 | 0 | 0 | 0 | 0 |

Notes:
¹ Absorption reflects home sales / completion of construction.

Source: TICD (March 2016, TI 27.2 Percent Affordable Pro Forma).

Table 6

HOUSEHOLD, POPULATION AND EMPLOYMENT ESTIMATES
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS AT BUILDOUT | MEASURE | CUMULATIVE DEMOGRAPHICS | | | | | | | | | | | | | | | | | | | |
|------------------------------|--------------------|-------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|------------------|--|
| | | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | | |
| | | | | | | | | | | | | | | | | | | | | <i>Build-out</i> | |
| RESIDENTIAL | | | | | | | | | | | | | | | | | | | | | |
| A. HOUSEHOLDS | | | | | | | | | | | | | | | | | | | | | |
| Market Rate | | | | | | | | | | | | | | | | | | | | | |
| For Sale Units | Units ¹ | Avg. Occupancy | | | | | | | | | | | | | | | | | | | |
| YBI Townhomes | 200 DU | 100% | 0 | 0 | 0 | 34 | 103 | 171 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | |
| TI Townhomes | 271 DU | 100% | 0 | 0 | 0 | 0 | 34 | 94 | 101 | 101 | 136 | 151 | 211 | 252 | 271 | 271 | 271 | 271 | 271 | 271 | |
| Flats | 2,044 DU | 100% | 0 | 0 | 0 | 0 | 91 | 272 | 454 | 636 | 817 | 999 | 1,180 | 1,362 | 1,544 | 1,725 | 1,907 | 2,044 | 2,044 | 2,044 | |
| Neighborhood Tower | 1,771 DU | 100% | 0 | 0 | 0 | 0 | 0 | 0 | 171 | 341 | 512 | 683 | 854 | 1,024 | 1,195 | 1,366 | 1,537 | 1,707 | 1,771 | 1,771 | |
| High Rise | 895 DU | 100% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 120 | 240 | 360 | 480 | 600 | 720 | 840 | 895 | 895 | |
| Branded condo w/ hotel svcs. | 117 DU | 100% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 72 | 117 | 117 | 117 | 117 | 117 | 117 | 117 | 117 | 117 | |
| Rental | 529 DU | 97% | 0 | 0 | 0 | 0 | 0 | 34 | 135 | 249 | 259 | 332 | 393 | 409 | 409 | 513 | 513 | 513 | 513 | 513 | |
| | 5,827 | | 0 | 0 | 0 | 34 | 228 | 572 | 1,061 | 1,528 | 1,997 | 2,602 | 3,195 | 3,725 | 4,216 | 4,792 | 5,265 | 5,693 | 5,811 | 5,811 | |
| BMR | | | | | | | | | | | | | | | | | | | | | |
| For Sale Units | Units ¹ | Avg. Occupancy | | | | | | | | | | | | | | | | | | | |
| YBI Townhomes | 10 DU | 100% | 0 | 0 | 0 | 2 | 5 | 9 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | |
| TI Townhomes | 0 DU | 100% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Flats | 117 DU | 100% | 0 | 0 | 0 | 0 | 5 | 16 | 26 | 36 | 47 | 57 | 68 | 78 | 88 | 99 | 109 | 117 | 117 | 117 | |
| Neighborhood Tower | 96 DU | 100% | 0 | 0 | 0 | 0 | 0 | 0 | 9 | 19 | 28 | 37 | 46 | 56 | 65 | 74 | 83 | 93 | 96 | 96 | |
| High Rise | 0 DU | 100% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Branded condo w/ hotel svcs. | 0 DU | 100% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Rental | 84 DU | 100% | 0 | 0 | 0 | 0 | 0 | 6 | 22 | 41 | 42 | 54 | 64 | 67 | 67 | 84 | 84 | 84 | 84 | 84 | |
| | 307 | | 0 | 0 | 0 | 2 | 10 | 30 | 67 | 106 | 127 | 159 | 188 | 211 | 230 | 267 | 286 | 304 | 307 | 307 | |
| TIDA | 1,866 DU | 100% | 0 | 0 | 0 | 6 | 37 | 96 | 274 | 433 | 538 | 752 | 1,014 | 1,206 | 1,404 | 1,602 | 1,728 | 1,839 | 1,866 | 1,866 | |
| TOTAL | 8,000 DU | | 0 | 0 | 0 | 42 | 275 | 698 | 1,402 | 2,066 | 2,662 | 3,512 | 4,397 | 5,141 | 5,851 | 6,661 | 7,280 | 7,835 | 7,984 | 7,984 | |
| B. POPULATION ² | | | | | | | | | | | | | | | | | | | | | |
| Market Rate | | | | | | | | | | | | | | | | | | | | | |
| For Sale | | HH Size: ³ | | | | | | | | | | | | | | | | | | | |
| YBI Townhomes | 200 HH | 2.71 | 0 | 0 | 0 | 93 | 279 | 465 | 542 | 542 | 542 | 542 | 542 | 542 | 542 | 542 | 542 | 542 | 542 | 542 | |
| TI Townhomes | 271 HH | 2.71 | 0 | 0 | 0 | 0 | 92 | 255 | 274 | 274 | 369 | 409 | 572 | 683 | 734 | 734 | 734 | 734 | 734 | 734 | |
| Flats | 2,044 HH | 2.03 | 0 | 0 | 0 | 0 | 184 | 553 | 922 | 1,290 | 1,659 | 2,028 | 2,396 | 2,765 | 3,134 | 3,502 | 3,871 | 4,149 | 4,149 | 4,149 | |
| Neighborhood Tower | 1,771 HH | 2.03 | 0 | 0 | 0 | 0 | 0 | 0 | 347 | 693 | 1,040 | 1,386 | 1,733 | 2,080 | 2,426 | 2,773 | 3,120 | 3,466 | 3,595 | 3,595 | |
| High Rise | 895 HH | 1.65 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 198 | 397 | 595 | 794 | 992 | 1,191 | 1,389 | 1,480 | 1,480 | |
| Branded condo w/ hotel svcs. | 117 HH | 1.65 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 119 | 193 | 193 | 193 | 193 | 193 | 193 | 193 | 193 | 193 | 193 | |
| Rental | 513 HH | 2.10 | 0 | 0 | 0 | 0 | 0 | 72 | 283 | 524 | 545 | 698 | 824 | 860 | 860 | 1,078 | 1,078 | 1,078 | 1,078 | 1,078 | |
| | 5,811 | | 0 | 0 | 0 | 93 | 555 | 1,344 | 2,367 | 3,323 | 4,273 | 5,455 | 6,658 | 7,718 | 8,683 | 9,815 | 10,728 | 11,552 | 11,772 | 11,772 | |

Table 6

HOUSEHOLD, POPULATION AND EMPLOYMENT ESTIMATES
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS AT BUILDOUT | MEASURE | CUMULATIVE DEMOGRAPHICS | | | | | | | | | | | | | | | | | |
|------------------------------------|-------------------------|---------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 |
| | | <i>Build-out</i> | | | | | | | | | | | | | | | | | |
| BMR | | | | | | | | | | | | | | | | | | | |
| For Sale | | | | | | | | | | | | | | | | | | | |
| YBI Townhomes | 10 HH | 2.71 | 0 | 0 | 0 | 5 | 14 | 23 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 |
| TI Townhomes | 0 HH | 2.71 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Flats | 117 HH | 2.03 | 0 | 0 | 0 | 0 | 11 | 32 | 53 | 74 | 95 | 116 | 137 | 158 | 179 | 200 | 222 | 238 | 238 |
| Neighborhood Tower | 96 HH | 2.03 | 0 | 0 | 0 | 0 | 0 | 0 | 19 | 38 | 56 | 75 | 94 | 113 | 132 | 150 | 169 | 188 | 195 |
| High Rise | 0 HH | 1.65 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Branded condo w/ hotel svcs. | 0 HH | 1.65 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rental | 84 HH | 2.10 | 0 | 0 | 0 | 0 | 12 | 46 | 86 | 89 | 114 | 135 | 141 | 141 | 176 | 176 | 176 | 176 | 176 |
| | 307 | | 0 | 0 | 0 | 5 | 24 | 67 | 145 | 224 | 268 | 333 | 393 | 439 | 479 | 554 | 594 | 629 | 636 |
| TIDA | 1,866 HH | 2.10 | 0 | 0 | 0 | 12 | 78 | 202 | 575 | 910 | 1,130 | 1,578 | 2,130 | 2,532 | 2,949 | 3,365 | 3,630 | 3,862 | 3,919 |
| TOTAL POPULATION | 7,984 HH | | 0 | 0 | 0 | 109 | 658 | 1,613 | 3,087 | 4,457 | 5,671 | 7,366 | 9,181 | 10,689 | 12,111 | 13,734 | 14,952 | 16,043 | 16,326 |
| C. EMPLOYMENT | | | | | | | | | | | | | | | | | | | |
| | | Employment Density ⁵ | | | | | | | | | | | | | | | | | |
| Retail ⁴ | 411 sf (1,000s) | 3.33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 331 | 331 | 331 | 757 | 757 | 1,371 | 1,371 | 1,371 |
| Office ⁴ | 91 sf (1,000s) | 3.08 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 281 | 281 | 281 | 281 | 281 |
| Hotel | 250 Rooms | 0.80 | 0 | 0 | 0 | 0 | 0 | 160 | 160 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| Other Employment Residential Based | See Table 8 8,000 DU | 0.07 | 0 | 0 | 0 | 16 | 48 | 76 | 102 | 117 | 136 | 155 | 156 | 157 | 158 | 159 | 159 | 159 | 159 |
| | | | 0 | 0 | 0 | 3 | 18 | 47 | 94 | 138 | 178 | 235 | 294 | 344 | 391 | 445 | 486 | 523 | 533 |
| | | | 0 | 0 | 0 | 19 | 66 | 123 | 356 | 415 | 514 | 921 | 981 | 1,032 | 1,786 | 1,842 | 2,497 | 2,534 | 2,544 |
| DAY & NIGHT TIME POPULATION | pop + employmt | | 0 | 0 | 0 | 128 | 724 | 1,736 | 3,443 | 4,872 | 6,185 | 8,287 | 10,162 | 11,721 | 13,897 | 15,576 | 17,449 | 18,577 | 18,870 |

Notes:
 1 Table 4.
 2 Based on occupied housing units (section A, above).
 3 See Appendix Table A-4 for household size assumptions.
 4 Based on occupied commercial space, Table 7.
 5 Densities reflect EPS study (2011).

Table 7

OCCUPIED COMMERCIAL SPACE ESTIMATES
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | BASIS AT BUILDOUT ¹ | MEASURE | CUMULATIVE COMMERCIAL SPACE (1,000s) | | | | | | | | | | | | | | | | | | |
|---------------------------|-----------------------------------|-------------------------|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----|
| | | | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | |
| OCCUPIED COMMERCIAL SPACE | | | <i>Build-out</i> | | | | | | | | | | | | | | | | | | |
| LEASABLE AREA | | | | | | | | | | | | | | | | | | | | | |
| | | Efficiency ² | | | | | | | | | | | | | | | | | | | |
| Retail | 451 gsf (1,000s) | 0.96 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 105 | 105 | 105 | 239 | 239 | 433 | 433 | 433 | 433 |
| Office | 100 gsf (1,000s) | 0.96 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 96 | 96 | 96 | 96 | 96 | 96 |
| OCCUPIED SPACE | | | | | | | | | | | | | | | | | | | | | |
| | | Occupancy ² | | | | | | | | | | | | | | | | | | | |
| Retail | 433 nsf (1,000s) | 0.95 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 99 | 99 | 99 | 227 | 227 | 411 | 411 | 411 | 411 |
| Office | 96 nsf | 0.95 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 91 | 91 | 91 | 91 | 91 | 91 |

¹ Table 4.

² KMA assumption.

Table 8

OTHER EMPLOYMENT ESTIMATES
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | BASIS AT BUILDOUT | MEASURE ² | CUMULATIVE OTHER EMPLOYMENT | | | | | | | | | | | | | | | | | |
|---|-------------------|-----------------------------------|-----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|---------|
| | | | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 |
| | | Population Threshold ¹ | 0% | 0% | 0% | 1% | 4% | 10% | 19% | 27% | 35% | 45% | 56% | 65% | 74% | 84% | 92% | 98% | Build-out | |
| | | | | | | | | | | | | | | | | | | | 100% | 100% |
| OTHER EMPLOYMENT | | | | | | | | | | | | | | | | | | | | |
| Paid Parking Spaces | 5.0 emp. | 270 spaces/emp | 0.0 | 0.0 | 0.0 | 0.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Open Space and Plaza Maintenance | 84.0 emp. | 0.3 emp./ac. | 0.0 | 0.0 | 0.0 | 12.0 | 24.0 | 36.0 | 48.0 | 60.0 | 72.0 | 84.0 | 84.0 | 84.0 | 84.0 | 84.0 | 84.0 | 84.0 | 84.0 | 84.0 |
| Recycling Center | 4.0 emp. | | 0.0 | 0.0 | 0.0 | 2.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Energy Generation | 12.0 emp. | | 0.0 | 0.0 | 0.0 | 4.0 | 8.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 |
| Art Park | 4.0 emp. | | 0.0 | 0.0 | 0.0 | 2.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Environmental Education Center | 3.0 emp. | | 0.0 | 0.0 | 0.0 | 0.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Wastewater Treatment | 6.0 emp. | | 0.0 | 0.0 | 0.0 | 3.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| Health and Wellness Facilities | 12.0 emp. | | 0.0 | 0.0 | 0.0 | 4.0 | 8.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 |
| School | 0.0 emp. | 15.3 students/emp | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Childcare Facilities | 8.0 emp. | 6.0 children/emp | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 2.0 | 3.0 | 4.0 | 5.0 | 6.0 | 7.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 |
| Urban Farm | 6.0 emp. | | 0.0 | 0.0 | 0.0 | 0.0 | 2.0 | 4.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| Sailing Center | 3.0 emp. | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Marina and Ferry Quay | 4.0 emp. | 100.0 slips/emp | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| On-Island Shuttle | 8.0 emp. | 2.5 emp/bus | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 4.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 |
| Subtotal | 159.0 | | 0.0 | 0.0 | 0.0 | 16.0 | 48.0 | 76.0 | 102.0 | 117.0 | 136.0 | 155.0 | 156.0 | 157.0 | 158.0 | 159.0 | 159.0 | 159.0 | 159.0 | 159.0 |
| PUBLIC SERVICE EMPLOYMENT (EXCLUDED)³ | | | | | | | | | | | | | | | | | | | | |
| Fire | 23.4 emp. | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 32.8 | 23.4 | 23.4 | 23.4 | 23.4 | 23.4 | 23.4 | 23.4 | 23.4 | 23.4 | 23.4 |
| Police | 32.1 emp. | | 0.0 | 0.0 | 0.0 | 0.2 | 1.2 | 3.0 | 5.9 | 8.3 | 10.5 | 14.1 | 17.3 | 19.9 | 23.7 | 26.5 | 29.7 | 31.6 | 32.1 | 32.1 |
| MUNI | 15.0 emp. | 2.5 emp/bus | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 12.5 | 12.5 | 12.5 | 12.5 | 15.0 | 15.0 | 15.0 |
| East Bay Bus | 20.0 emp. | 2.5 emp/bus | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 5.0 | 8.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Ferry | 12.0 emp. | 4.0 emp/ferry | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 4.0 | 8.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 |
| Subtotal | 102.5 | | 0.0 | 0.0 | 0.0 | 0.2 | 1.2 | 8.0 | 13.9 | 21.3 | 56.3 | 50.5 | 57.7 | 76.8 | 84.6 | 94.4 | 97.6 | 99.5 | 102.5 | 102.5 |

¹ Share of build-out population. See Table 6.
² Estimates of other employment provided in EPS report (2011), Table A-16. Employment is applied to new development timeline according to population growth.
³ While included in prior study, the following employment categories have been excluded from the estimated service population.

Table 9

CITYWIDE POPULATION AND EMPLOYMENT
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | POPULATION ¹ | EMPLOYMENT ² | DAY & NIGHTTIME POPULATION ³ |
|-----------------------|-------------------------|-------------------------|--|
| CITY OF SAN FRANCISCO | 845,602 | 613,200 | 1,458,802 |

Notes:

¹ California Department of Finance, Demographic Research Unit. Table E-5 State/County Population Estimates, 1/1/2015.

² California Department of Transportation, San Francisco County Economic Forecast.

³ Population + Employment

Table 10

REVENUE SOURCE ASSUMPTIONS
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | | |
|--|-----------|---|
| Global Escalation Assumptions | 2% | Assessed Value Annual Growth ¹ |
| | 3% | Other Revenues Annual Growth ¹ |
| 2015 City/County Service Population | 845,602 | Resident Population ² |
| Estimate for Averages | 613,200 | Employment Base ² |
| | 1,458,802 | Day and Evening Population ² |

p. 1/5

I. General Fund Revenue Sources

| | | |
|------------------------------------|-------------------|--|
| Property Taxes | 8% | remaining General Fund share ³ |
| Property Tax in Lieu of VLF | \$109,881,177 | Property Tax Based Revenues for 2004-05 ⁴ |
| | \$103,076,295,556 | 2004-05 gross AV ⁵ |
| | \$1.07 | per \$1,000 in AV growth ⁵ |
| | 100% | remaining General Fund share ⁶ |
| Property Transfer Tax | | <u>Initial Site Acquisition</u> |
| | \$20.00 | per \$1,000 of AV at transfer (\$5M-\$10M) ⁷ |
| | | <u>Residential Pad Sales</u> |
| | \$20.00 | per \$1,000 of AV at transfer (\$5M-\$10M) ⁷ |
| | | <u>Hotel Pad Sales</u> |
| | \$7.50 | per \$1,000 of AV at transfer (\$1M-\$5M) ⁷ |
| | | <u>Residential Units: Market Rate</u> |
| | \$7.50 | per \$1,000 of AV at transfer (\$1M-\$5M) ⁷ |
| | 10.0% | Annual Turnover ¹ |
| | 3% | Growth in Resale Valuation ¹ |
| | | <u>Residential Units: BMR</u> |
| | \$6.80 | per \$1,000 of AV at transfer (\$250,000-\$1M) ⁷ |
| | 10.0% | Annual Turnover ¹ |
| | 1% | Growth in Resale Valuation ¹ |
| | | <u>Commercial Buildings</u> |
| | | Assumed to be subject to extensive hold periods ¹ |
| Sales Tax | | <u>Tax Rate⁸</u> |
| | 1% | General Fund Sales Tax Rate |
| | 0.5% | Public Safety Sales Tax |
| | | <u>On-Site Retail Sales</u> |
| | 96.0% | Efficiency ¹ |
| | 5.0% | Vacancy ¹ |
| | \$600 | Gross Sales Per Occupied Square Foot ⁹ |
| | 80% | Taxable Share ⁹ |
| | 25% | Capture of resident expenditures ¹⁰ |

Table 10

REVENUE SOURCE ASSUMPTIONS
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

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| | | |
|-------------------------------------|--------------|---|
| Sales Tax Continued | \$0 | <u>On-Site Office/Other Commercial Sales (Not Considered)</u> |
| | | <u>Projected Hotel Taxable Sales</u> |
| | 33% | Non-Room Rate Share of Total Hotel Revenue ¹⁰ |
| | 50% | Taxable Share of Non-Room Rate Revenue ¹⁰ |
| | \$20,531 | Taxable Sales / Room (TI Full Service) |
| | \$44,484 | Taxable Sales / Room (YBI Hotel) |
| | | <u>Off-Site Retail Sales¹¹</u> |
| | | Generated by Residential Units/DU |
| | \$41,629 | /DU YBI Townhomes |
| | \$34,199 | /DU TI Townhomes |
| | \$24,776 | /DU Flats |
| | \$28,413 | /DU Neighborhood Tower |
| | \$33,437 | /DU High Rise |
| | \$27,960 | /DU Branded condo |
| | \$21,101 | /DU Rental |
| | \$13,601 | /DU TIDA |
| | | <u>Construction-Related</u> |
| | 50% | Materials share of hard costs ¹⁰ |
| | 50% | Sales with CCSF as point of sale ¹⁰ |
| Telephone Users Tax | \$49,190,000 | Revenues in 2015-16 (Appendix A-1) ¹² |
| | \$33.72 | Per Resident/Employee |
| Access Line Tax | \$45,594,000 | Revenues in 2015-16 (Appendix A-1) ¹² |
| | \$31.25 | Per Resident/Employee |
| Water Users Tax | \$3,740,000 | Revenues in 2015-16 (Appendix A-1) ¹² |
| | \$6.10 | Per Employee |
| Gas Electric Steam Users Tax | \$40,620,000 | Revenues in 2015-16 (Appendix A-1) ¹² |
| | \$66.24 | Per Employee |
| Payroll Tax | 1.16% | FY2016 Tax Rate ¹³ |
| | 0.75% | FY 2017 Tax Rate ¹³ |
| | 0.38% | FY 2018 Tax Rate ¹³ |
| | 0.00% | To be phased out by FY2019 ¹³ |
| | 40% | Payroll Share of Construction Hard Cost ¹ |
| | 25% | Exemption Allowance ¹ |

Table 10

REVENUE SOURCE ASSUMPTIONS
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | | | |
|--------|---------------------------|---------------|--|
| p. 3/5 | Gross Receipts Tax | | <u>Retail</u> |
| | | \$600 | Gross Sales Per Occupied Square Foot ⁹ |
| | | 3,000 | Sq. Ft. Per Business ¹ |
| | | \$1.00 | tax per \$1,000 in GR (\$1M - \$2.5M) ¹⁴ |
| | | | <u>Hotel</u> |
| | | \$3.25 | tax per \$1,000 in GR (\$2.5M-\$25M/ YBI) ¹⁴ |
| | | \$4.00 | tax per \$1,000 in GR (\$25M+/Full Service) ¹⁴ |
| | | | <i>TI Full Service Hotel</i> |
| | | \$82,125 | Annual Room Rate Revenue Per Room ¹⁵ |
| | | 67% | Room Rate Share of Revenue ¹⁰ |
| | | \$123,188 | Total Gross Receipts Per Room |
| | | | <i>YBI Hotel</i> |
| | | \$177,938 | Annual Room Rate Revenue Per Room ¹⁵ |
| | | 67% | Room Rate Share of Revenue ¹⁰ |
| | | \$266,906 | Total Gross Receipts Per Room |
| | | | <u>Office/Other</u> |
| | | \$173,795,000 | Gross Receipts from FY2015-16 Adopted Budget ¹² |
| | | 31% | Phase-In Adjustment Factor ¹⁶ |
| | | \$556,144,000 | Projected Gross Receipts Tax Revenues Upon Full Adoption |
| | | 613,200 | Employees-San Francisco |
| | | \$907 | Tax Per Employee |
| | | | <u>Construction</u> |
| | | 3% | Vertical cost escalation ¹⁷ |
| | | \$3.50 | tax per \$1,000 in GR (\$1M-\$2.5M) ¹⁴ |
| | | 25% | 2015/16 Phase In ¹⁴ |
| | | 50% | 2016/17 Phase In ¹⁴ |
| | | 75% | 2017/18 Phase In ¹⁴ |
| | | | <u>Rental and Leasing</u> |
| | | \$44,400 | Annual residential rent/unit ¹⁸ |
| | | \$50 | Annual retail rent PSF ¹⁹ |
| | | \$70 | Annual office rent PSF ¹⁹ |
| | | 5% | Vacancy factor ¹⁹ |
| | | \$2.85 | tax per \$1M in GR (\$1M-\$5M) ¹⁴ |

Table 10

REVENUE SOURCE ASSUMPTIONS
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

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Business Registration Fees

Retail
 3,000 SqFt / Retail Business¹
 \$200 Rate per retail business earning \$1M to \$2.5M²⁰

Hotel
 \$12,500 Rate for 200-room hotel (\$25M+)²⁰
 \$1,500 Rate for 50-room hotel (\$7.5M-\$15M)²⁰

Office
 5,000 SqFt / Office Business¹
 \$500 Rate per office business earning \$2.5M-\$7.5M²⁰

Hotel Tax

14% Tax Rate²¹
 100% General Fund Share¹²

TI Full Service Hotel
 \$300 Average Room Rate¹⁵
 75% Occupancy¹⁵
 \$11,498 Hotel Tax to GF/ Room

YBI Hotel
 \$650 Average Room Rate¹⁵
 75% Occupancy¹⁵
 \$24,911 Hotel Tax To GF/ Room

Parking Tax (20% GF Share)

\$0 Excluded²²

II. Other Restricted Revenues²³

Licenses, Permits, and Franchise Fees

\$26,642,891 Revenues in 2015-16 (Appendix A-1)¹²
 845,602 Residents-San Francisco
 \$31.51 Per Resident

Fines, Forfeitures and Penalties

\$4,577,144 Revenues in 2015-16 (Appendix A-1)¹²
 845,602 Residents-San Francisco
 \$5.41 Per Resident

III. Public Works Revenue Sources

Gas Tax (Public Works)

\$16,903,154 Gas Tax Revenues from FY2015-16 Adopted Budget¹²
 845,602 Residents
 \$19.99 Per Resident

Proposition K Sales Tax

0.50% Sales Tax²⁴
 Share Allocated to Streets and Traffic Safety -
 10% System Maintenance and Renovation²⁴
 0.0500%

Table 10

REVENUE SOURCE ASSUMPTIONS
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

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IV. Revenue Set-Asides

| | | |
|----------------------------|---------------|---|
| MTA | 9.193% | share of Aggregate Discretionary Revenues ²⁵ |
| Library | 2.286% | share of Aggregate Discretionary Revenues ²⁵ |
| Children's Services | <u>8.757%</u> | share of Aggregate Discretionary Revenues ²⁵ |
| | 20.236% | total set-asides |

Notes:

- ¹ KMA assumption.
- ² Table 9.
- ³ Analysis reflects 8% of base 1% tax levy. The balance is assumed to be dedicated to affordable housing and infrastructure.
- ⁴ Per SB 1096, growth of property tax in lieu of VLF is proportional to growth in AV since 2004/05.
- ⁵ Values of City and County of San Francisco. California State Controllers Office.
- ⁶ Base analysis assumes 0% of VLF revenues will be deposited into IFD.
- ⁷ San Francisco Business and Tax Regulations Code, Article 12-C: Real Property Transfer Tax
- ⁸ San Francisco Business and Tax Regulations Code, Article 12-D: Uniform Local Sales and Use Tax, and California Board of Equalization.
- ⁹ KMA assumption based on sales data published by California Board of Equalization and Green Street Advisors.
- ¹⁰ Per the report, "Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project," by Economic Planning Systems in May 2011.
- ¹¹ Appendix Table A-3.
- ¹² City and County of San Francisco. Budget and Appropriation Ordinance. Fiscal Year Ending June 30, 2016.
- ¹³ San Francisco Business and Tax Regulations Code, Article 12-A: Payroll Expense Tax Ordinance.
- ¹⁴ San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance.
- ¹⁵ Baseline hotel assumptions provided by TICD. YBI hotel assumptions revised by KMA to reflect recent performance of competitive set of hotels (based on 2016 data published by STR).
- ¹⁶ GR tax is phased in through FY.2018. For FY16 revenues, KMA assumes a 25% adjustment factor for first three quarters and 50% for final quarter, consistent with factors detailed in San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance.
- ¹⁷ TICD (March 2016, TI 27.2 Percent Affordable Pro Forma).
- ¹⁸ KMA assumption. See Appendix Table A-3.
- ¹⁹ KMA assumption.
- ²⁰ San Francisco Business and Tax Regulations Code Article 12: Business Registration Fee.
- ²¹ San Francisco Business and Tax Regulations Code Article 7: Tax on Transient Occupancy of Hotel Rooms.
- ²² Per the report, "Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project," by Economic Planning Systems in May 2011, parking will be under the jurisdiction of the Treasure Island Transportation Management Agency.
- ²³ Per the CCSF Controller's Office, revenues are generally restricted to specific expenditures not otherwise reflected in the analysis.
- ²⁴ San Francisco County Transportation Authority. Prop K Expenditure Plan (last updated January 2016).
- ²⁵ City of San Francisco. Office of the Controller. FY2015-16 Revenue Letter.

Table 11-A

ANNUAL GENERAL FUND REVENUES (NET) ¹
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | MEASURE ² | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|----------------------|---------|---------|---------|---------|---------|-----------|-----------|-----------|-----------|------------|------------|
| RECURRING GENERAL FUND REVENUE (NET) ¹ | | | | | | | | | | | | |
| Discretionary | 20% <i>setaside</i> | | | | | | | | | | | |
| Portion of G.F. Property Tax ^{3,4} | | \$0 | 0 | 0 | 0 | 50,000 | 156,000 | 313,000 | 603,000 | 1,044,000 | 1,460,000 | 1,891,000 |
| Property Tax in Lieu of VLF ⁴ | | \$0 | 0 | 0 | 0 | 67,000 | 209,000 | 418,000 | 806,000 | 1,397,000 | 1,952,000 | 2,529,000 |
| Property Transfer Tax | | \$0 | 0 | 0 | 0 | 42,000 | 234,000 | 530,000 | 889,000 | 1,220,000 | 1,677,000 | 2,245,000 |
| Sales and Use Tax | | | | | | | | | | | | |
| On-Site | | \$0 | 0 | 0 | 0 | 0 | 0 | 39,000 | 41,000 | 64,000 | 338,000 | 292,000 |
| Off-Site | | \$0 | 0 | 0 | 14,000 | 77,000 | 185,000 | 345,000 | 501,000 | 665,000 | 897,000 | 1,149,000 |
| Telephone Users Tax | | \$0 | 0 | 0 | 4,000 | 22,000 | 54,000 | 111,000 | 161,000 | 211,000 | 291,000 | 368,000 |
| Access Line Tax | | \$0 | 0 | 0 | 3,000 | 20,000 | 50,000 | 102,000 | 149,000 | 195,000 | 270,000 | 341,000 |
| Water Users Tax | | \$0 | 0 | 0 | 0 | 0 | 1,000 | 2,000 | 2,000 | 3,000 | 6,000 | 6,000 |
| Gas Electric Steam Users Tax | | \$0 | 0 | 0 | 1,000 | 4,000 | 7,000 | 22,000 | 27,000 | 34,000 | 64,000 | 69,000 |
| Gross Receipts Tax | | \$0 | 0 | 0 | 0 | 0 | 5,000 | 112,000 | 132,000 | 182,000 | 261,000 | 278,000 |
| Business License Tax | | \$0 | 0 | 0 | 0 | 0 | 0 | 12,000 | 12,000 | 14,000 | 22,000 | 22,000 |
| Hotel Room Tax | | | | | | | | | | | | |
| TI Full Service Hotel | | \$0 | 0 | 0 | 0 | 0 | 0 | 2,190,000 | 2,256,000 | 2,324,000 | 2,393,000 | 2,465,000 |
| YBI Hotel | | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,259,000 | 1,296,000 | 1,335,000 |
| Subtotal-Discretionary | | \$0 | 0 | 0 | 22,000 | 282,000 | 901,000 | 4,196,000 | 5,579,000 | 8,612,000 | 10,927,000 | 12,990,000 |
| Non-Discretionary | | | | | | | | | | | | |
| Public Safety Sales Tax | | \$0 | 0 | 0 | 9,000 | 48,000 | 116,000 | 241,000 | 339,000 | 457,000 | 774,000 | 903,000 |
| NET GENERAL FUND REVENUE | | \$0 | 0 | 0 | 31,000 | 330,000 | 1,017,000 | 4,437,000 | 5,918,000 | 9,069,000 | 11,701,000 | 13,893,000 |
| BASELINE TRANSFERS TO OTHER FUNDS | | | | | | | | | | | | |
| Baseline Transfers | | | | | | | | | | | | |
| MTA ⁵ | 9.19% of ADR | \$0 | 0 | 0 | 2,000 | 32,000 | 104,000 | 484,000 | 643,000 | 993,000 | 1,259,000 | 1,497,000 |
| Library | 2.29% of ADR | \$0 | 0 | 0 | 1,000 | 8,000 | 26,000 | 120,000 | 160,000 | 247,000 | 313,000 | 372,000 |
| Children's Services | 8.76% of ADR | \$0 | 0 | 0 | 2,000 | 31,000 | 99,000 | 461,000 | 613,000 | 945,000 | 1,200,000 | 1,426,000 |
| Total Baseline Transfers | | \$0 | 0 | 0 | 5,000 | 71,000 | 229,000 | 1,065,000 | 1,416,000 | 2,185,000 | 2,772,000 | 3,295,000 |
| OTHER RESTRICTED REVENUE | | | | | | | | | | | | |
| Licenses, Permits, Fees | | \$0 | 0 | 0 | 4,000 | 23,000 | 59,000 | 116,000 | 173,000 | 226,000 | 303,000 | 389,000 |
| Fines, Forfeitures, Penalties | | \$0 | 0 | 0 | 1,000 | 4,000 | 10,000 | 20,000 | 30,000 | 39,000 | 52,000 | 67,000 |

¹ Net of baseline transfers. See Table 11-B for gross figures.

² Table 10.

³ Reflects 8% of base 1% tax levy. The balance of property tax revenues are dedicated to funding infrastructure and affordable hsg.

⁴ Property tax and VLF projection based on IFD cash flow.

⁵ Baseline transfer only. Prop. B transfer calculated on Table 21-A.

Table 11-A

ANNUAL GENERAL FUND REVENUES (NET)¹
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ² | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| RECURRING GENERAL FUND REVENUE (NET)¹ | | | | | | | | | | | | |
| Discretionary | 20% | setaside | | | | | | | | | | |
| Portion of G.F. Property Tax ^{3,4} | 2,590,000 | 3,145,000 | 3,804,000 | 4,417,000 | 4,991,000 | 5,554,000 | 6,134,000 | 6,596,000 | 6,729,000 | 6,863,000 | 7,000,000 | |
| Property Tax in Lieu of VLF ⁴ | 3,464,000 | 4,207,000 | 5,088,000 | 5,908,000 | 6,675,000 | 7,428,000 | 8,204,000 | 8,823,000 | 9,000,000 | 9,179,000 | 9,363,000 | |
| Property Transfer Tax | 2,857,000 | 3,479,000 | 4,109,000 | 4,750,000 | 5,425,000 | 6,089,000 | 6,422,000 | 6,614,000 | 6,811,000 | 7,014,000 | 7,224,000 | |
| Sales and Use Tax | | | | | | | | | | | | |
| On-Site | 250,000 | 906,000 | 877,000 | 1,923,000 | 1,937,000 | 1,981,000 | 2,041,000 | 2,103,000 | 2,166,000 | 2,230,000 | 2,297,000 | |
| Off-Site | 1,386,000 | 1,623,000 | 1,896,000 | 2,141,000 | 2,382,000 | 2,506,000 | 2,581,000 | 2,659,000 | 2,738,000 | 2,820,000 | 2,905,000 | |
| Telephone Users Tax | 436,000 | 533,000 | 615,000 | 710,000 | 778,000 | 814,000 | 839,000 | 864,000 | 890,000 | 916,000 | 944,000 | |
| Access Line Tax | 404,000 | 494,000 | 570,000 | 658,000 | 722,000 | 755,000 | 778,000 | 801,000 | 825,000 | 849,000 | 875,000 | |
| Water Users Tax | 7,000 | 13,000 | 13,000 | 18,000 | 19,000 | 20,000 | 21,000 | 21,000 | 22,000 | 22,000 | 23,000 | |
| Gas Electric Steam Users Tax | 76,000 | 135,000 | 143,000 | 199,000 | 209,000 | 215,000 | 223,000 | 229,000 | 236,000 | 242,000 | 250,000 | |
| Gross Receipts Tax | 290,000 | 674,000 | 712,000 | 867,000 | 893,000 | 920,000 | 948,000 | 976,000 | 1,006,000 | 1,036,000 | 1,066,000 | |
| Business License Tax | 23,000 | 44,000 | 45,000 | 61,000 | 63,000 | 65,000 | 67,000 | 69,000 | 71,000 | 73,000 | 75,000 | |
| Hotel Room Tax | | | | | | | | | | | | |
| TI Full Service Hotel | 2,539,000 | 2,615,000 | 2,694,000 | 2,774,000 | 2,858,000 | 2,943,000 | 3,032,000 | 3,123,000 | 3,216,000 | 3,313,000 | 3,412,000 | |
| YBI Hotel | 1,375,000 | 1,417,000 | 1,459,000 | 1,503,000 | 1,548,000 | 1,594,000 | 1,642,000 | 1,691,000 | 1,742,000 | 1,795,000 | 1,848,000 | |
| Subtotal-Discretionary | 15,697,000 | 19,285,000 | 22,025,000 | 25,929,000 | 28,500,000 | 30,884,000 | 32,932,000 | 34,569,000 | 35,452,000 | 36,352,000 | 37,282,000 | |
| Non-Discretionary | | | | | | | | | | | | |
| Public Safety Sales Tax | 1,026,000 | 1,585,000 | 1,738,000 | 2,548,000 | 2,707,000 | 2,813,000 | 2,897,000 | 2,984,000 | 3,073,000 | 3,166,000 | 3,261,000 | |
| NET GENERAL FUND REVENUE | 16,723,000 | 20,870,000 | 23,763,000 | 28,477,000 | 31,207,000 | 33,697,000 | 35,829,000 | 37,553,000 | 38,525,000 | 39,518,000 | 40,543,000 | |
| BASELINE TRANSFERS TO OTHER FUNDS | | | | | | | | | | | | |
| Baseline Transfers | | | | | | | | | | | | |
| MTA ⁵ | 9.19% of ADR | 1,809,000 | 2,223,000 | 2,538,000 | 2,988,000 | 3,285,000 | 3,560,000 | 3,795,000 | 3,984,000 | 4,086,000 | 4,190,000 | 4,297,000 |
| Library | 2.29% of ADR | 450,000 | 553,000 | 631,000 | 743,000 | 817,000 | 885,000 | 944,000 | 991,000 | 1,016,000 | 1,042,000 | 1,069,000 |
| Children's Services | 8.76% of ADR | 1,723,000 | 2,117,000 | 2,418,000 | 2,847,000 | 3,129,000 | 3,391,000 | 3,615,000 | 3,795,000 | 3,892,000 | 3,991,000 | 4,093,000 |
| Total Baseline Transfers | | 3,982,000 | 4,893,000 | 5,587,000 | 6,578,000 | 7,231,000 | 7,836,000 | 8,354,000 | 8,770,000 | 8,994,000 | 9,223,000 | 9,459,000 |
| OTHER RESTRICTED REVENUE | | | | | | | | | | | | |
| Licenses, Permits, Fees | | 466,000 | 544,000 | 635,000 | 713,000 | 787,000 | 825,000 | 850,000 | 876,000 | 902,000 | 929,000 | 957,000 |
| Fines, Forfeitures, Penalties | | 80,000 | 93,000 | 109,000 | 122,000 | 135,000 | 142,000 | 146,000 | 150,000 | 155,000 | 160,000 | 164,000 |

¹ Net of baseline transfers. See Table 11-B for gross figures.² Table 10.³ Reflects 8% of base 1% tax levy. The balance of property tax revenues are dedicated to funding infrastructure and affordable hsg.⁴ Property tax and VLF projection based on IFD cash flow.⁵ Baseline transfer only. Prop. B transfer calculated on Table 21-A.

Table 11-A

ANNUAL GENERAL FUND REVENUES (NET) ¹
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ² | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| RECURRING GENERAL FUND REVENUE (NET) ¹ | | | | | | | | | | | |
| Discretionary | 20% | setaside | | | | | | | | | |
| Portion of G.F. Property Tax ^{3,4} | 7,140,000 | 7,283,000 | 7,429,000 | 7,578,000 | 7,729,000 | 7,884,000 | 8,041,000 | 8,202,000 | 8,366,000 | 8,533,000 | 8,704,000 |
| Property Tax in Lieu of VLF ⁴ | 9,550,000 | 9,742,000 | 9,936,000 | 10,135,000 | 10,337,000 | 10,544,000 | 10,755,000 | 10,971,000 | 11,190,000 | 11,413,000 | 11,642,000 |
| Property Transfer Tax | 7,440,000 | 7,662,000 | 7,891,000 | 8,126,000 | 8,370,000 | 8,619,000 | 8,877,000 | 9,143,000 | 9,415,000 | 9,697,000 | 9,987,000 |
| Sales and Use Tax | | | | | | | | | | | |
| On-Site | 2,366,000 | 2,437,000 | 2,510,000 | 2,586,000 | 2,663,000 | 2,743,000 | 2,825,000 | 2,910,000 | 2,998,000 | 3,088,000 | 3,180,000 |
| Off-Site | 2,992,000 | 3,082,000 | 3,175,000 | 3,270,000 | 3,368,000 | 3,469,000 | 3,573,000 | 3,680,000 | 3,790,000 | 3,904,000 | 4,021,000 |
| Telephone Users Tax | 972,000 | 1,002,000 | 1,031,000 | 1,062,000 | 1,094,000 | 1,127,000 | 1,161,000 | 1,196,000 | 1,232,000 | 1,269,000 | 1,307,000 |
| Access Line Tax | 901,000 | 928,000 | 956,000 | 985,000 | 1,015,000 | 1,045,000 | 1,076,000 | 1,109,000 | 1,142,000 | 1,177,000 | 1,212,000 |
| Water Users Tax | 24,000 | 25,000 | 26,000 | 26,000 | 26,000 | 27,000 | 28,000 | 30,000 | 30,000 | 31,000 | 32,000 |
| Gas Electric Steam Users Tax | 258,000 | 266,000 | 274,000 | 282,000 | 290,000 | 298,000 | 308,000 | 317,000 | 326,000 | 336,000 | 346,000 |
| Gross Receipts Tax | 1,099,000 | 1,132,000 | 1,166,000 | 1,200,000 | 1,236,000 | 1,274,000 | 1,312,000 | 1,351,000 | 1,392,000 | 1,433,000 | 1,476,000 |
| Business License Tax | 77,000 | 80,000 | 82,000 | 85,000 | 87,000 | 89,000 | 93,000 | 95,000 | 98,000 | 101,000 | 104,000 |
| Hotel Room Tax | | | | | | | | | | | |
| TI Full Service Hotel | 3,514,000 | 3,620,000 | 3,728,000 | 3,841,000 | 3,955,000 | 4,074,000 | 4,196,000 | 4,322,000 | 4,452,000 | 4,586,000 | 4,723,000 |
| YBI Hotel | 1,904,000 | 1,961,000 | 2,020,000 | 2,080,000 | 2,142,000 | 2,207,000 | 2,273,000 | 2,341,000 | 2,411,000 | 2,484,000 | 2,558,000 |
| Subtotal-Discretionary | 38,237,000 | 39,220,000 | 40,224,000 | 41,256,000 | 42,312,000 | 43,400,000 | 44,518,000 | 45,667,000 | 46,842,000 | 48,052,000 | 49,292,000 |
| Non-Discretionary | | | | | | | | | | | |
| Public Safety Sales Tax | 3,359,000 | 3,460,000 | 3,564,000 | 3,671,000 | 3,780,000 | 3,893,000 | 4,011,000 | 4,131,000 | 4,255,000 | 4,382,000 | 4,514,000 |
| NET GENERAL FUND REVENUE | 41,596,000 | 42,680,000 | 43,788,000 | 44,927,000 | 46,092,000 | 47,293,000 | 48,529,000 | 49,798,000 | 51,097,000 | 52,434,000 | 53,806,000 |
| BASELINE TRANSFERS TO OTHER FUNDS | | | | | | | | | | | |
| Baseline Transfers | | | | | | | | | | | |
| MTA ⁵ | 9.19% of ADR | 4,407,000 | 4,520,000 | 4,636,000 | 4,755,000 | 4,877,000 | 5,002,000 | 5,131,000 | 5,263,000 | 5,399,000 | 5,538,000 |
| Library | 2.29% of ADR | 1,096,000 | 1,124,000 | 1,153,000 | 1,182,000 | 1,213,000 | 1,244,000 | 1,276,000 | 1,309,000 | 1,342,000 | 1,377,000 |
| Children's Services | 8.76% of ADR | 4,198,000 | 4,306,000 | 4,416,000 | 4,529,000 | 4,645,000 | 4,765,000 | 4,888,000 | 5,013,000 | 5,143,000 | 5,275,000 |
| Total Baseline Transfers | | 9,701,000 | 9,950,000 | 10,205,000 | 10,466,000 | 10,735,000 | 11,011,000 | 11,295,000 | 11,585,000 | 11,884,000 | 12,190,000 |
| OTHER RESTRICTED REVENUE | | | | | | | | | | | |
| Licenses, Permits, Fees | | 986,000 | 1,015,000 | 1,046,000 | 1,077,000 | 1,109,000 | 1,143,000 | 1,177,000 | 1,212,000 | 1,249,000 | 1,286,000 |
| Fines, Forfeitures, Penalties | | 169,000 | 174,000 | 180,000 | 185,000 | 191,000 | 196,000 | 202,000 | 208,000 | 215,000 | 228,000 |

¹ Net of baseline transfers. See Table 11-B for gross figures.

² Table 10.

³ Reflects 8% of base 1% tax levy. The balance of property tax revenues are dedicated to funding infrastructure and affordable hsg.

⁴ Property tax and VLF projection based on IFD cash flow.

⁵ Baseline transfer only. Prop. B transfer calculated on Table 21-A.

Table 11-A

ANNUAL GENERAL FUND REVENUES (NET) ¹
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | MEASURE ² | 2048-49 | 2049-50 | 2050-51 | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 |
|--|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| RECURRING GENERAL FUND REVENUE (NET) ¹ | | | | | | | | | | | | |
| Discretionary | 20% <i>setaside</i> | | | | | | | | | | | |
| Portion of G.F. Property Tax ^{3,4} | | 8,879,000 | 9,056,000 | 9,237,000 | 9,422,000 | 9,610,000 | 9,802,000 | 9,998,000 | 10,199,000 | 10,402,000 | 10,610,000 | 10,822,000 |
| Property Tax in Lieu of VLF ⁴ | | 11,874,000 | 12,112,000 | 12,355,000 | 12,602,000 | 12,853,000 | 13,111,000 | 13,373,000 | 13,640,000 | 13,913,000 | 14,192,000 | 14,476,000 |
| Property Transfer Tax | | 10,285,000 | 10,593,000 | 10,909,000 | 11,235,000 | 11,571,000 | 11,918,000 | 12,274,000 | 12,640,000 | 13,019,000 | 13,408,000 | 13,810,000 |
| Sales and Use Tax | | | | | | | | | | | | |
| On-Site | | 3,275,000 | 3,373,000 | 3,475,000 | 3,579,000 | 3,687,000 | 3,797,000 | 3,911,000 | 4,028,000 | 4,149,000 | 4,274,000 | 4,401,000 |
| Off-Site | | 4,142,000 | 4,266,000 | 4,394,000 | 4,526,000 | 4,661,000 | 4,802,000 | 4,945,000 | 5,094,000 | 5,247,000 | 5,404,000 | 5,566,000 |
| Telephone Users Tax | | 1,346,000 | 1,386,000 | 1,428,000 | 1,471,000 | 1,515,000 | 1,560,000 | 1,607,000 | 1,656,000 | 1,705,000 | 1,756,000 | 1,809,000 |
| Access Line Tax | | 1,248,000 | 1,285,000 | 1,324,000 | 1,363,000 | 1,405,000 | 1,446,000 | 1,490,000 | 1,535,000 | 1,581,000 | 1,628,000 | 1,677,000 |
| Water Users Tax | | 33,000 | 34,000 | 35,000 | 36,000 | 37,000 | 38,000 | 39,000 | 41,000 | 41,000 | 43,000 | 44,000 |
| Gas Electric Steam Users Tax | | 357,000 | 367,000 | 378,000 | 389,000 | 401,000 | 413,000 | 426,000 | 439,000 | 451,000 | 465,000 | 479,000 |
| Gross Receipts Tax | | 1,521,000 | 1,567,000 | 1,613,000 | 1,661,000 | 1,712,000 | 1,763,000 | 1,816,000 | 1,870,000 | 1,926,000 | 1,985,000 | 2,044,000 |
| Business License Tax | | 107,000 | 110,000 | 113,000 | 116,000 | 120,000 | 124,000 | 128,000 | 132,000 | 136,000 | 140,000 | 144,000 |
| Hotel Room Tax | | | | | | | | | | | | |
| TI Full Service Hotel | | 4,865,000 | 5,011,000 | 5,161,000 | 5,316,000 | 5,476,000 | 5,639,000 | 5,809,000 | 5,983,000 | 6,163,000 | 6,348,000 | 6,538,000 |
| YBI Hotel | | <u>2,635,000</u> | <u>2,714,000</u> | <u>2,796,000</u> | <u>2,879,000</u> | <u>2,966,000</u> | <u>3,055,000</u> | <u>3,147,000</u> | <u>3,241,000</u> | <u>3,338,000</u> | <u>3,439,000</u> | <u>3,542,000</u> |
| Subtotal-Discretionary | | 50,567,000 | 51,874,000 | 53,218,000 | 54,595,000 | 56,014,000 | 57,468,000 | 58,963,000 | 60,498,000 | 62,071,000 | 63,692,000 | 65,352,000 |
| Non-Discretionary | | | | | | | | | | | | |
| Public Safety Sales Tax | | 4,649,000 | 4,789,000 | 4,932,000 | 5,081,000 | 5,233,000 | 5,390,000 | 5,552,000 | 5,718,000 | 5,890,000 | 6,067,000 | 6,248,000 |
| NET GENERAL FUND REVENUE | | 55,216,000 | 56,663,000 | 58,150,000 | 59,676,000 | 61,247,000 | 62,858,000 | 64,515,000 | 66,216,000 | 67,961,000 | 69,759,000 | 71,600,000 |
| BASELINE TRANSFERS TO OTHER FUNDS | | | | | | | | | | | | |
| Baseline Transfers | | | | | | | | | | | | |
| MTA ⁵ | 9.19% of ADR | 5,828,000 | 5,978,000 | 6,133,000 | 6,292,000 | 6,456,000 | 6,623,000 | 6,796,000 | 6,972,000 | 7,154,000 | 7,341,000 | 7,532,000 |
| Library | 2.29% of ADR | 1,449,000 | 1,487,000 | 1,525,000 | 1,565,000 | 1,605,000 | 1,647,000 | 1,690,000 | 1,734,000 | 1,779,000 | 1,825,000 | 1,873,000 |
| Children's Services | 8.76% of ADR | 5,552,000 | 5,695,000 | 5,842,000 | 5,994,000 | 6,150,000 | 6,309,000 | 6,473,000 | 6,642,000 | 6,815,000 | 6,992,000 | 7,175,000 |
| Total Baseline Transfers | | 12,829,000 | 13,160,000 | 13,500,000 | 13,851,000 | 14,211,000 | 14,579,000 | 14,959,000 | 15,348,000 | 15,748,000 | 16,158,000 | 16,580,000 |
| OTHER RESTRICTED REVENUE | | | | | | | | | | | | |
| Licenses, Permits, Fees | | 1,364,000 | 1,405,000 | 1,447,000 | 1,491,000 | 1,536,000 | 1,582,000 | 1,629,000 | 1,678,000 | 1,728,000 | 1,780,000 | 1,834,000 |
| Fines, Forfeitures, Penalties | | 234,000 | 241,000 | 249,000 | 256,000 | 264,000 | 272,000 | 280,000 | 288,000 | 297,000 | 306,000 | 315,000 |

¹ Net of baseline transfers. See Table 11-B for gross figures.

² Table 10.

³ Reflects 8% of base 1% tax levy. The balance of property tax revenues are dedicated to funding infrastructure and affordable hsg.

⁴ Property tax and VLF projection based on IFD cash flow.

⁵ Baseline transfer only. Prop. B transfer calculated on Table 21-A.

Table 11-A

ANNUAL GENERAL FUND REVENUES (NET)¹
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | MEASURE ² | 2059-60 | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|---|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| RECURRING GENERAL FUND REVENUE (NET)¹ | | | | | | | | | | |
| Discretionary | 20% | <i>seaside</i> | | | | | | | | |
| Portion of G.F. Property Tax ^{3,4} | | 10,125,000 | 8,071,000 | 7,369,000 | 6,736,000 | 4,586,000 | 3,912,000 | 2,004,000 | 2,044,000 | 2,084,000 |
| Property Tax in Lieu of VLF ⁴ | | 14,764,000 | 15,060,000 | 15,361,000 | 15,668,000 | 15,982,000 | 16,301,000 | 16,628,000 | 16,960,000 | 17,299,000 |
| Property Transfer Tax | | 14,222,000 | 14,648,000 | 15,087,000 | 15,538,000 | 16,002,000 | 16,481,000 | 16,975,000 | 17,483,000 | 18,006,000 |
| Sales and Use Tax | | | | | | | | | | |
| On-Site | | 4,534,000 | 4,670,000 | 4,810,000 | 4,954,000 | 5,103,000 | 5,256,000 | 5,414,000 | 5,576,000 | 5,743,000 |
| Off-Site | | 5,733,000 | 5,905,000 | 6,083,000 | 6,265,000 | 6,453,000 | 6,647,000 | 6,846,000 | 7,051,000 | 7,263,000 |
| Telephone Users Tax | | 1,863,000 | 1,919,000 | 1,977,000 | 2,036,000 | 2,097,000 | 2,160,000 | 2,225,000 | 2,292,000 | 2,360,000 |
| Access Line Tax | | 1,727,000 | 1,779,000 | 1,832,000 | 1,887,000 | 1,944,000 | 2,002,000 | 2,063,000 | 2,124,000 | 2,188,000 |
| Water Users Tax | | 45,000 | 47,000 | 48,000 | 49,000 | 51,000 | 53,000 | 54,000 | 56,000 | 57,000 |
| Gas Electric Steam Users Tax | | 494,000 | 508,000 | 523,000 | 539,000 | 555,000 | 572,000 | 589,000 | 607,000 | 625,000 |
| Gross Receipts Tax | | 2,105,000 | 2,168,000 | 2,233,000 | 2,300,000 | 2,370,000 | 2,440,000 | 2,513,000 | 2,589,000 | 2,667,000 |
| Business License Tax | | 148,000 | 152,000 | 157,000 | 162,000 | 167,000 | 171,000 | 177,000 | 182,000 | 187,000 |
| Hotel Room Tax | | | | | | | | | | |
| TI Full Service Hotel | | 6,734,000 | 6,936,000 | 7,144,000 | 7,358,000 | 7,579,000 | 7,807,000 | 8,041,000 | 8,282,000 | 8,531,000 |
| YBI Hotel | | 3,648,000 | 3,757,000 | 3,870,000 | 3,986,000 | 4,105,000 | 4,228,000 | 4,355,000 | 4,486,000 | 4,621,000 |
| Subtotal-Discretionary | | 66,142,000 | 65,820,000 | 66,494,000 | 67,478,000 | 66,994,000 | 68,030,000 | 67,854,000 | 69,732,000 | 71,631,000 |
| Non-Discretionary | | | | | | | | | | |
| Public Safety Sales Tax | | 6,436,000 | 6,629,000 | 6,828,000 | 7,033,000 | 7,244,000 | 7,461,000 | 7,684,000 | 7,915,000 | 8,153,000 |
| NET GENERAL FUND REVENUE | | 72,578,000 | 72,249,000 | 73,322,000 | 74,511,000 | 74,238,000 | 75,491,000 | 75,568,000 | 77,647,000 | 79,784,000 |
| BASELINE TRANSFERS TO OTHER FUNDS | | | | | | | | | | |
| Baseline Transfers | | | | | | | | | | |
| MTA ⁵ | 9.19% of ADR | 7,623,000 | 7,563,000 | 7,664,000 | 7,777,000 | 7,721,000 | 7,841,000 | 7,824,000 | 8,037,000 | 8,256,000 |
| Library | 2.29% of ADR | 1,896,000 | 1,881,000 | 1,906,000 | 1,934,000 | 1,920,000 | 1,950,000 | 1,946,000 | 1,998,000 | 2,053,000 |
| Children's Services | 8.76% of ADR | 7,262,000 | 7,204,000 | 7,300,000 | 7,408,000 | 7,355,000 | 7,469,000 | 7,453,000 | 7,656,000 | 7,864,000 |
| Total Baseline Transfers | | 16,781,000 | 16,648,000 | 16,870,000 | 17,119,000 | 16,996,000 | 17,260,000 | 17,223,000 | 17,691,000 | 18,173,000 |
| OTHER RESTRICTED REVENUE | | | | | | | | | | |
| Licenses, Permits, Fees | | 1,889,000 | 1,945,000 | 2,004,000 | 2,064,000 | 2,126,000 | 2,189,000 | 2,255,000 | 2,323,000 | 2,392,000 |
| Fines, Forfeitures, Penalties | | 324,000 | 334,000 | 344,000 | 355,000 | 365,000 | 376,000 | 387,000 | 399,000 | 411,000 |

¹ Net of baseline transfers. See Table 11-B for gross figures.

² Table 10.

³ Reflects 8% of base 1% tax levy. The balance of property tax revenues are dedicated to funding infrastructure and affordable hsg.

⁴ Property tax and VLF projection based on IFD cash flow.

⁵ Baseline transfer only. Prop. B transfer calculated on Table 21-A.

Table 11-B

ANNUAL GENERAL FUND REVENUES (GROSS)¹
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ² | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | |
|---|---------------------|------------|----------|----------|---------------|----------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|
| revenue appreciation ² | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 | |
| residents ³ | 0 | 0 | 0 | 109 | 658 | 1,613 | 3,087 | 4,457 | 5,671 | 7,366 | 9,181 | |
| employees ³ | 0 | 0 | 0 | 19 | 66 | 123 | 356 | 415 | 514 | 921 | 981 | |
| day & night pop ³ | 0 | 0 | 0 | 128 | 724 | 1,736 | 3,443 | 4,872 | 6,185 | 8,287 | 10,162 | |
| Hotel Rooms: TI Full Svc. ⁴ | 0 | 0 | 0 | 0 | 0 | 0 | 200 | 200 | 200 | 200 | 200 | |
| YBI Hotel ⁴ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50 | 50 | 50 | |
| RECURRING GENERAL FUND REVENUE (GROSS)¹ | | | | | | | | | | | | |
| Discretionary | | | | | | | | | | | | |
| Portion of G.F. Property Tax ^{5,6} | \$0 | 0 | 0 | 0 | 63,000 | 196,000 | 392,000 | 756,000 | 1,309,000 | 1,830,000 | 2,371,000 | |
| Property Tax in Lieu of VLF ⁵ | \$0 | 0 | 0 | 0 | 84,000 | 262,000 | 524,000 | 1,011,000 | 1,751,000 | 2,447,000 | 3,171,000 | |
| Property Transfer Tax | Table 15 | \$0 | 0 | 0 | 53,000 | 293,000 | 664,000 | 1,114,000 | 1,530,000 | 2,103,000 | 2,815,000 | |
| Sales and Use Tax | | | | | | | | | | | | |
| On-Site | Table 13 | \$0 | 0 | 0 | 0 | 0 | 49,000 | 51,000 | 80,000 | 424,000 | 366,000 | |
| Off-Site | Table 12 | \$0 | 0 | 0 | 17,000 | 96,000 | 433,000 | 628,000 | 834,000 | 1,125,000 | 1,440,000 | |
| Telephone Users Tax | \$33.72 /res & empl | \$0 | 0 | 5,000 | 27,000 | 68,000 | 139,000 | 202,000 | 264,000 | 365,000 | 461,000 | |
| Access Line Tax | \$31.25 /res & empl | \$0 | 0 | 4,000 | 25,000 | 63,000 | 128,000 | 187,000 | 245,000 | 338,000 | 427,000 | |
| Water Users Tax | \$6.10 /empl | \$0 | 0 | 0 | 0 | 1,000 | 3,000 | 3,000 | 4,000 | 7,000 | 8,000 | |
| Gas Electric Steam Users Tax | \$66.24 /empl | \$0 | 0 | 1,000 | 5,000 | 9,000 | 28,000 | 34,000 | 43,000 | 80,000 | 87,000 | |
| Gross Receipts Tax | Table 14 | \$0 | 0 | 0 | 0 | 6,000 | 141,000 | 166,000 | 228,000 | 327,000 | 348,000 | |
| Business License Tax | Table 14 | \$0 | 0 | 0 | 0 | 0 | 15,000 | 15,000 | 18,000 | 27,000 | 28,000 | |
| Hotel Room Tax | | | | | | | | | | | | |
| TI Full Service Hotel | \$11,498 /rm | \$0 | 0 | 0 | 0 | 0 | 2,746,000 | 2,828,000 | 2,913,000 | 3,000,000 | 3,090,000 | |
| YBI Hotel | \$24,911 /rm | \$0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,578,000 | 1,625,000 | 1,674,000 | |
| Subtotal-Discretionary | | \$0 | 0 | 0 | 27,000 | 353,000 | 1,130,000 | 5,262,000 | 6,995,000 | 10,797,000 | 16,286,000 | |
| Restricted | | | | | | | | | | | | |
| Public Safety Sales Tax | Tables 12, 13 & 23 | \$0 | 0 | 0 | 9,000 | 48,000 | 116,000 | 241,000 | 339,000 | 457,000 | 903,000 | |
| TOTAL (PRIOR TO BASELINE TRANSFERS) | | \$0 | 0 | 0 | 36,000 | 401,000 | 1,246,000 | 5,503,000 | 7,334,000 | 11,254,000 | 14,472,000 | 17,189,000 |
| OTHER RESTRICTED REVENUE | | | | | | | | | | | | |
| Licenses, Permits, Fees | \$31.51 /res | \$0 | 0 | 0 | 4,000 | 23,000 | 59,000 | 116,000 | 173,000 | 226,000 | 389,000 | |
| Fines, Forfeitures, Penalties | \$5.41 /res | \$0 | 0 | 0 | 1,000 | 4,000 | 10,000 | 20,000 | 30,000 | 39,000 | 67,000 | |

Notes
¹ Prior to baseline transfers. See Table 11-A for net figures.
² Table 10.
³ Table 6.
⁴ Table 4.
⁵ Property tax and VLF projection based on IFD cash flow.
⁶ Reflects 8% of base 1% tax levy. The balance of G.F. property tax revenues are dedicated to funding infrastructure and affordable hsg.

Table 11-B

ANNUAL GENERAL FUND REVENUES (GROSS) ¹
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ² | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 |
|---|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| revenue appreciation ² | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 | 1.86 |
| residents ³ | 10,689 | 12,111 | 13,734 | 14,952 | 16,043 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| employees ³ | 1,032 | 1,766 | 1,842 | 2,497 | 2,534 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 |
| day & night pop ³ | 11,721 | 13,897 | 15,576 | 17,449 | 18,577 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 |
| Hotel Rooms: TI Full Svc. ⁴ | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| YBI Hotel ⁴ | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| RECURRING GENERAL FUND REVENUE (GROSS)¹ | | | | | | | | | | | |
| Discretionary | | | | | | | | | | | |
| Portion of G.F. Property Tax ^{5,6} | 3,247,000 | 3,943,000 | 4,769,000 | 5,538,000 | 6,257,000 | 6,963,000 | 7,690,000 | 8,270,000 | 8,436,000 | 8,604,000 | 8,776,000 |
| Property Tax in Lieu of VLF ⁵ | 4,343,000 | 5,274,000 | 6,379,000 | 7,407,000 | 8,368,000 | 9,313,000 | 10,285,000 | 11,061,000 | 11,283,000 | 11,508,000 | 11,739,000 |
| Property Transfer Tax | Table 15 | 3,582,000 | 4,362,000 | 5,152,000 | 5,955,000 | 6,801,000 | 7,634,000 | 8,051,000 | 8,292,000 | 8,539,000 | 8,794,000 |
| Sales and Use Tax | | | | | | | | | | | |
| On-Site | Table 13 | 314,000 | 1,136,000 | 1,100,000 | 2,411,000 | 2,428,000 | 2,484,000 | 2,559,000 | 2,636,000 | 2,715,000 | 2,796,000 |
| Off-Site | Table 12 | 1,737,000 | 2,035,000 | 2,377,000 | 2,684,000 | 2,986,000 | 3,142,000 | 3,236,000 | 3,333,000 | 3,433,000 | 3,536,000 |
| Telephone Users Tax | \$33.72 /res & empl | 547,000 | 668,000 | 771,000 | 890,000 | 976,000 | 1,021,000 | 1,052,000 | 1,083,000 | 1,116,000 | 1,149,000 |
| Access Line Tax | \$31.25 /res & empl | 507,000 | 619,000 | 715,000 | 825,000 | 905,000 | 946,000 | 975,000 | 1,004,000 | 1,034,000 | 1,065,000 |
| Water Users Tax | \$6.10 / empl | 9,000 | 16,000 | 16,000 | 23,000 | 24,000 | 25,000 | 26,000 | 27,000 | 28,000 | 29,000 |
| Gas Electric Steam Users Tax | \$66.24 / empl | 95,000 | 169,000 | 179,000 | 250,000 | 262,000 | 270,000 | 279,000 | 287,000 | 296,000 | 304,000 |
| Gross Receipts Tax | Table 14 | 363,000 | 845,000 | 893,000 | 1,087,000 | 1,119,000 | 1,154,000 | 1,188,000 | 1,224,000 | 1,261,000 | 1,299,000 |
| Business License Tax | Table 14 | 29,000 | 55,000 | 56,000 | 76,000 | 79,000 | 81,000 | 84,000 | 86,000 | 89,000 | 91,000 |
| Hotel Room Tax | | | | | | | | | | | |
| TI Full Service Hotel | \$11,498 / rm | 3,183,000 | 3,279,000 | 3,377,000 | 3,478,000 | 3,583,000 | 3,690,000 | 3,801,000 | 3,915,000 | 4,032,000 | 4,153,000 |
| YBI Hotel | \$24,911 / rm | <u>1,724,000</u> | <u>1,776,000</u> | <u>1,829,000</u> | <u>1,884,000</u> | <u>1,941,000</u> | <u>1,999,000</u> | <u>2,059,000</u> | <u>2,120,000</u> | <u>2,184,000</u> | <u>2,250,000</u> |
| Subtotal-Discretionary | | 19,680,000 | 24,177,000 | 27,613,000 | 32,508,000 | 35,729,000 | 38,722,000 | 41,285,000 | 43,337,000 | 44,445,000 | 46,743,000 |
| Restricted | | | | | | | | | | | |
| Public Safety Sales Tax | Tables 12, 13 & 23 | 1,026,000 | 1,585,000 | 1,738,000 | 2,548,000 | 2,707,000 | 2,813,000 | 2,897,000 | 2,984,000 | 3,073,000 | 3,166,000 |
| TOTAL (PRIOR TO BASELINE TRANSFERS) | | 20,706,000 | 25,762,000 | 29,351,000 | 35,056,000 | 38,436,000 | 41,535,000 | 44,182,000 | 46,321,000 | 47,518,000 | 50,004,000 |
| OTHER RESTRICTED REVENUE | | | | | | | | | | | |
| Licenses, Permits, Fees | \$31.51 /res | 466,000 | 544,000 | 635,000 | 713,000 | 787,000 | 825,000 | 850,000 | 876,000 | 902,000 | 929,000 |
| Fines, Forfeitures, Penalties | \$5.41 /res | 80,000 | 93,000 | 109,000 | 122,000 | 135,000 | 142,000 | 146,000 | 150,000 | 155,000 | 160,000 |

Notes

- ¹ Prior to baseline transfers. See Table 11-A for net figures.
- ² Table 10.
- ³ Table 6.
- ⁴ Table 4.
- ⁵ Property tax and VLF projection based on IFD cash flow.
- ⁶ Reflects 8% of base 1% tax levy. The balance of G.F. property tax revenues are dedicated to funding infrastructure and affordable hsg.

Table 11-B

ANNUAL GENERAL FUND REVENUES (GROSS) ¹
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ² | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 |
|---|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| revenue appreciation ² | 1.92 | 1.97 | 2.03 | 2.09 | 2.16 | 2.22 | 2.29 | 2.36 | 2.43 | 2.50 | 2.58 |
| residents ³ | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| employees ³ | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 |
| day & night pop ³ | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 |
| Hotel Rooms: TI Full Svc. ⁴ | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| YBI Hotel ⁴ | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| RECURRING GENERAL FUND REVENUE (GROSS)¹ | | | | | | | | | | | |
| Discretionary | | | | | | | | | | | |
| Portion of G.F. Property Tax ^{5,6} | 8,952,000 | 9,131,000 | 9,314,000 | 9,500,000 | 9,690,000 | 9,884,000 | 10,081,000 | 10,283,000 | 10,489,000 | 10,698,000 | 10,912,000 |
| Property Tax in Lieu of VLF ⁵ | 11,973,000 | 12,213,000 | 12,457,000 | 12,706,000 | 12,960,000 | 13,219,000 | 13,484,000 | 13,754,000 | 14,029,000 | 14,309,000 | 14,595,000 |
| Property Transfer Tax | Table 15 | 9,327,000 | 9,606,000 | 9,893,000 | 10,188,000 | 10,493,000 | 10,806,000 | 11,129,000 | 11,462,000 | 11,804,000 | 12,157,000 |
| Sales and Use Tax | | | | | | | | | | | |
| On-Site | Table 13 | 2,966,000 | 3,055,000 | 3,147,000 | 3,242,000 | 3,339,000 | 3,439,000 | 3,542,000 | 3,648,000 | 3,758,000 | 3,871,000 |
| Off-Site | Table 12 | 3,751,000 | 3,864,000 | 3,980,000 | 4,099,000 | 4,222,000 | 4,349,000 | 4,479,000 | 4,614,000 | 4,752,000 | 4,895,000 |
| Telephone Users Tax | \$33.72 /res & empl | 1,219,000 | 1,256,000 | 1,293,000 | 1,332,000 | 1,372,000 | 1,413,000 | 1,456,000 | 1,499,000 | 1,544,000 | 1,591,000 |
| Access Line Tax | \$31.25 /res & empl | 1,130,000 | 1,164,000 | 1,199,000 | 1,235,000 | 1,272,000 | 1,310,000 | 1,349,000 | 1,390,000 | 1,432,000 | 1,475,000 |
| Water Users Tax | \$6.10 /empl | 30,000 | 31,000 | 32,000 | 32,000 | 33,000 | 34,000 | 35,000 | 37,000 | 38,000 | 39,000 |
| Gas Electric Steam Users Tax | \$66.24 /empl | 323,000 | 333,000 | 343,000 | 353,000 | 363,000 | 374,000 | 386,000 | 397,000 | 409,000 | 421,000 |
| Gross Receipts Tax | Table 14 | 1,378,000 | 1,419,000 | 1,462,000 | 1,505,000 | 1,550,000 | 1,597,000 | 1,645,000 | 1,694,000 | 1,745,000 | 1,797,000 |
| Business License Tax | Table 14 | 97,000 | 100,000 | 103,000 | 106,000 | 109,000 | 112,000 | 116,000 | 119,000 | 123,000 | 126,000 |
| Hotel Room Tax | | | | | | | | | | | |
| TI Full Service Hotel | \$11,498 /rm | 4,406,000 | 4,538,000 | 4,674,000 | 4,815,000 | 4,959,000 | 5,108,000 | 5,261,000 | 5,419,000 | 5,581,000 | 5,749,000 |
| YBI Hotel | \$24,911 /rm | <u>2,387,000</u> | <u>2,458,000</u> | <u>2,532,000</u> | <u>2,608,000</u> | <u>2,686,000</u> | <u>2,767,000</u> | <u>2,850,000</u> | <u>2,935,000</u> | <u>3,023,000</u> | <u>3,114,000</u> |
| Subtotal-Discretionary | | 47,939,000 | 49,166,000 | 50,429,000 | 51,721,000 | 53,048,000 | 54,412,000 | 55,813,000 | 57,251,000 | 58,727,000 | 60,242,000 |
| Restricted | | | | | | | | | | | |
| Public Safety Sales Tax | Tables 12, 13 & 23 | 3,359,000 | 3,460,000 | 3,564,000 | 3,671,000 | 3,780,000 | 3,893,000 | 4,011,000 | 4,131,000 | 4,255,000 | 4,382,000 |
| TOTAL (PRIOR TO BASELINE TRANSFERS) | | 51,298,000 | 52,628,000 | 53,993,000 | 55,392,000 | 56,828,000 | 58,305,000 | 59,824,000 | 61,382,000 | 62,982,000 | 64,624,000 |
| OTHER RESTRICTED REVENUE | | | | | | | | | | | |
| Licenses, Permits, Fees | \$31.51 /res | 986,000 | 1,015,000 | 1,046,000 | 1,077,000 | 1,109,000 | 1,143,000 | 1,177,000 | 1,212,000 | 1,249,000 | 1,286,000 |
| Fines, Forfeitures, Penalties | \$5.41 /res | 169,000 | 174,000 | 180,000 | 185,000 | 191,000 | 196,000 | 202,000 | 208,000 | 215,000 | 228,000 |

Notes

- ¹ Prior to baseline transfers. See Table 11-A for net figures.
- ² Table 10.
- ³ Table 6.
- ⁴ Table 4.
- ⁵ Property tax and VLF projection based on IFD cash flow.
- ⁶ Reflects 8% of base 1% tax levy. The balance of G.F. property tax revenues are dedicated to funding infrastructure and affordable hsg.

Table 11-B

ANNUAL GENERAL FUND REVENUES (GROSS)¹
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ² | 2048-49 | 2049-50 | 2050-51 | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| revenue appreciation ² | 2.65 | 2.73 | 2.81 | 2.90 | 2.99 | 3.07 | 3.17 | 3.26 | 3.36 | 3.46 | 3.56 |
| residents ³ | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| employees ³ | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 |
| day & night pop ³ | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 |
| Hotel Rooms: TI Full Svc. ⁴ | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| YBI Hotel ⁴ | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |

RECURRING GENERAL FUND REVENUE (GROSS)¹

| | | | | | | | | | | | |
|--|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Discretionary | | | | | | | | | | | |
| Portion of G.F. Property Tax ^{5, 6} | 11,131,000 | 11,353,000 | 11,580,000 | 11,812,000 | 12,048,000 | 12,289,000 | 12,535,000 | 12,786,000 | 13,041,000 | 13,302,000 | 13,568,000 |
| Property Tax in Lieu of VLF ⁵ | 14,887,000 | 15,185,000 | 15,489,000 | 15,799,000 | 16,114,000 | 16,437,000 | 16,766,000 | 17,101,000 | 17,443,000 | 17,792,000 | 18,148,000 |
| Property Transfer Tax | Table 15 | 12,894,000 | 13,280,000 | 13,677,000 | 14,085,000 | 14,507,000 | 14,941,000 | 15,388,000 | 15,847,000 | 16,322,000 | 16,810,000 |
| Sales and Use Tax | | | | | | | | | | | |
| On-Site | Table 13 | 4,106,000 | 4,229,000 | 4,356,000 | 4,487,000 | 4,622,000 | 4,760,000 | 4,903,000 | 5,050,000 | 5,202,000 | 5,358,000 |
| Off-Site | Table 12 | 5,193,000 | 5,348,000 | 5,509,000 | 5,674,000 | 5,844,000 | 6,020,000 | 6,200,000 | 6,386,000 | 6,578,000 | 6,775,000 |
| Telephone Users Tax | \$33.72 /res & empl | 1,688,000 | 1,738,000 | 1,790,000 | 1,844,000 | 1,899,000 | 1,956,000 | 2,015,000 | 2,076,000 | 2,138,000 | 2,202,000 |
| Access Line Tax | \$31.25 /res & empl | 1,564,000 | 1,611,000 | 1,660,000 | 1,709,000 | 1,761,000 | 1,813,000 | 1,868,000 | 1,924,000 | 1,982,000 | 2,041,000 |
| Water Users Tax | \$6.10 /empl | 41,000 | 42,000 | 44,000 | 45,000 | 46,000 | 48,000 | 49,000 | 51,000 | 52,000 | 54,000 |
| Gas Electric Steam Users Tax | \$66.24 /empl | 447,000 | 460,000 | 474,000 | 488,000 | 503,000 | 518,000 | 534,000 | 550,000 | 566,000 | 583,000 |
| Gross Receipts Tax | Table 14 | 1,907,000 | 1,964,000 | 2,022,000 | 2,083,000 | 2,146,000 | 2,210,000 | 2,277,000 | 2,345,000 | 2,415,000 | 2,488,000 |
| Business License Tax | Table 14 | 134,000 | 138,000 | 142,000 | 146,000 | 151,000 | 155,000 | 160,000 | 165,000 | 170,000 | 175,000 |
| Hotel Room Tax | | | | | | | | | | | |
| TI Full Service Hotel | \$11,498 /rm | 6,099,000 | 6,282,000 | 6,470,000 | 6,665,000 | 6,865,000 | 7,070,000 | 7,283,000 | 7,501,000 | 7,726,000 | 7,958,000 |
| YBI Hotel | \$24,911 /rm | 3,304,000 | 3,403,000 | 3,505,000 | 3,610,000 | 3,718,000 | 3,830,000 | 3,945,000 | 4,063,000 | 4,185,000 | 4,311,000 |
| Subtotal-Discretionary | | 63,395,000 | 65,033,000 | 66,718,000 | 68,447,000 | 70,224,000 | 72,047,000 | 73,923,000 | 75,845,000 | 77,820,000 | 79,849,000 |
| Restricted | | | | | | | | | | | |
| Public Safety Sales Tax | Tables 12, 13 & 23 | 4,649,000 | 4,789,000 | 4,932,000 | 5,081,000 | 5,233,000 | 5,390,000 | 5,552,000 | 5,718,000 | 5,890,000 | 6,067,000 |
| TOTAL (PRIOR TO BASELINE TRANSFERS) | | 68,044,000 | 69,822,000 | 71,650,000 | 73,528,000 | 75,457,000 | 77,437,000 | 79,475,000 | 81,563,000 | 83,710,000 | 85,916,000 |

OTHER RESTRICTED REVENUE

| | | | | | | | | | | | |
|-------------------------------|--------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Licenses, Permits, Fees | \$31.51 /res | 1,364,000 | 1,405,000 | 1,447,000 | 1,491,000 | 1,536,000 | 1,582,000 | 1,629,000 | 1,678,000 | 1,728,000 | 1,780,000 |
| Fines, Forfeitures, Penalties | \$5.41 /res | 234,000 | 241,000 | 249,000 | 256,000 | 264,000 | 272,000 | 280,000 | 288,000 | 297,000 | 306,000 |

Notes

¹ Prior to baseline transfers. See Table 11-A for net figures.

² Table 10.

³ Table 6.

⁴ Table 4.

⁵ Property tax and VLF projection based on IFD cash flow.

⁶ Reflects 8% of base 1% tax levy. The balance of G.F. property tax revenues are dedicated to funding infrastructure and affordable hsg.

Table 11-B

ANNUAL GENERAL FUND REVENUES (GROSS)¹
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ² | 2059-60 | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| revenue appreciation ² | 3.67 | 3.78 | 3.90 | 4.01 | 4.13 | 4.26 | 4.38 | 4.52 | 4.65 |
| residents ³ | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| employees ³ | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 |
| day & night pop ³ | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 |
| Hotel Rooms: TI Full Svc. ⁴ | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| YBI Hotel ⁴ | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| RECURRING GENERAL FUND REVENUE (GROSS)¹ | | | | | | | | | |
| Discretionary | | | | | | | | | |
| Portion of G.F. Property Tax ^{5,6} | 12,694,000 | 10,118,000 | 9,238,000 | 8,445,000 | 5,750,000 | 4,904,000 | 2,512,000 | 2,562,000 | 2,613,000 |
| Property Tax in Lieu of VLF ⁵ | 18,510,000 | 18,881,000 | 19,258,000 | 19,643,000 | 20,036,000 | 20,437,000 | 20,846,000 | 21,263,000 | 21,688,000 |
| Property Transfer Tax Table 15 | 17,830,000 | 18,364,000 | 18,914,000 | 19,480,000 | 20,062,000 | 20,662,000 | 21,281,000 | 21,918,000 | 22,574,000 |
| Sales and Use Tax | | | | | | | | | |
| On-Site Table 13 | 5,684,000 | 5,855,000 | 6,030,000 | 6,211,000 | 6,397,000 | 6,589,000 | 6,787,000 | 6,991,000 | 7,200,000 |
| Off-Site Table 12 | 7,188,000 | 7,403,000 | 7,626,000 | 7,854,000 | 8,090,000 | 8,333,000 | 8,583,000 | 8,840,000 | 9,105,000 |
| Telephone Users Tax \$33.72 /res & empl | 2,336,000 | 2,406,000 | 2,478,000 | 2,553,000 | 2,629,000 | 2,708,000 | 2,789,000 | 2,873,000 | 2,959,000 |
| Access Line Tax \$31.25 /res & empl | 2,165,000 | 2,230,000 | 2,297,000 | 2,366,000 | 2,437,000 | 2,510,000 | 2,586,000 | 2,663,000 | 2,743,000 |
| Water Users Tax \$6.10 /empl | 57,000 | 59,000 | 60,000 | 62,000 | 64,000 | 66,000 | 68,000 | 70,000 | 72,000 |
| Gas Electric Steam Users Tax \$66.24 /empl | 619,000 | 637,000 | 656,000 | 676,000 | 696,000 | 717,000 | 739,000 | 761,000 | 784,000 |
| Gross Receipts Tax Table 14 | 2,639,000 | 2,718,000 | 2,800,000 | 2,884,000 | 2,971,000 | 3,059,000 | 3,151,000 | 3,246,000 | 3,344,000 |
| Business License Tax Table 14 | 186,000 | 191,000 | 197,000 | 203,000 | 209,000 | 215,000 | 222,000 | 228,000 | 235,000 |
| Hotel Room Tax | | | | | | | | | |
| TI Full Service Hotel \$11,498 /rm | 8,443,000 | 8,696,000 | 8,957,000 | 9,225,000 | 9,502,000 | 9,787,000 | 10,081,000 | 10,383,000 | 10,695,000 |
| YBI Hotel \$24,911 /rm | 4,573,000 | 4,710,000 | 4,852,000 | 4,997,000 | 5,147,000 | 5,301,000 | 5,460,000 | 5,624,000 | 5,793,000 |
| Subtotal-Discretionary | 82,924,000 | 82,268,000 | 83,363,000 | 84,599,000 | 83,990,000 | 85,288,000 | 85,105,000 | 87,422,000 | 89,805,000 |
| Restricted | | | | | | | | | |
| Public Safety Sales Tax Tables 12, 13 & 23 | 6,436,000 | 6,629,000 | 6,828,000 | 7,033,000 | 7,244,000 | 7,461,000 | 7,684,000 | 7,915,000 | 8,153,000 |
| TOTAL (PRIOR TO BASELINE TRANSFERS) | 89,360,000 | 88,897,000 | 90,191,000 | 91,632,000 | 91,234,000 | 92,749,000 | 92,789,000 | 95,337,000 | 97,958,000 |
| OTHER RESTRICTED REVENUE | | | | | | | | | |
| Licenses, Permits, Fees \$31.51 /res | 1,889,000 | 1,945,000 | 2,004,000 | 2,064,000 | 2,126,000 | 2,189,000 | 2,255,000 | 2,323,000 | 2,392,000 |
| Fines, Forfeitures, Penalties \$5.41 /res | 324,000 | 334,000 | 344,000 | 355,000 | 365,000 | 376,000 | 387,000 | 399,000 | 411,000 |

Notes

- ¹ Prior to baseline transfers. See Table 11-A for net figures.
- ² Table 10.
- ³ Table 6.
- ⁴ Table 4.
- ⁵ Property tax and VLF projection based on IFD cash flow.
- ⁶ Reflects 8% of base 1% tax levy. The balance of G.F. property tax revenues are dedicated to funding infrastructure and affordable hsg.

Table 12

**OFF-SITE SALES TAX REVENUE ESTIMATES
TO BE GENERATED BY TREASURE ISLAND RESIDENTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|--------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|-----------|
| revenue appreciation ¹ 3% | | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 |
| OFF-SITE TAXABLE SALES IN S.F. (\$000s)² | | | | | | | | | | | | |
| A. Market Rate/BMR (\$000s) | | | | | | | | | | | | |
| For Sale | | | | | | | | | | | | |
| YBI Townhomes | \$41,629 /du | 0 | 0 | 0 | 1,638 | 5,060 | 8,687 | 10,439 | 10,752 | 11,074 | 11,406 | 11,749 |
| TI Townhomes | \$34,199 /du | 0 | 0 | 0 | 0 | 1,309 | 3,727 | 4,124 | 4,248 | 5,892 | 6,738 | 9,698 |
| Flats | \$24,776 /du | 0 | 0 | 0 | 0 | 2,677 | 8,272 | 14,200 | 20,477 | 27,117 | 34,138 | 41,555 |
| Neighborhood Tower | \$28,413 /du | 0 | 0 | 0 | 0 | 0 | 0 | 6,107 | 12,580 | 19,436 | 26,692 | 34,366 |
| High Rise | \$33,437 /du | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,235 | 10,785 |
| Branded condo | \$27,960 /du | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,550 | 4,268 | 4,396 |
| Rental | \$21,101 /du | 0 | 0 | 0 | 0 | 0 | 977 | 3,952 | 7,534 | 8,072 | 10,647 | 12,956 |
| | | 0 | 0 | 0 | 1,638 | 9,046 | 21,663 | 38,822 | 55,591 | 74,141 | 99,124 | 125,505 |
| B. TIDA (\$000s) | \$13,601 /du | 0 | 0 | 0 | 84 | 570 | 1,517 | 4,449 | 7,245 | 9,270 | 13,339 | 18,539 |
| TOTAL TAXABLE SALES (\$000s) | | 0 | 0 | 0 | 1,722 | 9,616 | 23,180 | 43,271 | 62,836 | 83,411 | 112,463 | 144,044 |
| SALES TAX | | | | | | | | | | | | |
| General Fund | 1.00% tax | 0 | 0 | 0 | 17,000 | 96,000 | 232,000 | 433,000 | 628,000 | 834,000 | 1,125,000 | 1,440,000 |
| Public Safety | 0.50% tax | 0 | 0 | 0 | 9,000 | 48,000 | 116,000 | 216,000 | 314,000 | 417,000 | 562,000 | 720,000 |
| Proposition K | | | | | | | | | | | | |
| System Maintenance (DPW) | 0.05% tax | 0 | 0 | 0 | 1,000 | 5,000 | 12,000 | 22,000 | 31,000 | 42,000 | 56,000 | 72,000 |
| System Maintenance (MTA) | 0.18% tax | 0 | 0 | 0 | 3,000 | 18,000 | 43,000 | 80,000 | 116,000 | 154,000 | 207,000 | 265,000 |
| AB 1107 (MTA) | 0.06% tax | 0 | 0 | 0 | 1,000 | 6,000 | 14,000 | 27,000 | 39,000 | 52,000 | 70,000 | 90,000 |
| TDA (MTA) | 0.25% tax | 0 | 0 | 0 | 4,000 | 24,000 | 58,000 | 108,000 | 157,000 | 209,000 | 281,000 | 360,000 |

¹ Table 10.

² Based on household estimates, Table 6.

Table 12

**OFF-SITE SALES TAX REVENUE ESTIMATES
TO BE GENERATED BY TREASURE ISLAND RESIDENTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 |
|--|--------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| revenue appreciation ¹ | 3% | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 | 1.86 |
| OFF-SITE TAXABLE SALES IN S.F. (\$000s)² | | | | | | | | | | | | |
| A. Market Rate/BMR (\$000s) | | | | | | | | | | | | |
| For Sale | | | | | | | | | | | | |
| YBI Townhomes | \$41,629 /du | 12,101 | 12,464 | 12,838 | 13,223 | 13,620 | 14,029 | 14,449 | 14,883 | 15,329 | 15,789 | 16,263 |
| TI Townhomes | \$34,199 /du | 11,930 | 13,214 | 13,610 | 14,019 | 14,439 | 14,872 | 15,319 | 15,778 | 16,252 | 16,739 | 17,241 |
| Flats | \$24,776 /du | 49,386 | 57,650 | 66,366 | 75,552 | 83,416 | 85,918 | 88,496 | 91,151 | 93,885 | 96,702 | 99,603 |
| Neighborhood Tower | \$28,413 /du | 42,477 | 51,043 | 60,085 | 69,623 | 79,680 | 85,125 | 87,679 | 90,309 | 93,018 | 95,809 | 98,683 |
| High Rise | \$33,437 /du | 16,662 | 22,883 | 29,462 | 36,415 | 43,758 | 48,022 | 49,463 | 50,947 | 52,475 | 54,049 | 55,671 |
| Branded condo | \$27,960 /du | 4,528 | 4,664 | 4,804 | 4,948 | 5,097 | 5,249 | 5,407 | 5,569 | 5,736 | 5,908 | 6,086 |
| Rental | \$21,101 /du | 13,914 | 14,331 | 18,504 | 19,059 | 19,631 | 20,220 | 20,826 | 21,451 | 22,095 | 22,758 | 23,440 |
| | | 150,998 | 176,249 | 205,669 | 232,839 | 259,641 | 273,435 | 281,639 | 290,088 | 298,790 | 307,754 | 316,987 |
| B. TIDA (\$000s) | \$13,601 /du | 22,705 | 27,234 | 32,005 | 35,558 | 38,968 | 40,727 | 41,949 | 43,208 | 44,504 | 45,839 | 47,214 |
| TOTAL TAXABLE SALES (\$000s) | | 173,703 | 203,483 | 237,674 | 268,397 | 298,609 | 314,162 | 323,588 | 333,296 | 343,294 | 353,593 | 364,201 |
| SALES TAX | | | | | | | | | | | | |
| General Fund | 1.00% tax | 1,737,000 | 2,035,000 | 2,377,000 | 2,684,000 | 2,986,000 | 3,142,000 | 3,236,000 | 3,333,000 | 3,433,000 | 3,536,000 | 3,642,000 |
| Public Safety | 0.50% tax | 869,000 | 1,017,000 | 1,188,000 | 1,342,000 | 1,493,000 | 1,571,000 | 1,618,000 | 1,666,000 | 1,716,000 | 1,768,000 | 1,821,000 |
| Proposition K | | | | | | | | | | | | |
| System Maintenance (DPW) | 0.05% tax | 87,000 | 102,000 | 119,000 | 134,000 | 149,000 | 157,000 | 162,000 | 167,000 | 172,000 | 177,000 | 182,000 |
| System Maintenance (MTA) | 0.18% tax | 320,000 | 375,000 | 438,000 | 494,000 | 550,000 | 579,000 | 596,000 | 614,000 | 632,000 | 651,000 | 671,000 |
| AB 1107 (MTA) | 0.06% tax | 109,000 | 127,000 | 149,000 | 168,000 | 187,000 | 196,000 | 202,000 | 208,000 | 215,000 | 221,000 | 228,000 |
| TDA (MTA) | 0.25% tax | 434,000 | 509,000 | 594,000 | 671,000 | 747,000 | 785,000 | 809,000 | 833,000 | 858,000 | 884,000 | 911,000 |

¹ Table 10.

² Based on household estimates, Table 6.

Table 12

OFF-SITE SALES TAX REVENUE ESTIMATES
 TO BE GENERATED BY TREASURE ISLAND RESIDENTS
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 |
|--|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| revenue appreciation ¹ | 3% | 1.92 | 1.97 | 2.03 | 2.09 | 2.16 | 2.22 | 2.29 | 2.36 | 2.43 | 2.50 | 2.58 |
| OFF-SITE TAXABLE SALES IN S.F. (\$000s)² | | | | | | | | | | | | |
| A. Market Rate/BMR (\$000s) | | | | | | | | | | | | |
| For Sale | | | | | | | | | | | | |
| YBI Townhomes | \$41,629 /du | 16,751 | 17,253 | 17,771 | 18,304 | 18,853 | 19,419 | 20,001 | 20,601 | 21,219 | 21,856 | 22,512 |
| TI Townhomes | \$34,199 /du | 17,758 | 18,291 | 18,840 | 19,405 | 19,987 | 20,587 | 21,205 | 21,841 | 22,496 | 23,171 | 23,866 |
| Flats | \$24,776 /du | 102,591 | 105,669 | 108,839 | 112,104 | 115,467 | 118,931 | 122,499 | 126,174 | 129,959 | 133,858 | 137,874 |
| Neighborhood Tower | \$28,413 /du | 101,644 | 104,693 | 107,834 | 111,069 | 114,401 | 117,833 | 121,368 | 125,009 | 128,759 | 132,622 | 136,600 |
| High Rise | \$33,437 /du | 57,341 | 59,061 | 60,833 | 62,658 | 64,538 | 66,474 | 68,468 | 70,522 | 72,638 | 74,817 | 77,062 |
| Branded condo | \$27,960 /du | 6,268 | 6,456 | 6,650 | 6,849 | 7,055 | 7,266 | 7,484 | 7,709 | 7,940 | 8,178 | 8,424 |
| Rental | \$21,101 /du | <u>24,144</u> | <u>24,868</u> | <u>25,614</u> | <u>26,382</u> | <u>27,174</u> | <u>27,989</u> | <u>28,829</u> | <u>29,694</u> | <u>30,584</u> | <u>31,502</u> | <u>32,447</u> |
| | | 326,497 | 336,291 | 346,381 | 356,771 | 367,475 | 378,499 | 389,854 | 401,550 | 413,595 | 426,004 | 438,785 |
| B. TIDA (\$000s) | \$13,601 /du | 48,631 | 50,089 | 51,592 | 53,140 | 54,734 | 56,376 | 58,067 | 59,809 | 61,604 | 63,452 | 65,355 |
| TOTAL TAXABLE SALES (\$000s) | | 375,128 | 386,380 | 397,973 | 409,911 | 422,209 | 434,875 | 447,921 | 461,359 | 475,199 | 489,456 | 504,140 |
| SALES TAX | | | | | | | | | | | | |
| General Fund | 1.00% tax | 3,751,000 | 3,864,000 | 3,980,000 | 4,099,000 | 4,222,000 | 4,349,000 | 4,479,000 | 4,614,000 | 4,752,000 | 4,895,000 | 5,041,000 |
| Public Safety | 0.50% tax | 1,876,000 | 1,932,000 | 1,990,000 | 2,050,000 | 2,111,000 | 2,174,000 | 2,240,000 | 2,307,000 | 2,376,000 | 2,447,000 | 2,521,000 |
| Proposition K | | | | | | | | | | | | |
| System Maintenance (DPW) | 0.05% tax | 188,000 | 193,000 | 199,000 | 205,000 | 211,000 | 217,000 | 224,000 | 231,000 | 238,000 | 245,000 | 252,000 |
| System Maintenance (MTA) | 0.18% tax | 691,000 | 712,000 | 733,000 | 755,000 | 778,000 | 801,000 | 825,000 | 850,000 | 875,000 | 902,000 | 929,000 |
| AB 1107 (MTA) | 0.06% tax | 234,000 | 241,000 | 249,000 | 256,000 | 264,000 | 272,000 | 280,000 | 288,000 | 297,000 | 306,000 | 315,000 |
| TDA (MTA) | 0.25% tax | 938,000 | 966,000 | 995,000 | 1,025,000 | 1,056,000 | 1,087,000 | 1,120,000 | 1,153,000 | 1,188,000 | 1,224,000 | 1,260,000 |

¹ Table 10.

² Based on household estimates, Table 6.

Table 12

**OFF-SITE SALES TAX REVENUE ESTIMATES
TO BE GENERATED BY TREASURE ISLAND RESIDENTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | | 2048-49 | 2049-50 | 2050-51 | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 |
|--|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| revenue appreciation ¹ 3% | | 2.65 | 2.73 | 2.81 | 2.90 | 2.99 | 3.07 | 3.17 | 3.26 | 3.36 | 3.46 |
| OFF-SITE TAXABLE SALES IN S.F. (\$000s)² | | | | | | | | | | | |
| A. Market Rate/BMR (\$000s) | | | | | | | | | | | |
| For Sale | | | | | | | | | | | |
| YBI Townhomes | \$41,629 /du | 23,187 | 23,883 | 24,599 | 25,337 | 26,097 | 26,880 | 27,686 | 28,517 | 29,373 | 30,254 |
| TI Townhomes | \$34,199 /du | 24,582 | 25,319 | 26,079 | 26,861 | 27,667 | 28,497 | 29,352 | 30,233 | 31,140 | 32,074 |
| Flats | \$24,776 /du | 142,010 | 146,270 | 150,658 | 155,178 | 159,833 | 164,628 | 169,567 | 174,654 | 179,894 | 185,291 |
| Neighborhood Tower | \$28,413 /du | 140,698 | 144,919 | 149,267 | 153,745 | 158,357 | 163,108 | 168,001 | 173,041 | 178,233 | 183,580 |
| High Rise | \$33,437 /du | 79,373 | 81,755 | 84,207 | 86,733 | 89,335 | 92,016 | 94,776 | 97,619 | 100,548 | 103,564 |
| Branded condo | \$27,960 /du | 8,677 | 8,937 | 9,205 | 9,481 | 9,766 | 10,059 | 10,360 | 10,671 | 10,991 | 11,321 |
| Rental | \$21,101 /du | <u>33,420</u> | <u>34,423</u> | <u>35,456</u> | <u>36,519</u> | <u>37,615</u> | <u>38,743</u> | <u>39,906</u> | <u>41,103</u> | <u>42,336</u> | <u>43,606</u> |
| | | 451,947 | 465,506 | 479,471 | 493,854 | 508,670 | 523,931 | 539,648 | 555,838 | 572,515 | 589,690 |
| B. TIDA (\$000s) | | | | | | | | | | | |
| | \$13,601 /du | 67,316 | 69,335 | 71,416 | 73,558 | 75,765 | 78,038 | 80,379 | 82,790 | 85,274 | 87,832 |
| TOTAL TAXABLE SALES (\$000s) | | 519,263 | 534,841 | 550,887 | 567,412 | 584,435 | 601,969 | 620,027 | 638,628 | 657,789 | 677,522 |
| SALES TAX | | | | | | | | | | | |
| General Fund | 1.00% tax | 5,193,000 | 5,348,000 | 5,509,000 | 5,674,000 | 5,844,000 | 6,020,000 | 6,200,000 | 6,386,000 | 6,578,000 | 6,775,000 |
| Public Safety | 0.50% tax | 2,596,000 | 2,674,000 | 2,754,000 | 2,837,000 | 2,922,000 | 3,010,000 | 3,100,000 | 3,193,000 | 3,289,000 | 3,388,000 |
| Proposition K | | | | | | | | | | | |
| System Maintenance (DPW) | 0.05% tax | 260,000 | 267,000 | 275,000 | 284,000 | 292,000 | 301,000 | 310,000 | 319,000 | 329,000 | 339,000 |
| System Maintenance (MTA) | 0.18% tax | 957,000 | 985,000 | 1,015,000 | 1,045,000 | 1,077,000 | 1,109,000 | 1,142,000 | 1,176,000 | 1,212,000 | 1,248,000 |
| AB 1107 (MTA) | 0.06% tax | 325,000 | 334,000 | 344,000 | 355,000 | 365,000 | 376,000 | 388,000 | 399,000 | 411,000 | 423,000 |
| TDA (MTA) | 0.25% tax | 1,298,000 | 1,337,000 | 1,377,000 | 1,419,000 | 1,461,000 | 1,505,000 | 1,550,000 | 1,597,000 | 1,644,000 | 1,694,000 |

¹ Table 10.

² Based on household estimates, Table 6.

Table 12

**OFF-SITE SALES TAX REVENUE ESTIMATES
TO BE GENERATED BY TREASURE ISLAND RESIDENTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | | 2058-59 | 2059-60 | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|--|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| revenue appreciation ¹ 3% | | 3.56 | 3.67 | 3.78 | 3.90 | 4.01 | 4.13 | 4.26 | 4.38 | 4.52 | 4.65 |
| OFF-SITE TAXABLE SALES IN S.F. (\$000s)² | | | | | | | | | | | |
| A. Market Rate/BMR (\$000s) | | | | | | | | | | | |
| For Sale | | | | | | | | | | | |
| YBI Townhomes | \$41,629 /du | 31,161 | 32,096 | 33,059 | 34,051 | 35,072 | 36,125 | 37,208 | 38,325 | 39,474 | 40,659 |
| TI Townhomes | \$34,199 /du | 33,036 | 34,027 | 35,048 | 36,099 | 37,182 | 38,298 | 39,447 | 40,630 | 41,849 | 43,104 |
| Flats | \$24,776 /du | 190,849 | 196,575 | 202,472 | 208,546 | 214,803 | 221,247 | 227,884 | 234,721 | 241,762 | 249,015 |
| Neighborhood Tower | \$28,413 /du | 189,087 | 194,760 | 200,602 | 206,620 | 212,819 | 219,204 | 225,780 | 232,553 | 239,530 | 246,716 |
| High Rise | \$33,437 /du | 106,671 | 109,871 | 113,167 | 116,562 | 120,059 | 123,661 | 127,371 | 131,192 | 135,128 | 139,182 |
| Branded condo | \$27,960 /du | 11,661 | 12,010 | 12,371 | 12,742 | 13,124 | 13,518 | 13,923 | 14,341 | 14,771 | 15,214 |
| Rental | \$21,101 /du | <u>44,914</u> | <u>46,262</u> | <u>47,649</u> | <u>49,079</u> | <u>50,551</u> | <u>52,068</u> | <u>53,630</u> | <u>55,239</u> | <u>56,896</u> | <u>58,603</u> |
| | | 607,379 | 625,601 | 644,368 | 663,699 | 683,610 | 704,121 | 725,243 | 747,001 | 769,410 | 792,493 |
| B. TIDA (\$000s) | | | | | | | | | | | |
| | \$13,601 /du | 90,467 | 93,181 | 95,977 | 98,856 | 101,822 | 104,876 | 108,022 | 111,263 | 114,601 | 118,039 |
| TOTAL TAXABLE SALES (\$000s) | | 697,846 | 718,782 | 740,345 | 762,555 | 785,432 | 808,997 | 833,265 | 858,264 | 884,011 | 910,532 |
| SALES TAX | | | | | | | | | | | |
| General Fund | 1.00% tax | 6,978,000 | 7,188,000 | 7,403,000 | 7,626,000 | 7,854,000 | 8,090,000 | 8,333,000 | 8,583,000 | 8,840,000 | 9,105,000 |
| Public Safety | 0.50% tax | 3,489,000 | 3,594,000 | 3,702,000 | 3,813,000 | 3,927,000 | 4,045,000 | 4,166,000 | 4,291,000 | 4,420,000 | 4,553,000 |
| Proposition K | | | | | | | | | | | |
| System Maintenance (DPW) | 0.05% tax | 349,000 | 359,000 | 370,000 | 381,000 | 393,000 | 404,000 | 417,000 | 429,000 | 442,000 | 455,000 |
| System Maintenance (MTA) | 0.18% tax | 1,286,000 | 1,324,000 | 1,364,000 | 1,405,000 | 1,447,000 | 1,490,000 | 1,535,000 | 1,581,000 | 1,629,000 | 1,677,000 |
| AB 1107 (MTA) | 0.06% tax | 436,000 | 449,000 | 463,000 | 477,000 | 491,000 | 506,000 | 521,000 | 536,000 | 553,000 | 569,000 |
| TDA (MTA) | 0.25% tax | 1,745,000 | 1,797,000 | 1,851,000 | 1,906,000 | 1,964,000 | 2,022,000 | 2,083,000 | 2,146,000 | 2,210,000 | 2,276,000 |

¹ Table 10.

² Based on household estimates, Table 6.

Table 13

**ON-SITE SALES TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|--------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|----------|
| revenue appreciation ¹ | | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 |
| occupied retail sf ² | | - | - | - | - | - | - | - | - | - | 99,408 | 99,408 |
| hotel rooms: TI Full Service Hotel ³ | | - | - | - | - | - | - | 200 | 200 | 200 | 200 | 200 |
| hotel rooms: YBI Hotel ³ | | - | - | - | - | - | - | - | - | 50 | 50 | 50 |
| ON-SITE TAXABLE SALES (\$000s) | | | | | | | | | | | | |
| RETAIL | | | | | | | | | | | | |
| New Taxable Sales | \$480 / SF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 62,258 | 64,126 |
| (Less) Resident Capture | 25% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (28,116) | (36,011) |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 34,143 | 28,115 |
| HOTEL | | | | | | | | | | | | |
| Taxable Sales | | | | | | | | | | | | |
| TI Full Service Hotel | \$20,531 /rm | 0 | 0 | 0 | 0 | 0 | 0 | 4,903 | 5,050 | 5,202 | 5,358 | 5,518 |
| YBI Hotel | \$44,484 /rm | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,818 | 2,902 | 2,989 |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 4,903 | 5,050 | 8,019 | 8,260 | 8,508 |
| TOTAL TAXABLE SALES | | 0 | 0 | 0 | 0 | 0 | 0 | 4,903 | 5,050 | 8,019 | 42,402 | 36,623 |
| SALES TAX | | | | | | | | | | | | |
| General Fund | 1% tax | 0 | 0 | 0 | 0 | 0 | 0 | 49,000 | 51,000 | 80,000 | 424,000 | 366,000 |
| Public Safety | 0.5% tax | 0 | 0 | 0 | 0 | 0 | 0 | 25,000 | 25,000 | 40,000 | 212,000 | 183,000 |
| Proposition K | | | | | | | | | | | | |
| Syst. Maintenance (DPW) | 0.05% tax | 0 | 0 | 0 | 0 | 0 | 0 | 2,000 | 3,000 | 4,000 | 21,000 | 18,000 |
| Syst. Maintenance (Transit) | 0.2% tax | 0 | 0 | 0 | 0 | 0 | 0 | 9,000 | 9,000 | 15,000 | 78,000 | 67,000 |
| AB 1107 (MTA) | 0.1% tax | 0 | 0 | 0 | 0 | 0 | 0 | 3,000 | 3,000 | 5,000 | 27,000 | 23,000 |
| TDA (MTA) | 0.25% tax | 0 | 0 | 0 | 0 | 0 | 0 | 12,000 | 13,000 | 20,000 | 106,000 | 92,000 |

¹ Table 10.

² Table 7.

³ Table 4.

Table 13

**ON-SITE SALES TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 |
|---|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| revenue appreciation ¹ | | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 | 1.86 |
| occupied retail sf ² | | 99,408 | 227,088 | 227,088 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 |
| hotel rooms: TI Full Service Hotel ³ | | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| hotel rooms: YBI Hotel ³ | | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| ON-SITE TAXABLE SALES (\$000s) | | | | | | | | | | | | |
| RETAIL | | | | | | | | | | | | |
| New Taxable Sales | \$480 / SF | 66,050 | 155,411 | 160,073 | 298,630 | 307,589 | 316,817 | 326,321 | 336,111 | 346,194 | 356,580 | 367,278 |
| (Less) Resident Capture | 25% | <u>(43,426)</u> | <u>(50,871)</u> | <u>(59,419)</u> | <u>(67,099)</u> | <u>(74,652)</u> | <u>(78,541)</u> | <u>(80,897)</u> | <u>(83,324)</u> | <u>(85,824)</u> | <u>(88,398)</u> | <u>(91,050)</u> |
| | | 22,624 | 104,540 | 100,655 | 231,531 | 232,937 | 238,276 | 245,424 | 252,787 | 260,371 | 268,182 | 276,227 |
| HOTEL | | | | | | | | | | | | |
| Taxable Sales | | | | | | | | | | | | |
| TI Full Service Hotel | \$20,531 /rm | 5,684 | 5,855 | 6,030 | 6,211 | 6,397 | 6,589 | 6,787 | 6,991 | 7,200 | 7,416 | 7,639 |
| YBI Hotel | \$44,484 /rm | <u>3,079</u> | <u>3,171</u> | <u>3,266</u> | <u>3,364</u> | <u>3,465</u> | <u>3,569</u> | <u>3,676</u> | <u>3,787</u> | <u>3,900</u> | <u>4,017</u> | <u>4,138</u> |
| | | 8,763 | 9,026 | 9,297 | 9,575 | 9,863 | 10,159 | 10,463 | 10,777 | 11,101 | 11,434 | 11,777 |
| TOTAL TAXABLE SALES | | 31,387 | 113,566 | 109,951 | 241,106 | 242,800 | 248,435 | 255,888 | 263,564 | 271,471 | 279,615 | 288,004 |
| SALES TAX | | | | | | | | | | | | |
| General Fund | 1% tax | 314,000 | 1,136,000 | 1,100,000 | 2,411,000 | 2,428,000 | 2,484,000 | 2,559,000 | 2,636,000 | 2,715,000 | 2,796,000 | 2,880,000 |
| Public Safety | 0.5% tax | 157,000 | 568,000 | 550,000 | 1,206,000 | 1,214,000 | 1,242,000 | 1,279,000 | 1,318,000 | 1,357,000 | 1,398,000 | 1,440,000 |
| Proposition K | | | | | | | | | | | | |
| Syst. Maintenance (DPW) | 0.05% tax | 16,000 | 57,000 | 55,000 | 121,000 | 121,000 | 124,000 | 128,000 | 132,000 | 136,000 | 140,000 | 144,000 |
| Syst. Maintenance (Transit) | 0.2% tax | 58,000 | 209,000 | 203,000 | 444,000 | 447,000 | 458,000 | 471,000 | 486,000 | 500,000 | 515,000 | 531,000 |
| AB 1107 (MTA) | 0.1% tax | 20,000 | 71,000 | 69,000 | 151,000 | 152,000 | 155,000 | 160,000 | 165,000 | 170,000 | 175,000 | 180,000 |
| TDA (MTA) | 0.25% tax | 78,000 | 284,000 | 275,000 | 603,000 | 607,000 | 621,000 | 640,000 | 659,000 | 679,000 | 699,000 | 720,000 |

¹ Table 10.

² Table 7.

³ Table 4.

Table 13

**ON-SITE SALES TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 | |
|---|--------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| revenue appreciation ¹ | 1.92 | 1.97 | 2.03 | 2.09 | 2.16 | 2.22 | 2.29 | 2.36 | 2.43 | 2.50 | 2.58 | |
| occupied retail sf ² | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | |
| hotel rooms: TI Full Service Hotel ³ | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | |
| hotel rooms: YBI Hotel ³ | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | |
| ON-SITE TAXABLE SALES (\$000s) | | | | | | | | | | | | |
| RETAIL | | | | | | | | | | | | |
| New Taxable Sales | \$480 / SF | 378,296 | 389,645 | 401,334 | 413,374 | 425,775 | 438,549 | 451,705 | 465,256 | 479,214 | 493,590 | 508,398 |
| (Less) Resident Capture | 25% | <u>(93,782)</u> | <u>(96,595)</u> | <u>(99,493)</u> | <u>(102,478)</u> | <u>(105,552)</u> | <u>(108,719)</u> | <u>(111,980)</u> | <u>(115,340)</u> | <u>(118,800)</u> | <u>(122,364)</u> | <u>(126,035)</u> |
| | | 284,514 | 293,050 | 301,841 | 310,896 | 320,223 | 329,830 | 339,725 | 349,916 | 360,414 | 371,226 | 382,363 |
| HOTEL | | | | | | | | | | | | |
| Taxable Sales | | | | | | | | | | | | |
| TI Full Service Hotel | \$20,531 /rm | 7,868 | 8,104 | 8,347 | 8,598 | 8,856 | 9,121 | 9,395 | 9,677 | 9,967 | 10,266 | 10,574 |
| YBI Hotel | \$44,484 /rm | <u>4,262</u> | <u>4,390</u> | <u>4,521</u> | <u>4,657</u> | <u>4,797</u> | <u>4,941</u> | <u>5,089</u> | <u>5,242</u> | <u>5,399</u> | <u>5,561</u> | <u>5,728</u> |
| | | 12,130 | 12,494 | 12,869 | 13,255 | 13,652 | 14,062 | 14,484 | 14,918 | 15,366 | 15,827 | 16,301 |
| TOTAL TAXABLE SALES | | 296,644 | 305,543 | 314,709 | 324,151 | 333,875 | 343,892 | 354,208 | 364,835 | 375,780 | 387,053 | 398,664 |
| SALES TAX | | | | | | | | | | | | |
| General Fund | 1% tax | 2,966,000 | 3,055,000 | 3,147,000 | 3,242,000 | 3,339,000 | 3,439,000 | 3,542,000 | 3,648,000 | 3,758,000 | 3,871,000 | 3,987,000 |
| Public Safety | 0.5% tax | 1,483,000 | 1,528,000 | 1,574,000 | 1,621,000 | 1,669,000 | 1,719,000 | 1,771,000 | 1,824,000 | 1,879,000 | 1,935,000 | 1,993,000 |
| Proposition K | | | | | | | | | | | | |
| Syst. Maintenance (DPW) | 0.05% tax | 148,000 | 153,000 | 157,000 | 162,000 | 167,000 | 172,000 | 177,000 | 182,000 | 188,000 | 194,000 | 199,000 |
| Syst. Maintenance (Transit) | 0.2% tax | 546,000 | 563,000 | 580,000 | 597,000 | 615,000 | 634,000 | 653,000 | 672,000 | 692,000 | 713,000 | 734,000 |
| AB 1107 (MTA) | 0.1% tax | 185,000 | 191,000 | 197,000 | 203,000 | 209,000 | 215,000 | 221,000 | 228,000 | 235,000 | 242,000 | 249,000 |
| TDA (MTA) | 0.25% tax | 742,000 | 764,000 | 787,000 | 810,000 | 835,000 | 860,000 | 886,000 | 912,000 | 939,000 | 968,000 | 997,000 |

¹ Table 10.

² Table 7.

³ Table 4.

Table 13

**ON-SITE SALES TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | | 2048-49 | 2049-50 | 2050-51 | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 |
|---|--------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| revenue appreciation ¹ | | 2.65 | 2.73 | 2.81 | 2.90 | 2.99 | 3.07 | 3.17 | 3.26 | 3.36 | 3.46 | 3.56 |
| occupied retail sf ² | | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 |
| hotel rooms: TI Full Service Hotel ³ | | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| hotel rooms: YBI Hotel ³ | | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| ON-SITE TAXABLE SALES (\$000s) | | | | | | | | | | | | |
| RETAIL | | | | | | | | | | | | |
| New Taxable Sales | \$480 / SF | 523,650 | 539,359 | 555,540 | 572,206 | 589,373 | 607,054 | 625,265 | 644,023 | 663,344 | 683,244 | 703,742 |
| (Less) Resident Capture | 25% | <u>(129,816)</u> | <u>(133,710)</u> | <u>(137,722)</u> | <u>(141,853)</u> | <u>(146,109)</u> | <u>(150,492)</u> | <u>(155,007)</u> | <u>(159,657)</u> | <u>(164,447)</u> | <u>(169,381)</u> | <u>(174,462)</u> |
| | | 393,834 | 405,649 | 417,818 | 430,353 | 443,264 | 456,562 | 470,259 | 484,366 | 498,897 | 513,864 | 529,280 |
| HOTEL | | | | | | | | | | | | |
| Taxable Sales | | | | | | | | | | | | |
| TI Full Service Hotel | \$20,531 /rm | 10,891 | 11,218 | 11,554 | 11,901 | 12,258 | 12,626 | 13,005 | 13,395 | 13,797 | 14,210 | 14,637 |
| YBI Hotel | \$44,484 /rm | <u>5,899</u> | <u>6,076</u> | <u>6,259</u> | <u>6,446</u> | <u>6,640</u> | <u>6,839</u> | <u>7,044</u> | <u>7,255</u> | <u>7,473</u> | <u>7,697</u> | <u>7,928</u> |
| | | 16,791 | 17,294 | 17,813 | 18,347 | 18,898 | 19,465 | 20,049 | 20,650 | 21,270 | 21,908 | 22,565 |
| TOTAL TAXABLE SALES | | 410,625 | 422,943 | 435,632 | 448,701 | 462,162 | 476,026 | 490,307 | 505,017 | 520,167 | 535,772 | 551,845 |
| SALES TAX | | | | | | | | | | | | |
| General Fund | 1% tax | 4,106,000 | 4,229,000 | 4,356,000 | 4,487,000 | 4,622,000 | 4,760,000 | 4,903,000 | 5,050,000 | 5,202,000 | 5,358,000 | 5,518,000 |
| Public Safety | 0.5% tax | 2,053,000 | 2,115,000 | 2,178,000 | 2,244,000 | 2,311,000 | 2,380,000 | 2,452,000 | 2,525,000 | 2,601,000 | 2,679,000 | 2,759,000 |
| Proposition K | | | | | | | | | | | | |
| Syst. Maintenance (DPW) | 0.05% tax | 205,000 | 211,000 | 218,000 | 224,000 | 231,000 | 238,000 | 245,000 | 253,000 | 260,000 | 268,000 | 276,000 |
| Syst. Maintenance (Transit) | 0.2% tax | 756,000 | 779,000 | 803,000 | 827,000 | 851,000 | 877,000 | 903,000 | 930,000 | 958,000 | 987,000 | 1,017,000 |
| AB 1107 (MTA) | 0.1% tax | 257,000 | 264,000 | 272,000 | 280,000 | 289,000 | 298,000 | 306,000 | 316,000 | 325,000 | 335,000 | 345,000 |
| TDA (MTA) | 0.25% tax | 1,027,000 | 1,057,000 | 1,089,000 | 1,122,000 | 1,155,000 | 1,190,000 | 1,226,000 | 1,263,000 | 1,300,000 | 1,339,000 | 1,380,000 |

¹ Table 10.

² Table 7.

³ Table 4.

Table 13

ON-SITE SALES TAX REVENUE ESTIMATES
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | | 2059-60 | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|---|--------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| revenue appreciation ¹ | | 3.67 | 3.78 | 3.90 | 4.01 | 4.13 | 4.26 | 4.38 | 4.52 | 4.65 |
| occupied retail sf ² | | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 | 411,312 |
| hotel rooms: TI Full Service Hotel ³ | | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| hotel rooms: YBI Hotel ³ | | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| ON-SITE TAXABLE SALES (\$000s) | | | | | | | | | | |
| RETAIL | | | | | | | | | | |
| New Taxable Sales | \$480 / SF | 724,854 | 746,600 | 768,998 | 792,067 | 815,829 | 840,304 | 865,514 | 891,479 | 918,223 |
| (Less) Resident Capture | 25% | <u>(179,696)</u> | <u>(185,086)</u> | <u>(190,639)</u> | <u>(196,358)</u> | <u>(202,249)</u> | <u>(208,316)</u> | <u>(214,566)</u> | <u>(221,003)</u> | <u>(227,633)</u> |
| | | 545,158 | 561,513 | 578,359 | 595,709 | 613,580 | 631,988 | 650,948 | 670,476 | 690,590 |
| HOTEL | | | | | | | | | | |
| Taxable Sales | | | | | | | | | | |
| TI Full Service Hotel | \$20,531 /rm | 15,076 | 15,528 | 15,994 | 16,474 | 16,968 | 17,477 | 18,001 | 18,541 | 19,098 |
| YBI Hotel | \$44,484 /rm | <u>8,166</u> | <u>8,411</u> | <u>8,663</u> | <u>8,923</u> | <u>9,191</u> | <u>9,467</u> | <u>9,751</u> | <u>10,043</u> | <u>10,345</u> |
| | | 23,242 | 23,939 | 24,657 | 25,397 | 26,159 | 26,944 | 27,752 | 28,585 | 29,442 |
| TOTAL TAXABLE SALES | | 568,400 | 585,453 | 603,016 | 621,107 | 639,739 | 658,932 | 678,700 | 699,061 | 720,033 |
| SALES TAX | | | | | | | | | | |
| General Fund | 1% tax | 5,684,000 | 5,855,000 | 6,030,000 | 6,211,000 | 6,397,000 | 6,589,000 | 6,787,000 | 6,991,000 | 7,200,000 |
| Public Safety | 0.5% tax | 2,842,000 | 2,927,000 | 3,015,000 | 3,106,000 | 3,199,000 | 3,295,000 | 3,393,000 | 3,495,000 | 3,600,000 |
| Proposition K | | | | | | | | | | |
| Syst. Maintenance (DPW) | 0.05% tax | 284,000 | 293,000 | 302,000 | 311,000 | 320,000 | 329,000 | 339,000 | 350,000 | 360,000 |
| Syst. Maintenance (Transit) | 0.2% tax | 1,047,000 | 1,079,000 | 1,111,000 | 1,144,000 | 1,179,000 | 1,214,000 | 1,250,000 | 1,288,000 | 1,326,000 |
| AB 1107 (MTA) | 0.1% tax | 355,000 | 366,000 | 377,000 | 388,000 | 400,000 | 412,000 | 424,000 | 437,000 | 450,000 |
| TDA (MTA) | 0.25% tax | 1,421,000 | 1,464,000 | 1,508,000 | 1,553,000 | 1,599,000 | 1,647,000 | 1,697,000 | 1,748,000 | 1,800,000 |

¹ Table 10.

² Table 7.

³ Table 4.

Table 14

**BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|-----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| revenue appreciation ¹ | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 |
| office employees ² | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| hotel rooms: TI Full Service Hotel ³ | 0 | 0 | 0 | 0 | 0 | 0 | 200 | 200 | 200 | 200 | 200 |
| hotel rooms: YBI hotel ³ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50 | 50 | 50 |
| occupied rental units ² | 0 | 0 | 0 | 0 | 0 | 40 | 157 | 290 | 302 | 387 | 457 |
| occupied retail sf (000s) ⁴ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 99 | 99 |
| occupied office sf (000s) ⁴ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| I. GROSS RECEIPTS TAX | | | | | | | | | | | |
| RETAIL | | | | | | | | | | | |
| New Gross Receipts (\$000s) | \$600 /SF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 77,823 | 80,158 |
| Tax | \$1.00 /\$1,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 78,000 | 80,000 |
| OFFICE | | | | | | | | | | | |
| Tax | \$907 /empl | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| HOTEL | | | | | | | | | | | |
| New Gross Receipts (\$000s) | | | | | | | | | | | |
| TI Full Service Hotel | \$123,188 /rm | 0 | 0 | 0 | 0 | 0 | 29,418 | 30,301 | 31,210 | 32,146 | 33,111 |
| YBI Hotel | \$266,906 /rm | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 16,905 | 17,413 | 17,935 |
| Tax | | | | | | | | | | | |
| TI Full Service Hotel | \$4.00 /\$1,000 | 0 | 0 | 0 | 0 | 0 | 117,674 | 121,204 | 124,840 | 128,585 | 132,443 |
| YBI Hotel | \$3.25 /\$1,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 54,943 | 56,591 | 58,289 |
| Total Tax | \$3.25 /\$1,000 | 0 | 0 | 0 | 0 | 0 | 117,674 | 121,204 | 179,783 | 185,176 | 190,732 |
| LEASING | | | | | | | | | | | |
| New Gross Receipts (\$000s) | | | | | | | | | | | |
| Rental Units (Market & BMR) | \$44,400 /unit | 0 | 0 | 0 | 0 | 2,056 | 8,315 | 15,851 | 16,984 | 22,404 | 27,261 |
| Retail Sq Ft | \$50 /sf | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 7 |
| Office Square Feet | \$70 /sf | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tax | \$2.85 /\$1,000 | 0 | 0 | 0 | 0 | 5,859 | 23,697 | 45,177 | 48,406 | 63,869 | 77,712 |
| GROSS RECEIPTS TAX TOTAL | | 0 | 0 | 0 | 0 | 6,000 | 141,000 | 166,000 | 228,000 | 327,000 | 348,000 |

Table 14

**BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 |
|---|-----------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| revenue appreciation ¹ | | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 | 1.86 |
| office employees ² | | 0 | 281 | 281 | 281 | 281 | 281 | 281 | 281 | 281 | 281 | 281 |
| hotel rooms: TI Full Service Hotel ³ | | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| hotel rooms: YBI hotel ³ | | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| occupied rental units ² | | 476 | 476 | 597 | 597 | 597 | 597 | 597 | 597 | 597 | 597 | 597 |
| occupied retail sf (000s) ⁴ | | 99 | 227 | 227 | 411 | 411 | 411 | 411 | 411 | 411 | 411 | 411 |
| occupied office sf (000s) ⁴ | | 0 | 91 | 91 | 91 | 91 | 91 | 91 | 91 | 91 | 91 | 91 |
| I. GROSS RECEIPTS TAX | | | | | | | | | | | | |
| RETAIL | | | | | | | | | | | | |
| New Gross Receipts (\$000s) | \$600 /SF | 82,562 | 194,264 | 200,092 | 373,288 | 384,486 | 396,021 | 407,902 | 420,139 | 432,743 | 445,725 | 459,097 |
| Tax | \$1.00 /\$1,000 | 83,000 | 194,000 | 200,000 | 373,000 | 384,000 | 396,000 | 408,000 | 420,000 | 433,000 | 446,000 | 459,000 |
| OFFICE | | | | | | | | | | | | |
| Tax | \$907 /empl | 0 | 362,863 | 373,749 | 384,962 | 396,511 | 408,406 | 420,658 | 433,278 | 446,276 | 459,665 | 473,455 |
| HOTEL | | | | | | | | | | | | |
| New Gross Receipts (\$000s) | | | | | | | | | | | | |
| TI Full Service Hotel | \$123,188 /rm | 34,104 | 35,127 | 36,181 | 37,266 | 38,384 | 39,536 | 40,722 | 41,944 | 43,202 | 44,498 | 45,833 |
| YBI Hotel | \$266,906 /rm | 18,473 | 19,027 | 19,598 | 20,186 | 20,792 | 21,415 | 22,058 | 22,720 | 23,401 | 24,103 | 24,826 |
| Tax | | | | | | | | | | | | |
| TI Full Service Hotel | \$4.00 /\$1,000 | 136,416 | 140,509 | 144,724 | 149,066 | 153,538 | 158,144 | 162,888 | 167,775 | 172,808 | 177,992 | 183,332 |
| YBI Hotel | \$3.25 /\$1,000 | 60,037 | 61,838 | 63,694 | 65,604 | 67,573 | 69,600 | 71,688 | 73,838 | 76,054 | 78,335 | 80,685 |
| Total Tax | \$3.25 /\$1,000 | 196,454 | 202,347 | 208,418 | 214,670 | 221,110 | 227,744 | 234,576 | 241,613 | 248,862 | 256,327 | 264,017 |
| LEASING | | | | | | | | | | | | |
| New Gross Receipts (\$000s) | | | | | | | | | | | | |
| Rental Units (Market & BMR) | \$44,400 /unit | 29,276 | 30,154 | 38,935 | 40,103 | 41,306 | 42,545 | 43,821 | 45,136 | 46,490 | 47,885 | 49,321 |
| Retail Sq Ft | \$50 /sf | 7 | 16 | 17 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 |
| Office Square Feet | \$70 /sf | 0 | 9 | 9 | 10 | 10 | 10 | 11 | 11 | 11 | 12 | 12 |
| Tax | \$2.85 /\$1,000 | 83,456 | 86,011 | 111,038 | 114,409 | 117,841 | 121,376 | 125,017 | 128,768 | 132,631 | 136,610 | 140,708 |
| GROSS RECEIPTS TAX TOTAL | | 363,000 | 845,000 | 893,000 | 1,087,000 | 1,119,000 | 1,154,000 | 1,188,000 | 1,224,000 | 1,261,000 | 1,299,000 | 1,337,000 |

Table 14

**BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 |
|---|-----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| revenue appreciation ¹ | | 1.92 | 1.97 | 2.03 | 2.09 | 2.16 | 2.22 | 2.29 | 2.36 | 2.43 | 2.50 | 2.58 |
| office employees ² | | 281 | 281 | 281 | 281 | 281 | 281 | 281 | 281 | 281 | 281 | 281 |
| hotel rooms: TI Full Service Hotel ³ | | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| hotel rooms: YBI hotel ³ | | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| occupied rental units ² | | 597 | 597 | 597 | 597 | 597 | 597 | 597 | 597 | 597 | 597 | 597 |
| occupied retail sf (000s) ⁴ | | 411 | 411 | 411 | 411 | 411 | 411 | 411 | 411 | 411 | 411 | 411 |
| occupied office sf (000s) ⁴ | | 91 | 91 | 91 | 91 | 91 | 91 | 91 | 91 | 91 | 91 | 91 |
| I. GROSS RECEIPTS TAX | | | | | | | | | | | | |
| RETAIL | | | | | | | | | | | | |
| New Gross Receipts (\$000s) | \$600 /SF | 472,870 | 487,056 | 501,668 | 516,718 | 532,219 | 548,186 | 564,631 | 581,570 | 599,017 | 616,988 | 635,497 |
| Tax | \$1.00 /\$1,000 | 473,000 | 487,000 | 502,000 | 517,000 | 532,000 | 548,000 | 565,000 | 582,000 | 599,000 | 617,000 | 635,000 |
| OFFICE | | | | | | | | | | | | |
| Tax | \$907 /empl | 487,658 | 502,288 | 517,357 | 532,877 | 548,864 | 565,330 | 582,289 | 599,758 | 617,751 | 636,283 | 655,372 |
| HOTEL | | | | | | | | | | | | |
| New Gross Receipts (\$000s) | | | | | | | | | | | | |
| TI Full Service Hotel | \$123,188 /rm | 47,208 | 48,624 | 50,083 | 51,585 | 53,133 | 54,727 | 56,369 | 58,060 | 59,802 | 61,596 | 63,444 |
| YBI Hotel | \$266,906 /rm | 25,571 | 26,338 | 27,128 | 27,942 | 28,780 | 29,644 | 30,533 | 31,449 | 32,393 | 33,364 | 34,365 |
| Tax | | | | | | | | | | | | |
| TI Full Service Hotel | \$4.00 /\$1,000 | 188,832 | 194,497 | 200,332 | 206,342 | 212,532 | 218,908 | 225,475 | 232,240 | 239,207 | 246,383 | 253,774 |
| YBI Hotel | \$3.25 /\$1,000 | 83,106 | 85,599 | 88,167 | 90,812 | 93,536 | 96,342 | 99,233 | 102,210 | 105,276 | 108,434 | 111,687 |
| Total Tax | \$3.25 /\$1,000 | 271,938 | 280,096 | 288,499 | 297,154 | 306,068 | 315,250 | 324,708 | 334,449 | 344,483 | 354,817 | 365,462 |
| LEASING | | | | | | | | | | | | |
| New Gross Receipts (\$000s) | | | | | | | | | | | | |
| Rental Units (Market & BMR) | \$44,400 /unit | 50,801 | 52,325 | 53,895 | 55,511 | 57,177 | 58,892 | 60,659 | 62,479 | 64,353 | 66,284 | 68,272 |
| Retail Sq Ft | \$50 /sf | 39 | 41 | 42 | 43 | 44 | 46 | 47 | 48 | 50 | 51 | 53 |
| Office Square Feet | \$70 /sf | 12 | 13 | 13 | 13 | 14 | 14 | 15 | 15 | 15 | 16 | 16 |
| | | 50,852 | 52,378 | 53,949 | 55,568 | 57,235 | 58,952 | 60,721 | 62,542 | 64,418 | 66,351 | 68,341 |
| Tax | \$2.85 /\$1,000 | 144,930 | 149,277 | 153,756 | 158,368 | 163,119 | 168,013 | 173,053 | 178,245 | 183,592 | 189,100 | 194,773 |
| GROSS RECEIPTS TAX TOTAL | | 1,378,000 | 1,419,000 | 1,462,000 | 1,505,000 | 1,550,000 | 1,597,000 | 1,645,000 | 1,694,000 | 1,745,000 | 1,797,000 | 1,851,000 |

Table 14

**BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | | 2048-49 | 2049-50 | 2050-51 | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 |
|---|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| revenue appreciation ¹ | | 2.65 | 2.73 | 2.81 | 2.90 | 2.99 | 3.07 | 3.17 | 3.26 | 3.36 | 3.46 | 3.56 |
| office employees ² | | 281 | 281 | 281 | 281 | 281 | 281 | 281 | 281 | 281 | 281 | 281 |
| hotel rooms: TI Full Service Hotel ³ | | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| hotel rooms: YBI hotel ³ | | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| occupied rental units ² | | 597 | 597 | 597 | 597 | 597 | 597 | 597 | 597 | 597 | 597 | 597 |
| occupied retail.sf (000s) ⁴ | | 411 | 411 | 411 | 411 | 411 | 411 | 411 | 411 | 411 | 411 | 411 |
| occupied office.sf (000s) ⁴ | | 91 | 91 | 91 | 91 | 91 | 91 | 91 | 91 | 91 | 91 | 91 |
| I. GROSS RECEIPTS TAX | | | | | | | | | | | | |
| RETAIL | | | | | | | | | | | | |
| New Gross Receipts (\$000s) | \$600 /SF | 654,562 | 674,199 | 694,425 | 715,258 | 736,716 | 758,817 | 781,582 | 805,029 | 829,180 | 854,055 | 879,677 |
| Tax | \$1.00 /\$1,000 | 655,000 | 674,000 | 694,000 | 715,000 | 737,000 | 759,000 | 782,000 | 805,000 | 829,000 | 854,000 | 880,000 |
| OFFICE | | | | | | | | | | | | |
| Tax | \$907 /empl | 675,033 | 695,284 | 716,143 | 737,627 | 759,756 | 782,548 | 806,025 | 830,205 | 855,112 | 880,765 | 907,188 |
| HOTEL | | | | | | | | | | | | |
| New Gross Receipts (\$000s) | | | | | | | | | | | | |
| TI Full Service Hotel | \$123,188 /rm | 65,347 | 67,307 | 69,327 | 71,406 | 73,549 | 75,755 | 78,028 | 80,368 | 82,780 | 85,263 | 87,821 |
| YBI Hotel | \$266,906 /rm | 35,396 | 36,458 | 37,552 | 38,678 | 39,839 | 41,034 | 42,265 | 43,533 | 44,839 | 46,184 | 47,570 |
| Tax | | | | | | | | | | | | |
| TI Full Service Hotel | \$4.00 /\$1,000 | 261,388 | 269,229 | 277,306 | 285,625 | 294,194 | 303,020 | 312,111 | 321,474 | 331,118 | 341,052 | 351,283 |
| YBI Hotel | \$3.25 /\$1,000 | <u>115,038</u> | <u>118,489</u> | <u>122,044</u> | <u>125,705</u> | <u>129,476</u> | <u>133,360</u> | <u>137,361</u> | <u>141,482</u> | <u>145,726</u> | <u>150,098</u> | <u>154,601</u> |
| Total Tax | \$3.25 /\$1,000 | 376,425 | 387,718 | 399,350 | 411,330 | 423,670 | 436,380 | 449,472 | 462,956 | 476,844 | 491,150 | 505,884 |
| LEASING | | | | | | | | | | | | |
| New Gross Receipts (\$000s) | | | | | | | | | | | | |
| Rental Units (Market & BMR) | \$44,400 /unit | 70,320 | 72,430 | 74,603 | 76,841 | 79,146 | 81,520 | 83,966 | 86,485 | 89,080 | 91,752 | 94,505 |
| Retail Sq Ft | \$50 /sf | 55 | 56 | 58 | 60 | 61 | 63 | 65 | 67 | 69 | 71 | 73 |
| Office Square Feet | \$70 /sf | <u>17</u> | <u>17</u> | <u>18</u> | <u>19</u> | <u>19</u> | <u>20</u> | <u>20</u> | <u>21</u> | <u>21</u> | <u>22</u> | <u>23</u> |
| Tax | \$2.85 /\$1,000 | 200,616 | 206,635 | 212,834 | 219,219 | 225,795 | 232,569 | 239,546 | 246,733 | 254,135 | 261,759 | 269,612 |
| GROSS RECEIPTS TAX TOTAL | | 1,907,000 | 1,964,000 | 2,022,000 | 2,083,000 | 2,146,000 | 2,210,000 | 2,277,000 | 2,345,000 | 2,415,000 | 2,488,000 | 2,563,000 |

Table 14

**BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | | 2059-60 | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|---|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| revenue appreciation ¹ | | 3.67 | 3.78 | 3.90 | 4.01 | 4.13 | 4.26 | 4.38 | 4.52 | 4.65 |
| office employees ² | | 281 | 281 | 281 | 281 | 281 | 281 | 281 | 281 | 281 |
| hotel rooms: TI Full Service Hotel ³ | | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| hotel rooms: YBI hotel ³ | | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| occupied rental units ² | | 597 | 597 | 597 | 597 | 597 | 597 | 597 | 597 | 597 |
| occupied retail sf (000s) ⁴ | | 411 | 411 | 411 | 411 | 411 | 411 | 411 | 411 | 411 |
| occupied office sf (000s) ⁴ | | 91 | 91 | 91 | 91 | 91 | 91 | 91 | 91 | 91 |
| I. GROSS RECEIPTS TAX | | | | | | | | | | |
| RETAIL | | | | | | | | | | |
| New Gross Receipts (\$000s) | \$600 /SF | 906,067 | 933,249 | 961,247 | 990,084 | 1,019,787 | 1,050,380 | 1,081,892 | 1,114,349 | 1,147,779 |
| Tax | \$1.00 /\$1,000 | 906,000 | 933,000 | 961,000 | 990,000 | 1,020,000 | 1,050,000 | 1,082,000 | 1,114,000 | 1,148,000 |
| OFFICE | | | | | | | | | | |
| Tax | \$907 /empl | 934,404 | 962,436 | 991,309 | 1,021,048 | 1,051,679 | 1,083,230 | 1,115,727 | 1,149,198 | 1,183,674 |
| HOTEL | | | | | | | | | | |
| New Gross Receipts (\$000s) | | | | | | | | | | |
| TI Full Service Hotel | \$123,188 /rm | 90,455 | 93,169 | 95,964 | 98,843 | 101,808 | 104,863 | 108,008 | 111,249 | 114,586 |
| YBI Hotel | \$266,906 /rm | 48,997 | 50,467 | 51,981 | 53,540 | 55,146 | 56,801 | 58,505 | 60,260 | 62,068 |
| Tax | | | | | | | | | | |
| TI Full Service Hotel | \$4.00 /\$1,000 | 361,822 | 372,676 | 383,857 | 395,372 | 407,233 | 419,450 | 432,034 | 444,995 | 458,345 |
| YBI Hotel | \$3.25 /\$1,000 | <u>159,239</u> | <u>164,016</u> | <u>168,937</u> | <u>174,005</u> | <u>179,225</u> | <u>184,602</u> | <u>190,140</u> | <u>195,844</u> | <u>201,719</u> |
| Total Tax | \$3.25 /\$1,000 | 521,061 | 536,693 | 552,793 | 569,377 | 586,459 | 604,052 | 622,174 | 640,839 | 660,064 |
| LEASING | | | | | | | | | | |
| New Gross Receipts (\$000s) | | | | | | | | | | |
| Rental Units (Market & BMR) | \$44,400 /unit | 97,340 | 100,260 | 103,268 | 106,366 | 109,557 | 112,843 | 116,229 | 119,715 | 123,307 |
| Retail Sq Ft | \$50 /sf | 76 | 78 | 80 | 83 | 85 | 88 | 90 | 93 | 96 |
| Office Square Feet | \$70 /sf | <u>23</u> | <u>24</u> | <u>25</u> | <u>26</u> | <u>26</u> | <u>27</u> | <u>28</u> | <u>29</u> | <u>30</u> |
| Tax | \$2.85 /\$1,000 | 277,700 | 286,031 | 294,612 | 303,450 | 312,554 | 321,930 | 331,588 | 341,536 | 351,782 |
| GROSS RECEIPTS TAX TOTAL | | 2,639,000 | 2,718,000 | 2,800,000 | 2,884,000 | 2,971,000 | 3,059,000 | 3,151,000 | 3,246,000 | 3,344,000 |

Table 14

**BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | |
|--|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-------|
| II. BUSINESS REGISTRATION TAX | | | | | | | | | | | | |
| RETAIL | | | | | | | | | | | | |
| Business Licenses | 3,000 sf/bus. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 33 | 33 |
| License Rate | \$200 /bus. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,677 | 8,937 |
| OFFICE | | | | | | | | | | | | |
| Business Licenses | 5,000 sf/bus. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| License Rate | \$500 /bus. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| HOTEL | | | | | | | | | | | | |
| Business Licenses | | | | | | | | | | | | |
| TI Full Service | 1 license | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 1 | 1 | 1 |
| YBI Hotel | 1 license | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 1 |
| License Fees | | | | | | | | | | | | |
| TI Full Service | \$12,500 /license | 0 | 0 | 0 | 0 | 0 | 14,926 | 15,373 | 15,835 | 16,310 | 16,799 | |
| YBI Hotel | \$1,500 /license | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,900 | 1,957 | 2,016 | |
| | | 0 | 0 | 0 | 0 | 0 | 14,926 | 15,373 | 17,735 | 18,267 | 18,815 | |
| BUSINESS REGISTRATION TAX TOTAL | | 0 | 0 | 0 | 0 | 0 | 15,000 | 15,000 | 18,000 | 27,000 | 28,000 | |

¹ Table 10.

² Table 6.

³ Table 4.

⁴ Table 7.

Table 14

BUSINESS TAX REVENUE ESTIMATES
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 | |
|--|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| II. BUSINESS REGISTRATION TAX | | | | | | | | | | | | |
| RETAIL | | | | | | | | | | | | |
| Business Licenses | 3,000 sf/bus. | 33 | 76 | 76 | 137 | 137 | 137 | 137 | 137 | 137 | 137 | 137 |
| License Rate | \$200 /bus. | 9,205 | 21,581 | 22,229 | 41,480 | 42,725 | 44,006 | 45,327 | 46,686 | 48,087 | 49,530 | 51,015 |
| OFFICE | | | | | | | | | | | | |
| Business Licenses | 5,000 sf/bus. | 0 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 |
| License Rate | \$500 /bus. | 0 | 13,003 | 13,393 | 13,795 | 14,209 | 14,635 | 15,074 | 15,526 | 15,992 | 16,472 | 16,966 |
| HOTEL | | | | | | | | | | | | |
| Business Licenses | | | | | | | | | | | | |
| TI Full Service | 1 license | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| YBI Hotel | 1 license | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| License Fees | | | | | | | | | | | | |
| TI Full Service | \$12,500 /license | 17,303 | 17,822 | 18,357 | 18,907 | 19,475 | 20,059 | 20,661 | 21,280 | 21,919 | 22,576 | 23,254 |
| YBI Hotel | \$1,500 /license | <u>2,076</u> | <u>2,139</u> | <u>2,203</u> | <u>2,269</u> | <u>2,337</u> | <u>2,407</u> | <u>2,479</u> | <u>2,554</u> | <u>2,630</u> | <u>2,709</u> | <u>2,790</u> |
| | | 19,379 | 19,961 | 20,559 | 21,176 | 21,812 | 22,466 | 23,140 | 23,834 | 24,549 | 25,286 | 26,044 |
| BUSINESS REGISTRATION TAX TOTAL | | 29,000 | 55,000 | 56,000 | 76,000 | 79,000 | 81,000 | 84,000 | 86,000 | 89,000 | 91,000 | 94,000 |

¹ Table 10.

² Table 6.

³ Table 4.

⁴ Table 7.

Table 14

**BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| | MEASURE ¹ | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 |
|--|----------------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| II. BUSINESS REGISTRATION TAX | | | | | | | | | | | | |
| RETAIL | | | | | | | | | | | | |
| Business Licenses | 3,000 sf/bus. | 137 | 137 | 137 | 137 | 137 | 137 | 137 | 137 | 137 | 137 | 137 |
| License Rate | \$200 /bus. | 52,546 | 54,122 | 55,746 | 57,418 | 59,141 | 60,915 | 62,743 | 64,625 | 66,564 | 68,561 | 70,617 |
| OFFICE | | | | | | | | | | | | |
| Business Licenses | 5,000 sf/bus. | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 |
| License Rate | \$500 /bus. | 17,475 | 17,999 | 18,539 | 19,095 | 19,668 | 20,258 | 20,866 | 21,492 | 22,137 | 22,801 | 23,485 |
| HOTEL | | | | | | | | | | | | |
| Business Licenses | | | | | | | | | | | | |
| TI Full Service | 1 license | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| YBI Hotel | 1 license | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| License Fees | | | | | | | | | | | | |
| TI Full Service | \$12,500 /license | 23,951 | 24,670 | 25,410 | 26,172 | 26,957 | 27,766 | 28,599 | 29,457 | 30,341 | 31,251 | 32,189 |
| YBI Hotel | \$1,500 /license | <u>2,874</u> | <u>2,960</u> | <u>3,049</u> | <u>3,141</u> | <u>3,235</u> | <u>3,332</u> | <u>3,432</u> | <u>3,535</u> | <u>3,641</u> | <u>3,750</u> | <u>3,863</u> |
| | | 26,825 | 27,630 | 28,459 | 29,313 | 30,192 | 31,098 | 32,031 | 32,992 | 33,982 | 35,001 | 36,051 |
| BUSINESS REGISTRATION TAX TOTAL | | 97,000 | 100,000 | 103,000 | 106,000 | 109,000 | 112,000 | 116,000 | 119,000 | 123,000 | 126,000 | 130,000 |

¹ Table 10.

² Table 6.

³ Table 4.

⁴ Table 7.

Table 14

**BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | 2048-49 | 2049-50 | 2050-51 | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 |
|--|-------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| II. BUSINESS REGISTRATION TAX | | | | | | | | | | | |
| RETAIL | | | | | | | | | | | |
| Business Licenses | 3,000 sf/bus. | 137 | 137 | 137 | 137 | 137 | 137 | 137 | 137 | 137 | 137 |
| License Rate | \$200 /bus. | 72,736 | 74,918 | 77,165 | 79,480 | 81,865 | 84,321 | 86,850 | 89,456 | 92,140 | 94,904 |
| OFFICE | | | | | | | | | | | |
| Business Licenses | 5,000 sf/bus. | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 |
| License Rate | \$500 /bus. | 24,189 | 24,915 | 25,662 | 26,432 | 27,225 | 28,042 | 28,883 | 29,750 | 30,642 | 31,562 |
| HOTEL | | | | | | | | | | | |
| Business Licenses | | | | | | | | | | | |
| TI Full Service | 1 license | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| YBI Hotel | 1 license | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| License Fees | | | | | | | | | | | |
| TI Full Service | \$12,500 /license | 33,154 | 34,149 | 35,173 | 36,228 | 37,315 | 38,435 | 39,588 | 40,775 | 41,999 | 43,259 |
| YBI Hotel | \$1,500 /license | <u>3,979</u> | <u>4,098</u> | <u>4,221</u> | <u>4,347</u> | <u>4,478</u> | <u>4,612</u> | <u>4,751</u> | <u>4,893</u> | <u>5,040</u> | <u>5,191</u> |
| | | 37,133 | 38,247 | 39,394 | 40,576 | 41,793 | 43,047 | 44,338 | 45,669 | 47,039 | 48,450 |
| BUSINESS REGISTRATION TAX TOTAL | | 134,000 | 138,000 | 142,000 | 146,000 | 151,000 | 155,000 | 160,000 | 165,000 | 170,000 | 175,000 |

¹ Table 10.

² Table 6.

³ Table 4.

⁴ Table 7.

Table 14

**BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| MEASURE ¹ | 2059-60 | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|--|-------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| II. BUSINESS REGISTRATION TAX | | | | | | | | | |
| RETAIL | | | | | | | | | |
| Business Licenses | 3,000 sf/bus. | 137 | 137 | 137 | 137 | 137 | 137 | 137 | 137 |
| License Rate | \$200 /bus. | 100,683 | 103,704 | 106,815 | 110,020 | 113,320 | 116,720 | 120,221 | 123,828 |
| | | | | | | | | | 127,543 |
| OFFICE | | | | | | | | | |
| Business Licenses | 5,000 sf/bus. | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 |
| License Rate | \$500 /bus. | 33,484 | 34,488 | 35,523 | 36,588 | 37,686 | 38,817 | 39,981 | 41,181 |
| | | | | | | | | | 42,416 |
| HOTEL | | | | | | | | | |
| Business Licenses | | | | | | | | | |
| TI Full Service | 1 license | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| YBI Hotel | 1 license | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| License Fees | | | | | | | | | |
| TI Full Service | \$12,500 /license | 45,893 | 47,270 | 48,688 | 50,149 | 51,653 | 53,203 | 54,799 | 56,443 |
| YBI Hotel | \$1,500 /license | <u>5,507</u> | <u>5,672</u> | <u>5,843</u> | <u>6,018</u> | <u>6,198</u> | <u>6,384</u> | <u>6,576</u> | <u>6,773</u> |
| | | 51,400 | 52,942 | 54,531 | 56,167 | 57,852 | 59,587 | 61,375 | 63,216 |
| | | | | | | | | | 65,112 |
| BUSINESS REGISTRATION TAX TOTAL | | 186,000 | 191,000 | 197,000 | 203,000 | 209,000 | 215,000 | 222,000 | 228,000 |
| | | | | | | | | | 235,000 |

¹ Table 10.

² Table 6.

³ Table 4.

⁴ Table 7.

Table 15

TRANSFER TAX REVENUE ESTIMATES ¹
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|---------|-----------|-----------|-----------|-----------|-----------|
| VALUE SUBJECT TO TRANSFER TAX (\$000s) | | | | | | | | | | | |
| RESIDENTIAL VALUE² | | | | | | | | | | | |
| Market Rate Home Sales (\$000s) | 0 | 0 | 0 | 69,074 | 304,051 | 465,567 | 549,832 | 491,288 | 675,686 | 834,975 | 877,645 |
| Cumulative Value Inflated / 1 year lag 1.03 | 0 | 0 | 0 | 69,074 | 375,197 | 852,020 | 1,427,412 | 1,961,523 | 2,696,055 | 3,611,912 | 4,597,914 |
| BMR Home Sales (\$000s) | 0 | 0 | 0 | 669 | 3,092 | 4,919 | 6,754 | 6,348 | 6,538 | 6,734 | 6,937 |
| Cumulative Value Inflated / 1 year lag 1.01 | 0 | 0 | 0 | 669 | 3,768 | 8,724 | 15,566 | 22,069 | 28,829 | 35,851 | 43,146 |
| RESIDENTIAL TURNOVER | | | | | | | | | | | |
| Market Rate Units 10% /Year | 0 | 0 | 0 | 0 | 7,115 | 38,645 | 87,758 | 147,023 | 202,037 | 277,694 | 372,027 |
| Affordable Units 10% /Year | 0 | 0 | 0 | 0 | 68 | 381 | 881 | 1,572 | 2,229 | 2,912 | 3,621 |
| | 0 | 0 | 0 | 0 | 7,182 | 39,026 | 88,639 | 148,596 | 204,266 | 280,605 | 375,648 |
| TRANSFER TAX REVENUE | | | | | | | | | | | |
| Market Rate Units \$7.50 /\$1,000 | 0 | 0 | 0 | 0 | 53,000 | 290,000 | 658,000 | 1,103,000 | 1,515,000 | 2,083,000 | 2,790,000 |
| Affordable Units \$6.80 /\$1,000 | 0 | 0 | 0 | 0 | 0 | 3,000 | 6,000 | 11,000 | 15,000 | 20,000 | 25,000 |
| Notes | 0 | 0 | 0 | 0 | 53,000 | 293,000 | 664,000 | 1,114,000 | 1,530,000 | 2,103,000 | 2,815,000 |

¹ Table 10.

² TICD Pro Forma (March 2016).

Table 15.

TRANSFER TAX REVENUE ESTIMATES ¹
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| VALUE SUBJECT TO TRANSFER TAX (\$000s) | | | | | | | | | | | |
| RESIDENTIAL VALUE² | | | | | | | | | | | |
| Market Rate Home Sales (\$000s) | 865,778 | 848,007 | 832,925 | 857,912 | 809,672 | 244,121 | 0 | 0 | 0 | 0 | 0 |
| Cumulative Value Inflated / 1 year lag 1.03 | 5,601,629 | 6,617,684 | 7,649,139 | 8,736,526 | 9,808,294 | 10,346,664 | 10,657,064 | 10,976,775 | 11,306,079 | 11,645,261 | 11,994,619 |
| BMR Home Sales (\$000s) | 7,145 | 7,359 | 7,580 | 7,807 | 6,866 | 1,251 | 0 | 0 | 0 | 0 | 0 |
| Cumulative Value Inflated / 1 year lag 1.01 | 50,722 | 58,589 | 66,754 | 75,229 | 82,847 | 84,926 | 85,776 | 86,634 | 87,500 | 88,375 | 89,259 |
| RESIDENTIAL TURNOVER | | | | | | | | | | | |
| Market Rate Units 10% /Year | 473,585 | 576,968 | 681,621 | 787,861 | 899,862 | 1,010,254 | 1,065,706 | 1,097,678 | 1,130,608 | 1,164,526 | 1,199,462 |
| Affordable Units 10% /Year | <u>4,358</u> | <u>5,123</u> | <u>5,917</u> | <u>6,742</u> | <u>7,598</u> | <u>8,368</u> | <u>8,578</u> | <u>8,663</u> | <u>8,750</u> | <u>8,837</u> | <u>8,926</u> |
| | 477,943 | 582,091 | 687,539 | 794,604 | 907,460 | 1,018,622 | 1,074,284 | 1,106,341 | 1,139,358 | 1,173,364 | 1,208,388 |
| TRANSFER TAX REVENUE | | | | | | | | | | | |
| Market Rate Units \$7.50 /\$1,000 | 3,552,000 | 4,327,000 | 5,112,000 | 5,909,000 | 6,749,000 | 7,577,000 | 7,993,000 | 8,233,000 | 8,480,000 | 8,734,000 | 8,996,000 |
| Affordable Units \$6.80 /\$1,000 | <u>30,000</u> | <u>35,000</u> | <u>40,000</u> | <u>46,000</u> | <u>52,000</u> | <u>57,000</u> | <u>58,000</u> | <u>59,000</u> | <u>59,000</u> | <u>60,000</u> | <u>61,000</u> |
| | 3,582,000 | 4,362,000 | 5,152,000 | 5,955,000 | 6,801,000 | 7,634,000 | 8,051,000 | 8,292,000 | 8,539,000 | 8,794,000 | 9,057,000 |

Notes

¹ Table 10.

² TICD Pro Forma (March 2016).

Table 15

TRANSFER TAX REVENUE ESTIMATES ¹
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| VALUE SUBJECT TO TRANSFER TAX (\$000s) | | | | | | | | | | | |
| RESIDENTIAL VALUE² | | | | | | | | | | | |
| Market Rate Home Sales (\$000s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cumulative Value Inflated / 1 year lag 1.03 | 12,354,457 | 12,725,091 | 13,106,844 | 13,500,049 | 13,905,051 | 14,322,202 | 14,751,868 | 15,194,424 | 15,650,257 | 16,119,765 | 16,603,358 |
| BMR Home Sales (\$000s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cumulative Value Inflated / 1 year lag 1.01 | 90,151 | 91,053 | 91,963 | 92,883 | 93,812 | 94,750 | 95,697 | 96,654 | 97,621 | 98,597 | 99,583 |
| RESIDENTIAL TURNOVER | | | | | | | | | | | |
| Market Rate Units 10% /Year | 1,235,446 | 1,272,509 | 1,310,684 | 1,350,005 | 1,390,505 | 1,432,220 | 1,475,187 | 1,519,442 | 1,565,026 | 1,611,976 | 1,660,336 |
| Affordable Units 10% /Year | <u>9,015</u> | <u>9,105</u> | <u>9,196</u> | <u>9,288</u> | <u>9,381</u> | <u>9,475</u> | <u>9,570</u> | <u>9,665</u> | <u>9,762</u> | <u>9,860</u> | <u>9,958</u> |
| | 1,244,461 | 1,281,614 | 1,319,881 | 1,359,293 | 1,399,886 | 1,441,695 | 1,484,757 | 1,529,108 | 1,574,788 | 1,621,836 | 1,670,294 |
| TRANSFER TAX REVENUE | | | | | | | | | | | |
| Market Rate Units \$7.50 /\$1,000 | 9,266,000 | 9,544,000 | 9,830,000 | 10,125,000 | 10,429,000 | 10,742,000 | 11,064,000 | 11,396,000 | 11,738,000 | 12,090,000 | 12,453,000 |
| Affordable Units \$6.80 /\$1,000 | <u>61,000</u> | <u>62,000</u> | <u>63,000</u> | <u>63,000</u> | <u>64,000</u> | <u>64,000</u> | <u>65,000</u> | <u>66,000</u> | <u>66,000</u> | <u>67,000</u> | <u>68,000</u> |
| Notes | 9,327,000 | 9,606,000 | 9,893,000 | 10,188,000 | 10,493,000 | 10,806,000 | 11,129,000 | 11,462,000 | 11,804,000 | 12,157,000 | 12,521,000 |

¹ Table 10.

² TICD Pro Forma (March 2016).

Table 15

TRANSFER TAX REVENUE ESTIMATES ¹
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2048-49 | 2049-50 | 2050-51 | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| VALUE SUBJECT TO TRANSFER TAX (\$000s) | | | | | | | | | | | |
| RESIDENTIAL VALUE² | | | | | | | | | | | |
| Market Rate Home Sales (\$000s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cumulative Value Inflated / 1 year lag 1.03 | 17,101,459 | 17,614,502 | 18,142,937 | 18,687,225 | 19,247,842 | 19,825,277 | 20,420,036 | 21,032,637 | 21,663,616 | 22,313,524 | 22,982,930 |
| BMR Home Sales (\$000s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cumulative Value Inflated / 1 year lag 1.01 | 100,579 | 101,585 | 102,600 | 103,626 | 104,663 | 105,709 | 106,766 | 107,834 | 108,912 | 110,002 | 111,102 |
| RESIDENTIAL TURNOVER | | | | | | | | | | | |
| Market Rate Units 10% /Year | 1,710,146 | 1,761,450 | 1,814,294 | 1,868,723 | 1,924,784 | 1,982,528 | 2,042,004 | 2,103,264 | 2,166,362 | 2,231,352 | 2,298,293 |
| Affordable Units 10% /Year | <u>10,058</u> | <u>10,158</u> | <u>10,260</u> | <u>10,363</u> | <u>10,466</u> | <u>10,571</u> | <u>10,677</u> | <u>10,783</u> | <u>10,891</u> | <u>11,000</u> | <u>11,110</u> |
| | 1,720,204 | 1,771,609 | 1,824,554 | 1,879,085 | 1,935,250 | 1,993,099 | 2,052,680 | 2,114,047 | 2,177,253 | 2,242,353 | 2,309,403 |
| TRANSFER TAX REVENUE | | | | | | | | | | | |
| Market Rate Units \$7.50 /\$1,000 | 12,826,000 | 13,211,000 | 13,607,000 | 14,015,000 | 14,436,000 | 14,869,000 | 15,315,000 | 15,774,000 | 16,248,000 | 16,735,000 | 17,237,000 |
| Affordable Units \$6.80 /\$1,000 | <u>68,000</u> | <u>69,000</u> | <u>70,000</u> | <u>70,000</u> | <u>71,000</u> | <u>72,000</u> | <u>73,000</u> | <u>73,000</u> | <u>74,000</u> | <u>75,000</u> | <u>76,000</u> |
| | 12,894,000 | 13,280,000 | 13,677,000 | 14,085,000 | 14,507,000 | 14,941,000 | 15,388,000 | 15,847,000 | 16,322,000 | 16,810,000 | 17,313,000 |

Notes

¹ Table 10.

² TICD Pro Forma (March 2016).

Table 15

TRANSFER TAX REVENUE ESTIMATES ¹
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | | 2059-60 | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|---|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| VALUE SUBJECT TO TRANSFER TAX (\$000s) | | | | | | | | | | |
| RESIDENTIAL VALUE² | | | | | | | | | | |
| Market Rate Home Sales (\$000s) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cumulative Value Inflated / 1 year lag | 1.03 | 23,672,418 | 24,382,591 | 25,114,068 | 25,867,490 | 26,643,515 | 27,442,821 | 28,266,105 | 29,114,088 | 29,987,511 |
| BMR Home Sales (\$000s) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cumulative Value Inflated / 1 year lag | 1.01 | 112,213 | 113,335 | 114,468 | 115,613 | 116,769 | 117,937 | 119,116 | 120,307 | 121,510 |
| RESIDENTIAL TURNOVER | | | | | | | | | | |
| Market Rate Units | 10% /Year | 2,367,242 | 2,438,259 | 2,511,407 | 2,586,749 | 2,664,352 | 2,744,282 | 2,826,611 | 2,911,409 | 2,998,751 |
| Affordable Units | 10% /Year | <u>11,221</u> | <u>11,333</u> | <u>11,447</u> | <u>11,561</u> | <u>11,677</u> | <u>11,794</u> | <u>11,912</u> | <u>12,031</u> | <u>12,151</u> |
| | | 2,378,463 | 2,449,593 | 2,522,854 | 2,598,310 | 2,676,028 | 2,756,076 | 2,838,522 | 2,923,440 | 3,010,902 |
| TRANSFER TAX REVENUE | | | | | | | | | | |
| Market Rate Units | \$7.50 /\$1,000 | 17,754,000 | 18,287,000 | 18,836,000 | 19,401,000 | 19,983,000 | 20,582,000 | 21,200,000 | 21,836,000 | 22,491,000 |
| Affordable Units | \$6.80 /\$1,000 | <u>76,000</u> | <u>77,000</u> | <u>78,000</u> | <u>79,000</u> | <u>79,000</u> | <u>80,000</u> | <u>81,000</u> | <u>82,000</u> | <u>83,000</u> |
| | | 17,830,000 | 18,364,000 | 18,914,000 | 19,480,000 | 20,062,000 | 20,662,000 | 21,281,000 | 21,918,000 | 22,574,000 |

Notes

¹ Table 10.

² TICD Pro Forma (March 2016).

Table 16

GENERAL FUND OPERATING EXPENSE ASSUMPTIONS ¹
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | | | | |
|------------------------------|-----------|---|--|--|
| Global Escalation Assumption | 3.0% | Per Year ¹ | | |
| 2015 City/County Service | 845,602 | Resident Population ² | | |
| Population Estimate | 613,200 | Employment Base ² | | |
| | 1,458,802 | Day and Evening Population ² | | |

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| | | | | |
|---|---------------|---|-----------------|----------------------------|
| Gen. Administration & Finance: | | | | |
| Elections | 58% | share of residents eligible and registered to vote ³ | | |
| | 800 | voters per polling place ³ | | |
| | \$20,000 | cost per polling place (2010\$) ³ | | |
| | \$23,881 | cost per polling place (2016\$), inflated | | |
| | \$17 | cost per capita (2016\$) | | |
| Gen. Administration & Finance: | | | | |
| Assessor/ Recorder | 1 | required FTE ³ | | |
| | \$133,617 | fully loaded service cost ⁴ | | |
| | | <u>start year threshold:</u> | | |
| | 2% | of new residents ³ | | |
| Gen. Administration & Finance: | | | | |
| 311 Call Center | 4.59 | annual calls per resident ³ | | |
| | 48,000 | annual calls per customer service representative (CSR) ³ | | |
| | \$108,133 | total compensation per CSR ⁴ | | |
| | \$10 | service cost per capita | | |
| | 51% | transfer adjustment ⁵ | | |
| | \$5 | cost per capita, net of transfers | | |
| Gen. Administration & Finance: | | | | |
| All Other | \$198,908,263 | Net Expenses FY 2015-16 (Appendix A-2) ⁶ | | |
| | 1,060,222 | resident equivalents | | |
| | 25% | variable costs ³ | | |
| | \$0 | cost per resident equivalent ³ | \$47 | (excluded) |
| Public Safety: Fire Protection | | <u>Costs by Apparatus (See Table 9-D)</u> | <u>Existing</u> | <u>New</u> <u>Replaced</u> |
| | 3,469,493 | Engine | 1 | 1 0 |
| | 4,144,253 | Ladder Truck | 1 | 1 0 |
| | 75,967 | Ambulance (Backup) | 1 | 0 0 |
| | 1,602,890 | Ambulance (Staffed) | 0 | 1 0 |
| | 1,739,357 | Engine-Hose Tender | 1 | 0 -1 |
| | 1,267,028 | Battalion Chief | 0 | 1 0 |
| | 89,767 | New Ladder Truck (Equipment Only) | 0 | 1 0 |

Table 16

GENERAL FUND OPERATING EXPENSE ASSUMPTIONS ¹
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

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| | | |
|--|------------|--|
| Fire (Continued) | 35% | Population Threshold To Complete Fire Station ⁷ |
| | 50% | Share of Costs to Phase In/Out in First Operating Year ¹ |
| | | |
| Public Safety: Police | | <u>Costs at Build-Out</u> |
| | 1.42 | Sworn Officers /1,000 Day and Nighttime Population ³ |
| | <u>1.2</u> | "Island Factor" ³ |
| | 1.70 | Sworn Officers /1,000 Day and Nighttime Population (Treasure Island) |
| | \$174,799 | Average Salary and Benefits Per Sworn Officer (2015\$) ⁸ |
| | \$297 | Cost Per Day and Nighttime Population |
| | | <u>Existing Costs</u> |
| | 11 | Sworn Officers ³ |
| | \$174,799 | Average Salary and Benefits Per Sworn Officer (2015\$) ⁸ |
| | | |
| Public Safety: Emergency Communications | | |
| | 1.18 | 911 Calls Per Resident ³ |
| | 6,045 | Calls Per Public Safety Dispatcher (PSD)/Supervisor ³ |
| | 133,868 | total compensation per PSD/ PSD supervisor ⁴ |
| | \$26 | cost per capita (2016\$) |
| | | |
| Public Health | | |
| | 0.30 | visits per person (low-moderate income) ³ |
| | 14% | share of patients admitted ³ |
| | 6 | length of stay (days) ³ |
| | \$565 | ER cost / visit (2010\$) ³ |
| | \$3,000 | Inpatient cost / day (2010\$) ³ |
| | | <hr/> |
| | \$675 | ER cost / visit (2016\$) |
| | \$3,582 | Inpatient cost / visit (2016\$) |
| | \$1,076 | Total cost ER + Inpatient |
| | 80% | Reimbursement share ³ |
| | \$215 | Unreimbursed cost |
| | 28% | % of residents living in affordable units ⁹ |
| | \$60 | per capita service cost |

Table 16

GENERAL FUND OPERATING EXPENSE ASSUMPTIONS ¹
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

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Public Works

1,849,420 sq. ft. of new streets³

| <i>delivery of streets based on cumulative share of residents in subsequent year.³</i> | |
|---|-------------------------------|
| <u>res. threshold</u> | <u>% of streets delivered</u> |
| <u>% of pop.</u> | |
| 1.50% | 41% |
| 19.81% | 14% |
| 45.50% | 20% |
| 65.98% | 8% |
| 80.42% | 17% |
| | 100% |

New Costs

| | |
|--------|---|
| \$0.65 | maintenance and reconstruction cost PSF (2010\$) ³ |
| \$0.07 | street sweeping cost PSF (2010\$) ³ |
| \$0.71 | maintenance and reconstruction cost PSF (2016\$) |
| \$0.08 | street sweeping cost PSF (2016\$) |

Phase In

- 1 year cost delay³
- 10 years to full public cost³

GF Transfer to SFMTA¹⁰

| | <u>Prop. B Population Adjustment</u> |
|---------------|--|
| \$271,700,000 | Base Transfer from General Fund FY16 ¹¹ |
| 1,458,802 | Day and Evening Population |
| \$186 | Per Resident/Employee |

Other Transportation/Economic Development

\$0 Not Estimated³

Library/Community Facilities

| <u>Library¹²</u> | <u>Community</u> | |
|-----------------------------|------------------|---|
| \$186,724 | \$314,800 | Net Annual Operating Cost (2010\$) ³ |
| \$222,958 | \$375,888 | Net Annual Operating Cost (2016\$), Inflated |
| \$325,142 | \$600,000 | Initial Capital Cost (2010\$) ³ |
| \$388,237 | \$716,431 | Initial Capital Cost (2016\$), Inflated |
| 5 | 5 | Amoritization Period ³ |
| 5% | 5% | Amoritization Rate ³ |
| \$89,673 | \$165,478 | Annual Payment |
| | | 5 years |
| 20% | 20% | percent of residents ³ |
| 33% | 33% | Year 1 Phase In ³ |
| 67% | 67% | Year 2 Phase In ³ |

Culture and Recreation: Recreation & Park

\$0 parks and open space funded by private and/or non-profit sources³

Table 16

**GENERAL FUND OPERATING EXPENSE ASSUMPTIONS ¹
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| | | | | |
|-------|---|---|---|------------------|
| p 4/4 | Other Culture and Recreation | \$39,911,064 \$1,060,222 25% \$0 | Net Expenses FY2015-16 (Appendix A-2) ⁶ resident equivalents variable costs cost per resident equivalent: ³ | \$9 (excluded) |
| | Human Welfare & Neighborhood Development | \$885,614,062 1,060,222 25% \$0 | Net Expenses FY 2015-16 (Appendix A-2) ⁶ resident equivalents variable costs cost per resident equivalent: ³ | \$209 (excluded) |
| | General City Responsibility | \$0 | not estimated ³ | |

Notes

- ¹ KMA assumption.
- ² Table 9.
- ³ Per the report, "Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project," by Economic Planning Systems in May 2011.
- ⁴ San Francisco Office of the Controller. FY 2015/16 Rate Table. Based on weighted average of personnel categories identified in 2011 EPS study.
- ⁵ City and County of San Francisco. Budget and Appropriation Ordinance. Fiscal Year Ending June 30, 2016. Share of 311 costs borne by enterprise funds.
- ⁶ City and County of San Francisco. Budget and Appropriation Ordinance. Fiscal Year Ending June 30, 2016.
- ⁷ TICD Schedule of Performance, June 2016.
- ⁸ City & County of San Francisco Office of the Controller, City Services Benchmarking Report: Police Staffing (July 2015).
- ⁹ Table 6.
- ¹⁰ Base transfer to MTA deducted from revenues. See revenue assumptions, Table 10.
- ¹¹ City of San Francisco. Office of the Controller. FY2015-16 Revenue Letter. As a result of Proposition B, passed by voters in 2014, required GF payments to MTA are to be adjusted proportionally to growth in the day or evening population, whichever is greater.
- ¹² Library expenses assumed to be paid out of baseline transfer to Library Fund. See Table 23.

Table 17
 ESTIMATE OF GENERAL FUND EXPENSES
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | |
|--|----------------------|-------------|-------------|-------------|---------------|----------------|----------------|------------------|------------------|------------------|-------------------|-------------------|
| expense appreciation ¹ | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 | |
| residents ² | 0 | 0 | 0 | 109 | 658 | 1,613 | 3,087 | 4,457 | 5,671 | 7,366 | 9,181 | |
| employees ² | 0 | 0 | 0 | 19 | 66 | 123 | 356 | 415 | 514 | 921 | 981 | |
| day & night time pop. ² | 0 | 0 | 0 | 128 | 724 | 1,736 | 3,443 | 4,872 | 6,185 | 8,287 | 10,162 | |
| Percent Buildout Population ² | 0% | 0% | 0% | 1% | 4% | 10% | 19% | 27% | 35% | 45% | 56% | |
| GENERAL FUND EXPENSES | | | | | | | | | | | | |
| Elections | \$17.19 /res | 0 | 0 | 0 | 2,000 | 13,000 | 32,000 | 63,000 | 94,000 | 124,000 | 165,000 | 212,000 |
| Assessor/Recorder | \$133,617 2016\$ | 0 | 0 | 0 | 0 | 150,000 | 155,000 | 160,000 | 164,000 | 169,000 | 174,000 | 180,000 |
| 311 | \$5.07 /res | 0 | 0 | 0 | 1,000 | 4,000 | 9,000 | 19,000 | 28,000 | 36,000 | 49,000 | 63,000 |
| Police Services | | | | | | | | | | | | |
| Total Cost | \$297.50 /res & emp. | 0 | 0 | 0 | 42,000 | 243,000 | 599,000 | 1,223,000 | 1,783,000 | 2,331,000 | 3,217,000 | 4,063,000 |
| (Less) Existing Costs | \$1,922,789 2016\$ | (1,923,000) | (1,980,000) | (2,040,000) | (2,101,000) | (2,164,000) | (2,229,000) | (2,296,000) | (2,365,000) | (2,436,000) | (2,509,000) | (2,584,000) |
| Incremental Cost | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 708,000 | 1,479,000 | |
| Fire Protection | Table 18 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,970,000 | 6,119,000 | 6,303,000 | |
| 911 Emergency Response | \$26.13 /res | 0 | 0 | 0 | 3,000 | 19,000 | 49,000 | 96,000 | 143,000 | 188,000 | 251,000 | 322,000 |
| Public Health | \$60.05 /res | 0 | 0 | 0 | 7,000 | 44,000 | 112,000 | 221,000 | 329,000 | 431,000 | 577,000 | 741,000 |
| Public Works | Table 20 | 0 | 0 | 0 | 0 | 42,000 | 69,000 | 168,000 | 239,000 | 279,000 | 611,000 | |
| Library/Community Facilities | Table 23 | 0 | 0 | 0 | 0 | 0 | 205,000 | 418,000 | 641,000 | 655,000 | 670,000 | |
| SFMTA Prop. B | Table 21-A | 0 | 0 | 0 | 26,000 | 152,000 | 375,000 | 766,000 | 1,116,000 | 1,459,000 | 2,014,000 | 2,544,000 |
| TOTAL EXPENSES | | 0 | 0 | 0 | 39,000 | 382,000 | 774,000 | 1,599,000 | 2,460,000 | 6,257,000 | 10,991,000 | 13,125,000 |

Notes

¹ Table 16.

² Table 6.

Table 17
 ESTIMATE OF GENERAL FUND EXPENSES
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 | |
|--|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| expense appreciation ¹ | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 | 1.86 | |
| residents ² | 10,689 | 12,111 | 13,734 | 14,952 | 16,043 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | |
| employees ² | 1,032 | 1,786 | 1,842 | 2,497 | 2,534 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | |
| day & night time pop. ² | 11,721 | 13,897 | 15,576 | 17,449 | 18,577 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | |
| Percent Buildout Population ² | 65% | 74% | 84% | 92% | 98% | 100% | 100% | 100% | 100% | 100% | 100% | |
| GENERAL FUND EXPENSES | | | | | | | | | | | | |
| Elections | \$17.19 /res | 254,000 | 297,000 | 347,000 | 389,000 | 430,000 | 450,000 | 464,000 | 478,000 | 492,000 | 507,000 | 522,000 |
| Assessor/Recorder | \$133,617 2016\$ | 185,000 | 191,000 | 196,000 | 202,000 | 208,000 | 214,000 | 221,000 | 227,000 | 234,000 | 241,000 | 249,000 |
| 311 | \$5.07 /res | 75,000 | 88,000 | 102,000 | 115,000 | 127,000 | 133,000 | 137,000 | 141,000 | 145,000 | 149,000 | 154,000 |
| Police Services | | | | | | | | | | | | |
| Total Cost | \$297.50 /res & emp. | 4,827,000 | 5,895,000 | 6,805,000 | 7,852,000 | 8,610,000 | 9,009,000 | 9,279,000 | 9,557,000 | 9,844,000 | 10,139,000 | 10,443,000 |
| (Less) Existing Costs | \$1,922,789 2016\$ | (2,662,000) | (2,741,000) | (2,824,000) | (2,908,000) | (2,996,000) | (3,086,000) | (3,178,000) | (3,273,000) | (3,372,000) | (3,473,000) | (3,577,000) |
| Incremental Cost | | 2,165,000 | 3,154,000 | 3,981,000 | 4,944,000 | 5,614,000 | 5,923,000 | 6,101,000 | 6,284,000 | 6,472,000 | 6,666,000 | 6,866,000 |
| Fire Protection | Table 18 | 6,492,000 | 6,687,000 | 6,887,000 | 7,094,000 | 7,307,000 | 7,526,000 | 7,752,000 | 7,984,000 | 8,224,000 | 8,470,000 | 8,724,000 |
| 911 Emergency Response | \$26.13 /res | 387,000 | 451,000 | 527,000 | 591,000 | 653,000 | 685,000 | 705,000 | 726,000 | 748,000 | 771,000 | 794,000 |
| Public Health | \$60.05 /res | 888,000 | 1,037,000 | 1,211,000 | 1,358,000 | 1,501,000 | 1,573,000 | 1,620,000 | 1,669,000 | 1,719,000 | 1,771,000 | 1,824,000 |
| Public Works | Table 20 | 736,000 | 977,000 | 1,497,000 | 1,473,000 | 1,494,000 | 1,527,000 | 1,572,000 | 1,619,000 | 1,668,000 | 1,718,000 | 1,770,000 |
| Library/Community Facilities | Table 23 | 685,000 | 536,000 | 552,000 | 569,000 | 586,000 | 603,000 | 621,000 | 640,000 | 659,000 | 679,000 | 699,000 |
| SFMTA Prop. B | Table 21-A | 3,022,000 | 3,690,000 | 4,260,000 | 4,916,000 | 5,390,000 | 5,640,000 | 5,809,000 | 5,983,000 | 6,163,000 | 6,348,000 | 6,538,000 |
| TOTAL EXPENSES | | 14,889,000 | 17,108,000 | 19,560,000 | 21,651,000 | 23,310,000 | 24,274,000 | 25,002,000 | 25,751,000 | 26,524,000 | 27,320,000 | 28,140,000 |

Notes

¹ Table 16.

² Table 6.

Table 17
ESTIMATE OF GENERAL FUND EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 | |
|--|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| expense appreciation ¹ | 1.92 | 1.97 | 2.03 | 2.09 | 2.16 | 2.22 | 2.29 | 2.36 | 2.43 | 2.50 | 2.58 | |
| residents ² | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | |
| employees ² | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | |
| day & night time pop. ² | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | |
| Percent Buildout Population ² | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |
| GENERAL FUND EXPENSES | | | | | | | | | | | | |
| Elections | \$17.19 /res | 538,000 | 554,000 | 571,000 | 588,000 | 605,000 | 624,000 | 642,000 | 662,000 | 681,000 | 702,000 | 723,000 |
| Assessor/Recorder | \$133,617 2016\$ | 256,000 | 264,000 | 272,000 | 280,000 | 288,000 | 297,000 | 306,000 | 315,000 | 324,000 | 334,000 | 344,000 |
| 311 | \$5.07 /res | 159,000 | 163,000 | 168,000 | 173,000 | 178,000 | 184,000 | 189,000 | 195,000 | 201,000 | 207,000 | 213,000 |
| Police Services | | | | | | | | | | | | |
| Total Cost | \$297.50 /res & emp. | 10,757,000 | 11,080,000 | 11,412,000 | 11,754,000 | 12,107,000 | 12,470,000 | 12,844,000 | 13,230,000 | 13,626,000 | 14,035,000 | 14,456,000 |
| (Less) Existing Costs | \$1,922,789 2016\$ | <u>(3,684,000)</u> | <u>(3,795,000)</u> | <u>(3,909,000)</u> | <u>(4,026,000)</u> | <u>(4,147,000)</u> | <u>(4,271,000)</u> | <u>(4,399,000)</u> | <u>(4,531,000)</u> | <u>(4,667,000)</u> | <u>(4,807,000)</u> | <u>(4,951,000)</u> |
| Incremental Cost | | 7,073,000 | 7,285,000 | 7,503,000 | 7,728,000 | 7,960,000 | 8,199,000 | 8,445,000 | 8,699,000 | 8,959,000 | 9,228,000 | 9,505,000 |
| Fire Protection | Table 18 | 8,986,000 | 9,256,000 | 9,533,000 | 9,819,000 | 10,114,000 | 10,417,000 | 10,730,000 | 11,052,000 | 11,383,000 | 11,725,000 | 12,077,000 |
| 911 Emergency Response | \$26.13 /res | 817,000 | 842,000 | 867,000 | 893,000 | 920,000 | 948,000 | 976,000 | 1,005,000 | 1,036,000 | 1,067,000 | 1,099,000 |
| Public Health | \$60.05 /res | 1,878,000 | 1,935,000 | 1,993,000 | 2,053,000 | 2,114,000 | 2,178,000 | 2,243,000 | 2,310,000 | 2,380,000 | 2,451,000 | 2,525,000 |
| Public Works | Table 20 | 1,823,000 | 1,877,000 | 1,935,000 | 1,992,000 | 2,051,000 | 2,113,000 | 2,176,000 | 2,242,000 | 2,309,000 | 2,377,000 | 2,450,000 |
| Library/Community Facilities | Table 23 | 720,000 | 742,000 | 764,000 | 787,000 | 811,000 | 835,000 | 860,000 | 886,000 | 912,000 | 940,000 | 968,000 |
| SFMTA Prop. B | Table 21-A | 6,734,000 | 6,936,000 | 7,144,000 | 7,359,000 | 7,580,000 | 7,807,000 | 8,041,000 | 8,282,000 | 8,531,000 | 8,787,000 | 9,050,000 |
| TOTAL EXPENSES | | 28,984,000 | 29,854,000 | 30,750,000 | 31,672,000 | 32,621,000 | 33,602,000 | 34,608,000 | 35,648,000 | 36,716,000 | 37,818,000 | 38,954,000 |

Notes

¹ Table 16.

² Table 6.

Table 17
ESTIMATE OF GENERAL FUND EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2048-49 | 2049-50 | 2050-51 | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 | |
|--|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| expense appreciation ¹ | 2.65 | 2.73 | 2.81 | 2.90 | 2.99 | 3.07 | 3.17 | 3.26 | 3.36 | 3.46 | 3.56 | |
| residents ² | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | |
| employees ² | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | |
| day & night time pop. ² | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | |
| Percent Buildout Population ² | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |
| GENERAL FUND EXPENSES | | | | | | | | | | | | |
| Elections | \$17.19 /res | 745,000 | 767,000 | 790,000 | 814,000 | 838,000 | 863,000 | 889,000 | 916,000 | 943,000 | 971,000 | 1,001,000 |
| Assessor/Recorder | \$133,617 2016\$ | 354,000 | 365,000 | 376,000 | 387,000 | 399,000 | 411,000 | 423,000 | 436,000 | 449,000 | 462,000 | 476,000 |
| 311 | \$5.07 /res | 219,000 | 226,000 | 233,000 | 240,000 | 247,000 | 254,000 | 262,000 | 270,000 | 278,000 | 286,000 | 295,000 |
| Police Services | | | | | | | | | | | | |
| Total Cost | \$297.50 /res & emp. | 14,890,000 | 15,337,000 | 15,797,000 | 16,271,000 | 16,759,000 | 17,262,000 | 17,779,000 | 18,313,000 | 18,862,000 | 19,428,000 | 20,011,000 |
| (Less) Existing Costs | \$1,922,789 2016\$ | (5,100,000) | (5,253,000) | (5,410,000) | (5,573,000) | (5,740,000) | (5,912,000) | (6,090,000) | (6,272,000) | (6,460,000) | (6,654,000) | (6,854,000) |
| Incremental Cost | | 9,790,000 | 10,084,000 | 10,387,000 | 10,698,000 | 11,019,000 | 11,350,000 | 11,689,000 | 12,041,000 | 12,402,000 | 12,774,000 | 13,157,000 |
| Fire Protection | Table 18 | 12,439,000 | 12,812,000 | 13,197,000 | 13,592,000 | 14,000,000 | 14,420,000 | 14,853,000 | 15,298,000 | 15,757,000 | 16,230,000 | 16,717,000 |
| 911 Emergency Response | \$26.13 /res | 1,132,000 | 1,166,000 | 1,200,000 | 1,237,000 | 1,274,000 | 1,312,000 | 1,351,000 | 1,392,000 | 1,433,000 | 1,476,000 | 1,521,000 |
| Public Health | \$60.05 /res | 2,600,000 | 2,678,000 | 2,759,000 | 2,841,000 | 2,927,000 | 3,014,000 | 3,105,000 | 3,198,000 | 3,294,000 | 3,393,000 | 3,495,000 |
| Public Works | Table 20 | 2,523,000 | 2,599,000 | 2,677,000 | 2,757,000 | 2,840,000 | 2,925,000 | 3,012,000 | 3,103,000 | 3,196,000 | 3,292,000 | 3,391,000 |
| Library/Community Facilities | Table 23 | 997,000 | 1,027,000 | 1,058,000 | 1,089,000 | 1,122,000 | 1,156,000 | 1,190,000 | 1,226,000 | 1,263,000 | 1,301,000 | 1,340,000 |
| SFMTA Prop. B | Table 21-A | 9,322,000 | 9,601,000 | 9,890,000 | 10,186,000 | 10,492,000 | 10,807,000 | 11,131,000 | 11,465,000 | 11,809,000 | 12,163,000 | 12,528,000 |
| TOTAL EXPENSES | | 40,121,000 | 41,325,000 | 42,567,000 | 43,841,000 | 45,158,000 | 46,512,000 | 47,905,000 | 49,345,000 | 50,824,000 | 52,348,000 | 53,921,000 |

Notes

¹ Table 16.

² Table 6.

Table 17
ESTIMATE OF GENERAL FUND EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2059-60 | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 | |
|--|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| expense appreciation ¹ | 3.67 | 3.78 | 3.90 | 4.01 | 4.13 | 4.26 | 4.38 | 4.52 | 4.65 | |
| residents ² | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | |
| employees ² | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | |
| day & night time pop. ² | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | |
| Percent Buildout Population ² | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |
| GENERAL FUND EXPENSES | | | | | | | | | | |
| Elections | \$17.19 /res | 1,031,000 | 1,062,000 | 1,093,000 | 1,126,000 | 1,160,000 | 1,195,000 | 1,231,000 | 1,268,000 | 1,306,000 |
| Assessor/Recorder | \$133,617 2016\$ | 491,000 | 505,000 | 520,000 | 536,000 | 552,000 | 569,000 | 586,000 | 603,000 | 621,000 |
| 311 | \$5.07 /res | 304,000 | 313,000 | 322,000 | 332,000 | 342,000 | 352,000 | 363,000 | 374,000 | 385,000 |
| Police Services | | | | | | | | | | |
| Total Cost | \$297.50 /res & emp. | 20,611,000 | 21,229,000 | 21,866,000 | 22,522,000 | 23,198,000 | 23,894,000 | 24,611,000 | 25,349,000 | 26,110,000 |
| (Less) Existing Costs | \$1,922,789 2016\$ | <u>(7,059,000)</u> | <u>(7,271,000)</u> | <u>(7,489,000)</u> | <u>(7,714,000)</u> | <u>(7,945,000)</u> | <u>(8,184,000)</u> | <u>(8,429,000)</u> | <u>(8,682,000)</u> | <u>(8,943,000)</u> |
| Incremental Cost | | 13,552,000 | 13,958,000 | 14,377,000 | 14,808,000 | 15,253,000 | 15,710,000 | 16,182,000 | 16,667,000 | 17,167,000 |
| Fire Protection | Table 18 | 17,218,000 | 17,735,000 | 18,267,000 | 18,815,000 | 19,380,000 | 19,961,000 | 20,560,000 | 21,177,000 | 21,812,000 |
| 911 Emergency Response | \$26.13 /res | 1,566,000 | 1,613,000 | 1,662,000 | 1,712,000 | 1,763,000 | 1,816,000 | 1,870,000 | 1,926,000 | 1,984,000 |
| Public Health | \$60.05 /res | 3,599,000 | 3,707,000 | 3,819,000 | 3,933,000 | 4,051,000 | 4,173,000 | 4,298,000 | 4,427,000 | 4,560,000 |
| Public Works | Table 20 | 3,493,000 | 3,597,000 | 3,705,000 | 3,816,000 | 3,931,000 | 4,049,000 | 4,171,000 | 4,295,000 | 4,424,000 |
| Library/Community Facilities | Table 23 | 1,380,000 | 1,421,000 | 1,464,000 | 1,508,000 | 1,553,000 | 1,600,000 | 1,648,000 | 1,697,000 | 1,748,000 |
| SFMTA Prop. B | Table 21-A | 12,904,000 | 13,291,000 | 13,689,000 | 14,100,000 | 14,523,000 | 14,959,000 | 15,408,000 | 15,870,000 | 16,346,000 |
| TOTAL EXPENSES | | 55,538,000 | 57,202,000 | 58,918,000 | 60,686,000 | 62,508,000 | 64,384,000 | 66,317,000 | 68,304,000 | 70,353,000 |

Notes

¹ Table 16.

² Table 6.

Table 18
ESTIMATE OF FIRE PROTECTION EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | |
|--|-------------|------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| expense appreciation ² | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 | |
| residents ³ | 0 | 0 | 0 | 109 | 658 | 1,613 | 3,087 | 4,457 | 5,671 | 7,366 | 9,181 | |
| employees ³ | 0 | 0 | 0 | 19 | 66 | 123 | 356 | 415 | 514 | 921 | 981 | |
| Percent Buildout Population ³ | 0% | 0% | 0% | 1% | 4% | 10% | 19% | 27% | 35% | 45% | 56% | |
| FIRE PROTECTION EXPENSES | | | | | | | | | | | | |
| Base Expenses To Maintain | | | | | | | | | | | | |
| Existing Engine Company | \$3,469,493 | 3,469,493 | 3,573,578 | 3,680,786 | 3,791,209 | 3,904,945 | 4,022,094 | 4,142,757 | 4,267,039 | 4,395,050 | 4,526,902 | 4,662,709 |
| Existing Truck Company | \$4,144,253 | 4,144,253 | 4,268,581 | 4,396,638 | 4,528,537 | 4,664,393 | 4,804,325 | 4,948,455 | 5,096,908 | 5,249,816 | 5,407,310 | 5,569,529 |
| Existing Ambulance | \$75,967 | 75,967 | 78,246 | 80,593 | 83,011 | 85,501 | 88,066 | 90,708 | 93,429 | 96,232 | 99,119 | 102,093 |
| | | 7,689,713 | 7,920,404 | 8,158,017 | 8,402,757 | 8,654,840 | 8,914,485 | 9,181,919 | 9,457,377 | 9,741,098 | 10,033,331 | 10,334,331 |
| Base Expenses To Phase Out | | | | | | | | | | | | |
| Existing Engine: Hose Tender | \$1,739,357 | 1,739,357 | 1,791,537 | 1,845,284 | 1,900,642 | 1,957,661 | 2,016,391 | 2,076,883 | 2,139,189 | 1,101,683 | 0 | 0 |
| New Expenses To Phase In | | | | | | | | | | | | |
| New Engine Company | \$3,469,493 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,197,525 | 4,526,902 | 4,662,709 |
| New Ambulance | \$1,602,890 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,015,246 | 2,091,408 | 2,154,150 |
| New Battalion Chief | \$1,267,028 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 802,517 | 1,653,185 | 1,702,780 |
| New Ladder Truck | \$89,767 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 56,857 | 117,125 | 120,639 |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,072,145 | 8,388,620 | 8,640,278 |
| Gross Expenses w/ Project | | 9,429,070 | 9,711,942 | 10,003,300 | 10,303,399 | 10,612,501 | 10,930,876 | 11,258,802 | 11,596,566 | 14,914,926 | 18,421,951 | 18,974,609 |
| (Less) Base Expenses | | -9,429,070 | -9,711,942 | -10,003,300 | -10,303,399 | -10,612,501 | -10,930,876 | -11,258,802 | -11,596,566 | -11,944,463 | -12,302,797 | -12,671,881 |
| Net Expenses | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,970,000 | 6,119,000 | 6,303,000 |

Notes

¹ Table 19.

² Table 16.

³ Table 6.

Table 18
ESTIMATE OF FIRE PROTECTION EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| expense appreciation ² | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 | 1.86 | |
| residents ³ | 10,689 | 12,111 | 13,734 | 14,952 | 16,043 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | |
| employees ³ | 1,032 | 1,786 | 1,842 | 2,497 | 2,534 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | |
| Percent Buildout Population ³ | 65% | 74% | 84% | 92% | 98% | 100% | 100% | 100% | 100% | 100% | 100% | |
| FIRE PROTECTION EXPENSES | | | | | | | | | | | | |
| Base Expenses To Maintain | | | | | | | | | | | | |
| Existing Engine Company | \$3,469,493 | 4,802,590 | 4,946,668 | 5,095,068 | 5,247,920 | 5,405,358 | 5,567,518 | 5,734,544 | 5,906,580 | 6,083,778 | 6,266,291 | 6,454,280 |
| Existing Truck Company | \$4,144,253 | 5,736,615 | 5,908,714 | 6,085,975 | 6,268,554 | 6,456,611 | 6,650,309 | 6,849,819 | 7,055,313 | 7,266,973 | 7,484,982 | 7,709,531 |
| Existing Ambulance | \$75,967 | 105,156 | 108,310 | 111,560 | 114,906 | 118,354 | 121,904 | 125,561 | 129,328 | 133,208 | 137,204 | 141,320 |
| | | 10,644,361 | 10,963,692 | 11,292,603 | 11,631,381 | 11,980,322 | 12,339,732 | 12,709,924 | 13,091,222 | 13,483,958 | 13,888,477 | 14,305,131 |
| Base Expenses To Phase Out | | | | | | | | | | | | |
| Existing Engine: Hose Tender | \$1,739,357 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Expenses To Phase In | | | | | | | | | | | | |
| New Engine Company | \$3,469,493 | 4,802,590 | 4,946,668 | 5,095,068 | 5,247,920 | 5,405,358 | 5,567,518 | 5,734,544 | 5,906,580 | 6,083,778 | 6,266,291 | 6,454,280 |
| New Ambulance | \$1,602,890 | 2,218,774 | 2,285,338 | 2,353,898 | 2,424,515 | 2,497,250 | 2,572,168 | 2,649,333 | 2,728,813 | 2,810,677 | 2,894,997 | 2,981,847 |
| New Battalion Chief | \$1,267,028 | 1,753,864 | 1,806,480 | 1,860,674 | 1,916,494 | 1,973,989 | 2,033,209 | 2,094,205 | 2,157,031 | 2,221,742 | 2,288,394 | 2,357,046 |
| New Ladder Truck | \$89,767 | 124,258 | 127,986 | 131,825 | 135,780 | 139,854 | 144,049 | 148,371 | 152,822 | 157,406 | 162,129 | 166,992 |
| | | 8,899,486 | 9,166,471 | 9,441,465 | 9,724,709 | 10,016,450 | 10,316,944 | 10,626,452 | 10,945,246 | 11,273,603 | 11,611,811 | 11,960,166 |
| Gross Expenses w/ Project | | 19,543,848 | 20,130,163 | 20,734,068 | 21,356,090 | 21,996,773 | 22,656,676 | 23,336,376 | 24,036,467 | 24,757,562 | 25,500,288 | 26,265,297 |
| (Less) Base Expenses | | -13,052,038 | -13,443,599 | -13,846,907 | -14,262,314 | -14,690,183 | -15,130,889 | -15,584,816 | -16,052,360 | -16,533,931 | -17,029,949 | -17,540,847 |
| Net Expenses | | 6,492,000 | 6,687,000 | 6,887,000 | 7,094,000 | 7,307,000 | 7,526,000 | 7,752,000 | 7,984,000 | 8,224,000 | 8,470,000 | 8,724,000 |

Notes

¹ Table 19.

² Table 16.

³ Table 6.

Table 18
ESTIMATE OF FIRE PROTECTION EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| expense appreciation ² | 1.92 | 1.97 | 2.03 | 2.09 | 2.16 | 2.22 | 2.29 | 2.36 | 2.43 | 2.50 | 2.58 | |
| residents ³ | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | |
| employees ³ | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | |
| Percent Buildout Population ³ | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |
| FIRE PROTECTION EXPENSES | | | | | | | | | | | | |
| Base Expenses To Maintain | | | | | | | | | | | | |
| Existing Engine Company | \$3,469,493 | 6,647,908 | 6,847,345 | 7,052,766 | 7,264,349 | 7,482,279 | 7,706,748 | 7,937,950 | 8,176,089 | 8,421,371 | 8,674,012 | 8,934,233 |
| Existing Truck Company | \$4,144,253 | 7,940,817 | 8,179,042 | 8,424,413 | 8,677,145 | 8,937,460 | 9,205,583 | 9,481,751 | 9,766,204 | 10,059,190 | 10,360,965 | 10,671,794 |
| Existing Ambulance | \$75,967 | 145,560 | 149,927 | 154,425 | 159,057 | 163,829 | 168,744 | 173,806 | 179,020 | 184,391 | 189,923 | 195,620 |
| | | 14,734,285 | 15,176,314 | 15,631,603 | 16,100,551 | 16,583,568 | 17,081,075 | 17,593,507 | 18,121,312 | 18,664,952 | 19,224,900 | 19,801,647 |
| Base Expenses To Phase Out | | | | | | | | | | | | |
| Existing Engine: Hose Tender | \$1,739,357 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Expenses To Phase In | | | | | | | | | | | | |
| New Engine Company | \$3,469,493 | 6,647,908 | 6,847,345 | 7,052,766 | 7,264,349 | 7,482,279 | 7,706,748 | 7,937,950 | 8,176,089 | 8,421,371 | 8,674,012 | 8,934,233 |
| New Ambulance | \$1,602,890 | 3,071,303 | 3,163,442 | 3,258,345 | 3,356,095 | 3,456,778 | 3,560,482 | 3,667,296 | 3,777,315 | 3,890,634 | 4,007,353 | 4,127,574 |
| New Battalion Chief | \$1,267,028 | 2,427,757 | 2,500,590 | 2,575,608 | 2,652,876 | 2,732,462 | 2,814,436 | 2,898,869 | 2,985,835 | 3,075,411 | 3,167,673 | 3,262,703 |
| New Ladder Truck | \$89,767 | 172,002 | 177,162 | 182,477 | 187,951 | 193,590 | 199,398 | 205,380 | 211,541 | 217,887 | 224,424 | 231,157 |
| | | 12,318,971 | 12,688,540 | 13,069,196 | 13,461,272 | 13,865,110 | 14,281,063 | 14,709,495 | 15,150,780 | 15,605,303 | 16,073,462 | 16,555,666 |
| Gross Expenses w/ Project | | 27,053,256 | 27,864,854 | 28,700,799 | 29,561,823 | 30,448,678 | 31,362,138 | 32,303,002 | 33,272,092 | 34,270,255 | 35,298,363 | 36,357,314 |
| (Less) Base Expenses | | -18,067,073 | -18,609,085 | -19,167,357 | -19,742,378 | -20,334,649 | -20,944,689 | -21,573,030 | -22,220,221 | -22,886,827 | -23,573,432 | -24,280,635 |
| Net Expenses | | 8,986,000 | 9,256,000 | 9,533,000 | 9,819,000 | 10,114,000 | 10,417,000 | 10,730,000 | 11,052,000 | 11,383,000 | 11,725,000 | 12,077,000 |

Notes

¹ Table 19.

² Table 16.

³ Table 6.

Table 18
ESTIMATE OF FIRE PROTECTION EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2048-49 | 2049-50 | 2050-51 | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| expense appreciation ² | 2.65 | 2.73 | 2.81 | 2.90 | 2.99 | 3.07 | 3.17 | 3.26 | 3.36 | 3.46 | 3.56 | |
| residents ³ | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | |
| employees ³ | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | |
| Percent Buildout Population ³ | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |
| FIRE PROTECTION EXPENSES | | | | | | | | | | | | |
| Base Expenses To Maintain | | | | | | | | | | | | |
| Existing Engine Company | \$3,469,493 | 9,202,260 | 9,478,327 | 9,762,677 | 10,055,558 | 10,357,224 | 10,667,941 | 10,987,979 | 11,317,619 | 11,657,147 | 12,006,862 | 12,367,067 |
| Existing Truck Company | \$4,144,253 | 10,991,948 | 11,321,707 | 11,661,358 | 12,011,198 | 12,371,534 | 12,742,680 | 13,124,961 | 13,518,710 | 13,924,271 | 14,341,999 | 14,772,259 |
| Existing Ambulance | \$75,967 | 201,489 | 207,534 | 213,760 | 220,173 | 226,778 | 233,581 | 240,588 | 247,806 | 255,240 | 262,898 | 270,784 |
| | | 20,395,697 | 21,007,568 | 21,637,795 | 22,286,929 | 22,955,536 | 23,644,203 | 24,353,529 | 25,084,134 | 25,836,659 | 26,611,758 | 27,410,111 |
| Base Expenses To Phase Out | | | | | | | | | | | | |
| Existing Engine; Hose Tender | \$1,739,357 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Expenses To Phase In | | | | | | | | | | | | |
| New Engine Company | \$3,469,493 | 9,202,260 | 9,478,327 | 9,762,677 | 10,055,558 | 10,357,224 | 10,667,941 | 10,987,979 | 11,317,619 | 11,657,147 | 12,006,862 | 12,367,067 |
| New Ambulance | \$1,602,890 | 4,251,401 | 4,378,943 | 4,510,312 | 4,645,621 | 4,784,990 | 4,928,539 | 5,076,395 | 5,228,687 | 5,385,548 | 5,547,114 | 5,713,528 |
| New Battalion Chief | \$1,267,028 | 3,360,584 | 3,461,402 | 3,565,244 | 3,672,201 | 3,782,367 | 3,895,838 | 4,012,713 | 4,133,095 | 4,257,087 | 4,384,800 | 4,516,344 |
| New Ladder Truck | \$89,767 | 238,091 | 245,234 | 252,591 | 260,169 | 267,974 | 276,013 | 284,293 | 292,822 | 301,607 | 310,655 | 319,975 |
| | | 17,052,336 | 17,563,906 | 18,090,824 | 18,633,548 | 19,192,555 | 19,768,331 | 20,361,381 | 20,972,223 | 21,601,389 | 22,249,431 | 22,916,914 |
| Gross Expenses w/ Project | | 37,448,033 | 38,571,474 | 39,728,618 | 40,920,477 | 42,148,091 | 43,412,534 | 44,714,910 | 46,056,357 | 47,438,048 | 48,861,189 | 50,327,025 |
| (Less) Base Expenses | | -25,009,054 | -25,759,326 | -26,532,105 | -27,328,068 | -28,147,911 | -28,992,348 | -29,862,118 | -30,757,982 | -31,680,721 | -32,631,143 | -33,610,077 |
| Net Expenses | | 12,439,000 | 12,812,000 | 13,197,000 | 13,592,000 | 14,000,000 | 14,420,000 | 14,853,000 | 15,298,000 | 15,757,000 | 16,230,000 | 16,717,000 |

Notes

¹ Table 19.

² Table 16.

³ Table 6.

Table 18
ESTIMATE OF FIRE PROTECTION EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2059-60 | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 | |
|--|-------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| expense appreciation ² | 3.67 | 3.78 | 3.90 | 4.01 | 4.13 | 4.26 | 4.38 | 4.52 | 4.65 | |
| residents ³ | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | |
| employees ³ | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | 2,544 | |
| Percent Buildout Population ³ | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |
| FIRE PROTECTION EXPENSES | | | | | | | | | | |
| Base Expenses To Maintain | | | | | | | | | | |
| Existing Engine Company | \$3,469,493 | 12,738,080 | 13,120,222 | 13,513,829 | 13,919,243 | 14,336,821 | 14,766,925 | 15,209,933 | 15,666,231 | 16,136,218 |
| Existing Truck Company | \$4,144,253 | 15,215,427 | 15,671,890 | 16,142,046 | 16,626,308 | 17,125,097 | 17,638,850 | 18,168,015 | 18,713,056 | 19,274,448 |
| Existing Ambulance | \$75,967 | 278,908 | 287,275 | 295,893 | 304,770 | 313,913 | 323,331 | 333,031 | 343,022 | 353,312 |
| | | <u>28,232,414</u> | <u>29,079,387</u> | <u>29,951,768</u> | <u>30,850,321</u> | <u>31,775,831</u> | <u>32,729,106</u> | <u>33,710,979</u> | <u>34,722,309</u> | <u>35,763,978</u> |
| Base Expenses To Phase Out | | | | | | | | | | |
| Existing Engine: Hose Tender | \$1,739,357 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Expenses To Phase In | | | | | | | | | | |
| New Engine Company | \$3,469,493 | 12,738,080 | 13,120,222 | 13,513,829 | 13,919,243 | 14,336,821 | 14,766,925 | 15,209,933 | 15,666,231 | 16,136,218 |
| New Ambulance | \$1,602,890 | 5,884,934 | 6,061,482 | 6,243,326 | 6,430,626 | 6,623,545 | 6,822,251 | 7,026,918 | 7,237,726 | 7,454,858 |
| New Battalion Chief | \$1,267,028 | 4,651,834 | 4,791,389 | 4,935,131 | 5,083,185 | 5,235,681 | 5,392,751 | 5,554,534 | 5,721,170 | 5,892,805 |
| New Ladder Truck | \$89,767 | 329,574 | 339,461 | 349,645 | 360,134 | 370,938 | 382,067 | 393,529 | 405,334 | 417,495 |
| | | <u>23,604,422</u> | <u>24,312,554</u> | <u>25,041,931</u> | <u>25,793,189</u> | <u>26,566,984</u> | <u>27,363,994</u> | <u>28,184,914</u> | <u>29,030,461</u> | <u>29,901,375</u> |
| Gross Expenses w/ Project | | 51,836,836 | 53,391,941 | 54,993,699 | 56,643,510 | 58,342,815 | 60,093,100 | 61,895,893 | 63,752,770 | 65,665,353 |
| (Less) Base Expenses | | -34,618,380 | -35,656,931 | -36,726,639 | -37,828,438 | -38,963,291 | -40,132,190 | -41,336,156 | -42,576,240 | -43,853,527 |
| Net Expenses | | <u>17,218,000</u> | <u>17,735,000</u> | <u>18,267,000</u> | <u>18,815,000</u> | <u>19,380,000</u> | <u>19,961,000</u> | <u>20,560,000</u> | <u>21,177,000</u> | <u>21,812,000</u> |

Notes

¹ Table 19.

² Table 16.

³ Table 6.

Table 19

**SERVICE COST ASSUMPTIONS: FIRE DEPARTMENT
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| SERVICE COSTS BY APPARATUS | | | ENGINE | LADDER TRUCK | AMULANCE (BACKUP) | AMBULANCE | ENGINE (HOSE TENDER) | BATTALION CHIEF |
|--|-----------------|-----------------------------|-----------|-----------------|----------------------|-----------|----------------------------|--------------------|
| STAFFING | | Direct Salary ¹ | | | | | | |
| H2 | Firefighter | \$113,312 FTE: ² | 9.36 | 18.72 | 0 | 9.36 | 4.68 | |
| H3 | FF/Paramedic | \$130,932 FTE: | 4.68 | | | | | |
| H20 | Lieutenant | \$131,667 FTE: | 2.34 | 2.34 | | | 4.68 | |
| H30 | Captain | \$150,338 FTE: | 2.34 | 2.34 | | | | |
| H40 | Battalion Chief | \$180,432 FTE: | | | | | | 4.68 |
| | | | 18.72 | 23.4 | 0 | 9.36 | 9.36 | 4.68 |
| Direct Salary Costs | Salary X FTE | | 2,333,254 | 2,781,092 | - | 1,060,600 | 1,146,502 | 844,422 |
| Staffing Adjustment ³ | 7% | | 2,492,793 | 2,971,253 | - | 1,133,120 | 1,224,895 | 902,160 |
| Overtime, Taxes, Benefits ¹ | 30% | | 1,068,340 | 1,273,394 | - | 485,623 | 524,955 | 386,640 |
| Subtotal, Staffing | | | 3,401,593 | 4,054,486 | - | 1,546,223 | 1,671,457 | 1,231,062 |
| EQUIPMENT⁴ | | | | | | | | |
| Replacement Cost (2010\$) | | | 450,000 | 810,000 | 144,000 | 144,000 | 450,000 | 40,000 |
| Replacement Cost (2016\$) | 3% inflation | | 540,000 | 970,000 | 170,000 | 170,000 | 540,000 | 50,000 |
| Useful Life | | | 12 | 15 | 3 | 3 | 12 | 3 |
| Replacement Annual Cost | | | 45,000 | 64,667 | 56,667 | 56,667 | 45,000 | 16,667 |
| Vehicle Maintenance (2010\$) | | | 19,200 | 21,000 | 16,200 | | 19,200 | 16,200 |
| Vehicle Maintenance (2016\$) | 3% inflation | | 22,900 | 25,100 | 19,300 | - | 22,900 | 19,300 |
| Subtotal, Equipment (2016\$) | | | 67,900 | 89,767 | 75,967 | 56,667 | 67,900 | 35,967 |
| TOTAL COST PER APPARATUS (2016\$) | | | 3,469,493 | 4,144,253 | 75,967 | 1,602,890 | 1,739,357 | 1,267,028 |
| TOTAL EQUIPMENT⁵ | | | | | | | | |
| Existing Equipment | | | 1 | 1 | 1 | | 1 | 0 |
| New Equipment | | | 1 | 1 | | 1 | | 1 |
| Phased-Out Equipment | | | | | | | -1 | |
| Total At Build-Out | | | 2 | 2 | 1 | 1 | 0 | 1 |

Notes

- ¹ San Francisco Office of the Controller. FY 2015/16 Rate Table. Based on weighted average of personnel categories identified in 2011 EPS study.
- ² Per the report, Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project, by Economic Planning Systems in May 2011. □
- ³ Per March 2016 email from Fire Department, the staffing requirement is anticipated to fall between 65-75 FTE. The prior fiscal analysis prepared by EPS estimated 66 FTE. Base staffing costs are increased by 7% to reflect the current, mid-range staffing estimate (70 FTE).
- ⁴ Per EPS (2011) report, adjusted for inflation.
- ⁵ Per March 2016 email from Fire Department, an additional ladder truck will be required. The cost of an additional ladder truck has been added to the projection.

Table 20
ESTIMATE OF PUBLIC WORKS G.F. EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS ¹ | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|--------------------|----------|----------|----------|----------|---------------|----------------|----------------|----------------|----------------|------------------|
| revenue appreciation | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 |
| expense appreciation ¹ | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 |
| residents ² | 0 | 0 | 0 | 109 | 658 | 1,613 | 3,087 | 4,457 | 5,671 | 7,366 | 9,181 |
| population build-out ² | 0.0% | 0.0% | 0.0% | 0.7% | 4.0% | 9.9% | 18.9% | 27.3% | 34.7% | 45.1% | 56.2% |
| RIGHT OF WAY MAINTENANCE AND REPAIR | | | | | | | | | | | |
| NEW MAINTENANCE COSTS | | | | | | | | | | | |
| SF of Streets | 1,849,420 sf | 0 | 0 | 0 | 752,620 | 0 | 0 | 258,080 | 0 | 0 | 371,540 |
| Cumulative | | 0 | 0 | 0 | 752,620 | 752,620 | 1,010,700 | 1,010,700 | 1,010,700 | 1,382,240 | 1,382,240 |
| Subject to Cost | 1 yr. delay | 0 | 0 | 0 | 0 | 752,620 | 752,620 | 1,010,700 | 1,010,700 | 1,010,700 | 1,382,240 |
| Cost Phase-In | 10% /yr | 0% | 0% | 0% | 0% | 10% | 20% | 30% | 40% | 50% | 60% |
| Replacement Reserve | \$0.71 /sf | 0 | 0 | 0 | 0 | 60,078 | 123,760 | 191,210 | 352,641 | 454,025 | 561,175 |
| Street Sweeping | \$0.08 /sf | 0 | 0 | 0 | 0 | 6,470 | 13,328 | 20,592 | 37,977 | 48,895 | 60,434 |
| TOTAL COST | | 0 | 0 | 0 | 0 | 67,000 | 137,000 | 212,000 | 391,000 | 503,000 | 1,022,000 |
| REVENUES | | | | | | | | | | | |
| (Less) Gas Tax Revenue | \$19.99 /res | 0 | 0 | 0 | 0 | (15,000) | (37,000) | (74,000) | (110,000) | (144,000) | (192,000) |
| (Less) Prop. K Sales Tax | Tables 12, 13 & 23 | 0 | 0 | 0 | 0 | (63,000) | (58,000) | (69,000) | (113,000) | (120,000) | (164,000) |
| NET PUBLIC WORKS EXPENSE¹ | | 0 | 0 | 0 | 0 | 42,000 | 69,000 | 168,000 | 239,000 | 279,000 | 611,000 |

Notes:

¹ Table 16.

² Table 6.

Table 20
ESTIMATE OF PUBLIC WORKS G.F. EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS ¹ | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 |
|---|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| revenue appreciation | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 | 1.86 |
| expense appreciation ¹ | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 | 1.86 |
| residents ² | 10,689 | 12,111 | 13,734 | 14,952 | 16,043 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| population build-out ² | 65.5% | 74.2% | 84.1% | 91.6% | 98.3% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| RIGHT OF WAY MAINTENANCE AND REPAIR | | | | | | | | | | | |
| NEW MAINTENANCE COSTS | | | | | | | | | | | |
| SF of Streets | 1,849,420 sf | 150,720 | 316,460 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cumulative | | 1,532,960 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 |
| Subject to Cost | 1 yr. delay | 1,382,240 | 1,532,960 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 |
| Cost Phase-In | 10% /yr | 80% | 90% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Replacement Reserve | \$0.71 /sf | 1,085,606 | 1,395,113 | 1,926,233 | 1,984,020 | 2,043,541 | 2,104,847 | 2,167,993 | 2,233,033 | 2,300,023 | 2,369,024 |
| Street Sweeping | \$0.08 /sf | 116,911 | 150,243 | 207,441 | 213,664 | 220,074 | 226,676 | 233,476 | 240,480 | 247,695 | 255,126 |
| TOTAL COST | | 1,203,000 | 1,545,000 | 2,134,000 | 2,198,000 | 2,264,000 | 2,332,000 | 2,401,000 | 2,474,000 | 2,548,000 | 2,624,000 |
| REVENUES | | | | | | | | | | | |
| (Less) Gas Tax Revenue | \$19.99 /res | (296,000) | (345,000) | (403,000) | (452,000) | (500,000) | (524,000) | (539,000) | (556,000) | (572,000) | (589,000) |
| (Less) Prop. K Sales Tax | Tables 12, 13 & 23 | (171,000) | (223,000) | (234,000) | (273,000) | (270,000) | (281,000) | (299,000) | (308,000) | (317,000) | (326,000) |
| NET PUBLIC WORKS EXPENSE¹ | | 736,000 | 977,000 | 1,497,000 | 1,473,000 | 1,494,000 | 1,527,000 | 1,572,000 | 1,619,000 | 1,668,000 | 1,770,000 |

Notes:

¹ Table 16.

² Table 6.

Table 20
ESTIMATE OF PUBLIC WORKS G.F. EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS ¹ | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 |
|---|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| revenue appreciation | 1.92 | 1.97 | 2.03 | 2.09 | 2.16 | 2.22 | 2.29 | 2.36 | 2.43 | 2.50 | 2.58 |
| expense appreciation ¹ | 1.92 | 1.97 | 2.03 | 2.09 | 2.16 | 2.22 | 2.29 | 2.36 | 2.43 | 2.50 | 2.58 |
| residents ² | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| population build-out ² | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| RIGHT OF WAY MAINTENANCE AND REPAIR | | | | | | | | | | | |
| NEW MAINTENANCE COSTS | | | | | | | | | | | |
| SF of Streets | 1,849,420 sf | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cumulative | | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 |
| Subject to Cost | 1 yr. delay | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 |
| Cost Phase-In | 10% /yr | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Replacement Reserve | \$0.71 /sf | 2,513,298 | 2,588,697 | 2,666,358 | 2,746,348 | 2,828,739 | 2,913,601 | 3,001,009 | 3,091,039 | 3,183,770 | 3,279,284 |
| Street Sweeping | \$0.08 /sf | 270,663 | 278,783 | 287,146 | 295,761 | 304,633 | 313,772 | 323,186 | 332,881 | 342,868 | 353,154 |
| TOTAL COST | | 2,784,000 | 2,867,000 | 2,954,000 | 3,042,000 | 3,133,000 | 3,227,000 | 3,324,000 | 3,424,000 | 3,527,000 | 3,632,000 |
| REVENUES | | | | | | | | | | | |
| (Less) Gas Tax Revenue | \$19.99 /res | (625,000) | (644,000) | (663,000) | (683,000) | (704,000) | (725,000) | (747,000) | (769,000) | (792,000) | (816,000) |
| (Less) Prop. K Sales Tax | Tables 12, 13 & 23 | (336,000) | (346,000) | (356,000) | (367,000) | (378,000) | (389,000) | (401,000) | (413,000) | (426,000) | (439,000) |
| NET PUBLIC WORKS EXPENSE¹ | | 1,823,000 | 1,877,000 | 1,935,000 | 1,992,000 | 2,051,000 | 2,113,000 | 2,176,000 | 2,242,000 | 2,309,000 | 2,377,000 |

Notes:

¹ Table 16.

² Table 6.

Table 20
ESTIMATE OF PUBLIC WORKS G.F. EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS ¹ | 2048-49 | 2049-50 | 2050-51 | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 |
|---|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| revenue appreciation | 2.65 | 2.73 | 2.81 | 2.90 | 2.99 | 3.07 | 3.17 | 3.26 | 3.36 | 3.46 | 3.56 |
| expense appreciation ¹ | 2.65 | 2.73 | 2.81 | 2.90 | 2.99 | 3.07 | 3.17 | 3.26 | 3.36 | 3.46 | 3.56 |
| residents ² | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| population build-out ² | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| RIGHT OF WAY MAINTENANCE AND REPAIR | | | | | | | | | | | |
| NEW MAINTENANCE COSTS | | | | | | | | | | | |
| SF of Streets | 1,849,420 sf | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cumulative | | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 |
| Subject to Cost | 1 yr. delay | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 |
| Cost Phase-In | 10% /yr | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Replacement Reserve | \$0.71 /sf | 3,478,992 | 3,583,362 | 3,690,863 | 3,801,588 | 3,915,636 | 4,033,105 | 4,154,098 | 4,278,721 | 4,407,083 | 4,539,295 |
| Street Sweeping | \$0.08 /sf | 374,661 | 385,900 | 397,478 | 409,402 | 421,684 | 434,334 | 447,364 | 460,785 | 474,609 | 488,847 |
| TOTAL COST | | 3,854,000 | 3,969,000 | 4,088,000 | 4,211,000 | 4,337,000 | 4,467,000 | 4,601,000 | 4,740,000 | 4,882,000 | 5,028,000 |
| REVENUES | | | | | | | | | | | |
| (Less) Gas Tax Revenue | \$19.99 /res | (866,000) | (892,000) | (918,000) | (946,000) | (974,000) | (1,003,000) | (1,034,000) | (1,065,000) | (1,097,000) | (1,129,000) |
| (Less) Prop. K Sales Tax | Tables 12, 13 & 23 | (465,000) | (478,000) | (493,000) | (508,000) | (523,000) | (539,000) | (555,000) | (572,000) | (589,000) | (607,000) |
| NET PUBLIC WORKS EXPENSE¹ | | 2,523,000 | 2,599,000 | 2,677,000 | 2,757,000 | 2,840,000 | 2,925,000 | 3,012,000 | 3,103,000 | 3,196,000 | 3,292,000 |

Notes:

¹ Table 16.

² Table 6.

Table 20
ESTIMATE OF PUBLIC WORKS G.F. EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | BASIS ¹ | 2059-60 | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|---|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| revenue appreciation | | 3.67 | 3.78 | 3.90 | 4.01 | 4.13 | 4.26 | 4.38 | 4.52 | 4.65 |
| expense appreciation ¹ | | 3.67 | 3.78 | 3.90 | 4.01 | 4.13 | 4.26 | 4.38 | 4.52 | 4.65 |
| residents ² | | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| population build-out ² | | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| RIGHT OF WAY MAINTENANCE AND REPAIR | | | | | | | | | | |
| NEW MAINTENANCE COSTS | | | | | | | | | | |
| SF of Streets | 1,849,420 sf | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cumulative | | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 |
| Subject to Cost | 1 yr. delay | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 | 1,849,420 |
| Cost Phase-In | 10% /yr | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Replacement Reserve | \$0.71 /sf | 4,815,738 | 4,960,211 | 5,109,017 | 5,262,287 | 5,420,156 | 5,582,761 | 5,750,244 | 5,922,751 | 6,100,433 |
| Street Sweeping | \$0.08 /sf | 518,618 | 534,177 | 550,202 | 566,708 | 583,709 | 601,220 | 619,257 | 637,835 | 656,970 |
| TOTAL COST | | 5,334,000 | 5,494,000 | 5,659,000 | 5,829,000 | 6,004,000 | 6,184,000 | 6,370,000 | 6,561,000 | 6,757,000 |
| REVENUES | | | | | | | | | | |
| (Less) Gas Tax Revenue | \$19.99 /res | (1,198,000) | (1,234,000) | (1,271,000) | (1,309,000) | (1,349,000) | (1,389,000) | (1,431,000) | (1,474,000) | (1,518,000) |
| (Less) Prop. K Sales Tax | Tables 12, 13 & 23 | (643,000) | (663,000) | (683,000) | (704,000) | (724,000) | (746,000) | (768,000) | (792,000) | (815,000) |
| NET PUBLIC WORKS EXPENSE¹ | | 3,493,000 | 3,597,000 | 3,705,000 | 3,816,000 | 3,931,000 | 4,049,000 | 4,171,000 | 4,295,000 | 4,424,000 |

Notes:

¹ Table 16.

² Table 6.

Table 21-A
ESTIMATE OF MTA IMPACTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS | | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|-----------------------------------|---------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| revenue appreciation ¹ | | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 |
| expense appreciation ¹ | | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 |
| residential units ² | | 0 | 0 | 0 | 42 | 275 | 699 | 1,406 | 2,074 | 2,670 | 3,523 | 4,409 |
| residents ² | | 0 | 0 | 0 | 109 | 658 | 1,613 | 3,087 | 4,457 | 5,671 | 7,366 | 9,181 |
| residents & employees (day & nighttime population) ² | | 0 | 0 | 0 | 128 | 724 | 1,736 | 3,443 | 4,872 | 6,185 | 8,287 | 10,162 |
| population build-out ² | | 0.0% | 0.0% | 0.0% | 0.7% | 4.0% | 9.9% | 18.9% | 27.3% | 34.7% | 45.1% | 56.2% |
| SERVICE ASSUMPTIONS | | | | | | | | | | | | |
| Transportation Phase | Table 22-A | Existing | Existing | Existing | Existing | Existing | Existing | 1 | 2 | 2 | 3 | 4 |
| Ridership Growth | Table 22-A | 0 | 0 | 0 | 0 | 0 | 0 | 9,983 | 346,190 | 346,190 | 682,397 | 1,018,603 |
| New Buses (Cumulative) | Table 22-A | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SERVICE COSTS | | | | | | | | | | | | |
| Incremental Operating Costs | Table 22-A | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 227,146 | 233,961 | 1,500,244 | 134,699 |
| Capital Cost (Buses) | Table 21-B | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 685,430 | 685,430 |
| Facility Cost | Table 21-B | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 465,812 | 465,812 |
| Other MTA | \$21.08 / res. & emp ¹ | 0 | 0 | 0 | 2,704 | 15,268 | 36,589 | 72,577 | 102,703 | 130,375 | 174,692 | 214,218 |
| Subtotal | | 0 | 0 | 0 | 2,704 | 15,268 | 36,589 | 72,577 | 329,849 | 364,335 | 2,826,177 | 1,500,159 |
| REVENUES | | | | | | | | | | | | |
| Farebox Revenues | \$0.86 /trip ¹ | 0 | 0 | 0 | 0 | 0 | 0 | 10,221 | 365,072 | 376,024 | 763,441 | 1,173,765 |
| Advertising | \$3,503 /bus ¹ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Prop K Sales Tax | Tables 12, 13 & 23 | 15,000 | 46,000 | 98,000 | 150,000 | 232,000 | 211,000 | 255,000 | 416,000 | 442,000 | 558,000 | 603,000 |
| State Sales Tax (AB 1107) | Tables 12, 13 & 23 | 5,000 | 16,000 | 33,000 | 51,000 | 79,000 | 71,000 | 86,000 | 141,000 | 150,000 | 190,000 | 205,000 |
| TDA Sales Tax | Tables 12, 13 & 23 | 20,000 | 63,000 | 133,000 | 204,000 | 314,000 | 286,000 | 345,000 | 565,000 | 599,000 | 757,000 | 820,000 |
| State Transit Assistance | \$41.97 /res ¹ | 0 | 0 | 0 | 4,595 | 27,614 | 67,704 | 129,573 | 187,055 | 238,006 | 309,153 | 385,328 |
| Subtotal | | 40,000 | 125,000 | 264,000 | 409,595 | 652,614 | 635,704 | 825,794 | 1,674,127 | 1,805,030 | 2,577,594 | 3,187,092 |
| NET OPERATIONS SAVINGS (COST) | | 40,000 | 125,000 | 264,000 | 406,891 | 637,346 | 599,115 | 753,216 | 1,344,278 | 1,440,695 | (248,584) | 1,686,933 |
| GENERAL FUND TRANSFERS | | | | | | | | | | | | |
| Base Transfer (Recurring) | 9.19% Table 11-A | 0 | 0 | 0 | 2,000 | 32,000 | 104,000 | 484,000 | 643,000 | 993,000 | 1,259,000 | 1,497,000 |
| Base Transfer (Construction) | 9.19% Table 24 | 31,000 | 163,000 | 381,000 | 511,000 | 632,000 | 949,000 | 813,000 | 851,000 | 1,154,000 | 1,224,000 | 1,091,000 |
| Prop. B Adjustment | \$186 /res & emp. ¹ | 0 | 0 | 0 | 26,000 | 152,000 | 375,000 | 766,000 | 1,116,000 | 1,459,000 | 2,014,000 | 2,544,000 |
| Total Transfer | | 31,000 | 163,000 | 381,000 | 539,000 | 816,000 | 1,428,000 | 2,063,000 | 2,610,000 | 3,606,000 | 4,497,000 | 5,132,000 |
| MTA BALANCE AFTER GF TRANSFER | | 71,000 | 288,000 | 645,000 | 946,000 | 1,453,000 | 2,027,000 | 2,816,000 | 3,954,000 | 5,047,000 | 4,248,000 | 6,819,000 |

Notes

¹ Table 22-B.

³ Table 16.

² Table 6.

Table 21-A
ESTIMATE OF MTA IMPACTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS | | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 |
|--------------------------------------|---|-----------------------------------|-----------|-----------|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | revenue appreciation ¹ | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 | 1.86 |
| | expense appreciation ¹ | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 | 1.86 |
| | residential units ² | 5,154 | 5,863 | 6,677 | 7,295 | 7,851 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| | residents ² | 10,689 | 12,111 | 13,734 | 14,952 | 16,043 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| | residents & employees (day & nighttime population) ² | 11,721 | 13,897 | 15,576 | 17,449 | 18,577 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 |
| | population build-out ² | 65.5% | 74.2% | 84.1% | 91.6% | 98.3% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| SERVICE ASSUMPTIONS | | | | | | | | | | | | |
| | Transportation Phase | Table 22-A | 5 | 5 | 6 | 7 | 7 | 8 | 8 | 8 | 8 | 8 |
| | Ridership Growth | Table 22-A | 1,501,362 | 1,501,362 | 1,718,603 | 2,039,293 | 2,039,293 | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 |
| | New Buses (Cumulative) | Table 22-A | 5 | 5 | 5 | 5 | 5 | 6 | 6 | 6 | 6 | 6 |
| | | | 5 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| SERVICE COSTS | | | | | | | | | | | | |
| | Incremental Operating Costs | Table 22-A | 453,632 | 467,241 | 481,258 | 7,302,569 | 7,521,646 | 9,299,646 | 9,578,635 | 9,865,994 | 10,161,974 | 10,466,833 |
| | Capital Cost (Buses) | Table 21-B | 685,430 | 685,430 | 685,430 | 844,402 | 844,402 | 844,402 | 844,402 | 844,402 | 844,402 | 844,402 |
| | Facility Cost | Table 21-B | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 |
| | Other MTA | \$21.08 / res. & emp ¹ | 247,078 | 292,953 | 328,330 | 367,825 | 391,591 | 397,781 | 397,781 | 397,781 | 397,781 | 397,781 |
| | Subtotal | | 1,851,952 | 1,911,436 | 1,960,830 | 8,980,608 | 9,223,450 | 11,007,641 | 11,286,630 | 11,573,989 | 11,869,969 | 12,488,833 |
| REVENUES | | | | | | | | | | | | |
| | Farebox Revenues | \$0.86 /trip ¹ | 1,781,962 | 1,835,421 | 2,164,030 | 2,644,870 | 2,724,216 | 3,479,679 | 3,584,069 | 3,691,591 | 3,802,339 | 3,916,409 |
| | Advertising | \$3,503 /bus ¹ | 24,242 | 24,970 | 25,719 | 26,490 | 27,285 | 33,726 | 34,738 | 35,780 | 36,854 | 37,959 |
| | Prop K Sales Tax | Tables 12, 13 & 23 | 627,000 | 818,000 | 862,000 | 1,004,000 | 997,000 | 1,037,000 | 1,067,000 | 1,100,000 | 1,132,000 | 1,166,000 |
| | State Sales Tax (AB 1107) | Tables 12, 13 & 23 | 213,000 | 277,000 | 293,000 | 342,000 | 339,000 | 351,000 | 362,000 | 373,000 | 385,000 | 396,000 |
| | TDA Sales Tax | Tables 12, 13 & 23 | 850,000 | 1,111,000 | 1,169,000 | 1,364,000 | 1,354,000 | 1,406,000 | 1,449,000 | 1,492,000 | 1,537,000 | 1,583,000 |
| | State Transit Assistance | \$41.97 /res ¹ | 448,627 | 508,298 | 576,415 | 627,547 | 673,311 | 685,219 | 685,219 | 685,219 | 685,219 | 685,219 |
| | Subtotal | | 3,944,831 | 4,574,689 | 5,090,163 | 6,008,908 | 6,114,813 | 6,992,624 | 7,182,026 | 7,377,590 | 7,578,411 | 7,999,218 |
| NET OPERATIONS SAVINGS (COST) | | | 2,092,880 | 2,663,253 | 3,129,333 | (2,971,699) | (3,108,638) | (4,015,017) | (4,104,604) | (4,196,399) | (4,291,557) | (4,390,241) |
| GENERAL FUND TRANSFERS | | | | | | | | | | | | |
| | Base Transfer (Recurring) | 9.19% Table 11-A | 1,809,000 | 2,223,000 | 2,538,000 | 2,988,000 | 3,285,000 | 3,560,000 | 3,795,000 | 3,984,000 | 4,086,000 | 4,190,000 |
| | Base Transfer (Construction) | 9.19% Table 24 | 1,252,000 | 1,078,000 | 861,000 | 675,000 | 563,000 | 169,000 | 0 | 0 | 0 | 0 |
| | Prop. B Adjustment | \$186 /res & emp. ¹ | 3,022,000 | 3,690,000 | 4,260,000 | 4,916,000 | 5,390,000 | 5,640,000 | 5,809,000 | 5,983,000 | 6,163,000 | 6,348,000 |
| | Total Transfer | | 6,083,000 | 6,991,000 | 7,659,000 | 8,579,000 | 9,238,000 | 9,369,000 | 9,604,000 | 9,967,000 | 10,249,000 | 10,835,000 |
| MTA BALANCE AFTER GF TRANSFER | | | 8,176,000 | 9,654,000 | 10,788,000 | 5,607,000 | 6,129,000 | 5,354,000 | 5,499,000 | 5,771,000 | 5,957,000 | 6,345,000 |

Notes

¹ Table 22-B.

³ Table 16.

² Table 6.

Table 21-A
ESTIMATE OF MTA IMPACTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS | | 2048-49 | 2049-50 | 2050-51 | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | |
|--------------------------------------|---|-----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | revenue appreciation ¹ | 2,65 | 2,73 | 2,81 | 2,90 | 2,99 | 3,07 | 3,17 | 3,26 | 3,36 | 3,46 | |
| | expense appreciation ¹ | 2,65 | 2,73 | 2,81 | 2,90 | 2,99 | 3,07 | 3,17 | 3,26 | 3,36 | 3,46 | |
| | residential units ² | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | |
| | residents ² | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | |
| | residents & employees (day & nighttime population) ² | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | |
| | population build-out ² | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | |
| SERVICE ASSUMPTIONS | | | | | | | | | | | | |
| | Transportation Phase | Table 22-A | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | |
| | Ridership Growth | Table 22-A | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 | |
| | New Buses (Cumulative) | Table 22-A | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | |
| | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| SERVICE COSTS | | | | | | | | | | | | |
| | Incremental Operating Costs | Table 22-A | 15,370,898 | 15,832,024 | 16,306,985 | 16,796,195 | 17,300,081 | 17,819,083 | 18,353,656 | 18,904,265 | 19,471,393 | 20,055,535 |
| | Capital Cost (Buses) | Table 21-B | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | Facility Cost | Table 21-B | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 0 | 0 | 0 | |
| | Other MTA | \$21.08 / res. & emp ¹ | 397,781 | 397,781 | 397,781 | 397,781 | 397,781 | 397,781 | 397,781 | 397,781 | 397,781 | |
| | Subtotal | | 16,234,491 | 16,695,618 | 17,170,578 | 17,659,788 | 18,163,674 | 18,682,676 | 18,751,436 | 19,302,046 | 19,869,174 | 20,453,316 |
| REVENUES | | | | | | | | | | | | |
| | Farebox Revenues | \$0.86 /trip ¹ | 5,751,379 | 5,923,920 | 6,101,638 | 6,284,687 | 6,473,227 | 6,667,424 | 6,867,447 | 7,073,470 | 7,285,674 | 7,504,245 |
| | Advertising | \$3,503 /bus ¹ | 55,744 | 57,417 | 59,139 | 60,913 | 62,741 | 64,623 | 66,562 | 68,558 | 70,615 | 72,734 |
| | Prop K Sales Tax | Tables 12, 13 & 23 | 1,713,000 | 1,764,000 | 1,818,000 | 1,872,000 | 1,928,000 | 1,986,000 | 2,045,000 | 2,106,000 | 2,170,000 | 2,235,000 |
| | State Sales Tax (AB 1107) | Tables 12, 13 & 23 | 582,000 | 598,000 | 616,000 | 635,000 | 654,000 | 674,000 | 694,000 | 715,000 | 736,000 | 758,000 |
| | TDA Sales Tax | Tables 12, 13 & 23 | 2,325,000 | 2,394,000 | 2,466,000 | 2,541,000 | 2,616,000 | 2,695,000 | 2,776,000 | 2,860,000 | 2,944,000 | 3,033,000 |
| | State Transit Assistance | \$41.97 /res ¹ | 685,219 | 685,219 | 685,219 | 685,219 | 685,219 | 685,219 | 685,219 | 685,219 | 685,219 | 685,219 |
| | Subtotal | | 11,112,342 | 11,422,556 | 11,745,996 | 12,078,819 | 12,419,187 | 12,772,266 | 13,134,228 | 13,508,248 | 13,891,509 | 14,288,197 |
| NET OPERATIONS SAVINGS (COST) | | | (5,122,149) | (5,273,062) | (5,424,583) | (5,580,969) | (5,744,487) | (5,910,410) | (5,617,209) | (5,793,798) | (5,977,665) | (6,165,118) |
| GENERAL FUND TRANSFERS | | | | | | | | | | | | |
| | Base Transfer (Recurring) | 9.19% Table 11-A | 5,828,000 | 5,978,000 | 6,133,000 | 6,292,000 | 6,456,000 | 6,623,000 | 6,796,000 | 6,972,000 | 7,154,000 | 7,341,000 |
| | Base Transfer (Construction) | 9.19% Table 24 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Prop. B Adjustment | \$186 /res & emp. ¹ | 9,322,000 | 9,601,000 | 9,890,000 | 10,186,000 | 10,492,000 | 10,807,000 | 11,131,000 | 11,465,000 | 11,809,000 | 12,163,000 |
| | Total Transfer | | 15,150,000 | 15,579,000 | 16,023,000 | 16,478,000 | 16,948,000 | 17,430,000 | 17,927,000 | 18,437,000 | 18,963,000 | 19,504,000 |
| MTA BALANCE AFTER GF TRANSFER | | | 10,028,000 | 10,306,000 | 10,598,000 | 10,897,000 | 11,204,000 | 11,520,000 | 12,310,000 | 12,643,000 | 12,985,000 | 13,339,000 |

Notes

¹ Table 22-B.

³ Table 16.

² Table 6.

Table 21-A
ESTIMATE OF MTA IMPACTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS | | 2058-59 | 2059-60 | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|--------------------------------------|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | revenue appreciation ¹ | 3.56 | 3.67 | 3.78 | 3.90 | 4.01 | 4.13 | 4.26 | 4.38 | 4.52 | 4.65 |
| | expense appreciation ¹ | 3.56 | 3.67 | 3.78 | 3.90 | 4.01 | 4.13 | 4.26 | 4.38 | 4.52 | 4.65 |
| | residential units ² | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| | residents ² | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| | residents & employees (day & nighttime population) ² | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 |
| | population build-out ² | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| SERVICE ASSUMPTIONS | | | | | | | | | | | |
| Transportation Phase | Table 22-A | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Ridership Growth | Table 22-A | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 | 2,528,948 |
| New Buses (Cumulative) | Table 22-A | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SERVICE COSTS | | | | | | | | | | | |
| Incremental Operating Costs | Table 22-A | 20,657,201 | 21,276,917 | 21,915,225 | 22,572,681 | 23,249,862 | 23,947,358 | 24,665,778 | 25,405,752 | 26,167,924 | 26,952,962 |
| Capital Cost (Buses) | Table 21-B | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Facility Cost | Table 21-B | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other MTA | \$21.08 / res. & emp ¹ | 397,781 | 397,781 | 397,781 | 397,781 | 397,781 | 397,781 | 397,781 | 397,781 | 397,781 | 397,781 |
| Subtotal | | 21,054,982 | 21,674,698 | 22,313,005 | 22,970,462 | 23,647,643 | 24,345,138 | 25,063,559 | 25,803,532 | 26,565,705 | 27,350,743 |
| REVENUES | | | | | | | | | | | |
| Farebox Revenues | \$0.86 /trip ¹ | 7,729,372 | 7,961,253 | 8,200,091 | 8,446,093 | 8,699,476 | 8,960,460 | 9,229,274 | 9,506,152 | 9,791,337 | 10,085,077 |
| Advertising | \$3,503 /bus ¹ | 74,916 | 77,163 | 79,478 | 81,862 | 84,318 | 86,848 | 89,453 | 92,137 | 94,901 | 97,748 |
| Prop K Sales Tax | Tables 12, 13 & 23 | 2,303,000 | 2,371,000 | 2,443,000 | 2,516,000 | 2,591,000 | 2,669,000 | 2,749,000 | 2,831,000 | 2,917,000 | 3,003,000 |
| State Sales Tax (AB 1107) | Tables 12, 13 & 23 | 781,000 | 804,000 | 829,000 | 854,000 | 879,000 | 906,000 | 933,000 | 960,000 | 990,000 | 1,019,000 |
| TDA Sales Tax | Tables 12, 13 & 23 | 3,125,000 | 3,218,000 | 3,315,000 | 3,414,000 | 3,517,000 | 3,621,000 | 3,730,000 | 3,843,000 | 3,958,000 | 4,076,000 |
| State Transit Assistance | \$41.97 /res ¹ | <u>685,219</u> | <u>685,219</u> | <u>685,219</u> | <u>685,219</u> | <u>685,219</u> | <u>685,219</u> | <u>685,219</u> | <u>685,219</u> | <u>685,219</u> | <u>685,219</u> |
| Subtotal | | 14,698,507 | 15,116,635 | 15,551,788 | 15,997,175 | 16,456,014 | 16,928,527 | 17,415,947 | 17,917,508 | 18,436,457 | 18,966,044 |
| NET OPERATIONS SAVINGS (COST) | | (6,356,475) | (6,558,063) | (6,761,218) | (6,973,287) | (7,191,629) | (7,416,611) | (7,647,613) | (7,886,024) | (8,129,248) | (8,384,698) |
| GENERAL FUND TRANSFERS | | | | | | | | | | | |
| Base Transfer (Recurring) | 9.19% Table 11-A | 7,532,000 | 7,623,000 | 7,563,000 | 7,664,000 | 7,777,000 | 7,721,000 | 7,841,000 | 7,824,000 | 8,037,000 | 8,256,000 |
| Base Transfer (Construction) | 9.19% Table 24 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Prop. B Adjustment | \$186 /res & emp. ¹ | 12,528,000 | 12,904,000 | 13,291,000 | 13,689,000 | 14,100,000 | 14,523,000 | 14,959,000 | 15,408,000 | 15,870,000 | 16,346,000 |
| Total Transfer | | 20,060,000 | 20,527,000 | 20,854,000 | 21,353,000 | 21,877,000 | 22,244,000 | 22,800,000 | 23,232,000 | 23,907,000 | 24,602,000 |
| MTA BALANCE AFTER GF TRANSFER | | 13,704,000 | 13,969,000 | 14,093,000 | 14,380,000 | 14,685,000 | 14,827,000 | 15,152,000 | 15,346,000 | 15,778,000 | 16,217,000 |

Notes

¹ Table 22-B.

³ Table 16.

² Table 6.

Table 21-B
MTA IMPACTS: CAPITAL COST DETAIL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS | | | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|-------------|-------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|---------|
| expense appreciation ¹ | | | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 |
| residential units ² | | | 0 | 0 | 0 | 42 | 275 | 699 | 1,406 | 2,074 | 2,670 | 3,523 | 4,409 |
| residents ² | | | 0 | 0 | 0 | 109 | 658 | 1,613 | 3,087 | 4,457 | 5,671 | 7,366 | 9,181 |
| residents & employees (day & nighttime population) ² | | | 0 | 0 | 0 | 128 | 724 | 1,736 | 3,443 | 4,872 | 6,185 | 8,287 | 10,162 |
| population build-out ² | | | 0.0% | 0.0% | 0.0% | 0.7% | 4.0% | 9.9% | 18.9% | 27.3% | 34.7% | 45.1% | 56.2% |
| CAPITAL COST DETAIL | | | | | | | | | | | | | |
| New Capital Costs | | | | | | | | | | | | | |
| New Buses Purchased | 2 | yrs. prior ¹ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 | 0 |
| | \$1,040,000 | /bus ¹ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,784,821 | 0 |
| New Facility Share ¹ | \$4,610,909 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,610,909 | 0 |
| Amortized Costs¹ | | | | | | | | | | | | | |
| New Buses | 5% interest | 14 years | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 685,430 | 685,430 |
| New Facility | 5% interest | 30 years | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 465,812 | 465,812 |

Notes

¹ Table 22-B.

² Table 6.

Table 21-B
MTA IMPACTS: CAPITAL COST DETAIL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS | | | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 |
|------------------------------------|---|---------------------------|---------|---------|---------|-----------|---------|---------|---------|---------|---------|---------|---------|
| | expense appreciation ¹ | | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 | 1.86 |
| | residential units ² | | 5,154 | 5,863 | 6,677 | 7,295 | 7,851 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| | residents ² | | 10,689 | 12,111 | 13,734 | 14,952 | 16,043 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| | residents & employees (day & nighttime population) ² | | 11,721 | 13,897 | 15,576 | 17,449 | 18,577 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 |
| | population build-out ² | | 65.5% | 74.2% | 84.1% | 91.6% | 98.3% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| CAPITAL COST DETAIL | | | | | | | | | | | | | |
| New Capital Costs | | | | | | | | | | | | | |
| | New Buses Purchased | 2 yrs. prior ¹ | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | \$1,040,000 | /bus ¹ | 0 | 0 | 0 | 1,573,608 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | New Facility Share ¹ | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | \$4,610,909 | | | | | | | | | | | | |
| Amortized Costs¹ | | | | | | | | | | | | | |
| | New Buses | 5% interest 14 years | 685,430 | 685,430 | 685,430 | 844,402 | 844,402 | 844,402 | 844,402 | 844,402 | 844,402 | 844,402 | 844,402 |
| | New Facility | 5% interest 30 years | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 |

Notes

¹ Table 22-B.

² Table 6.

Table 21-B
MTA IMPACTS: CAPITAL COST DETAIL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS | | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 |
|---|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| expense appreciation ¹ | | 1.92 | 1.97 | 2.03 | 2.09 | 2.16 | 2.22 | 2.29 | 2.36 | 2.43 | 2.50 | 2.58 |
| residential units ² | | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| residents ² | | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| residents & employees (day & nighttime population) ² | | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 |
| population build-out ² | | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| CAPITAL COST DETAIL | | | | | | | | | | | | |
| New Capital Costs | | | | | | | | | | | | |
| New Buses Purchased | 2 yrs. prior ¹ \$1,040,000 /bus ¹ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Facility Share ¹ | \$4,610,909 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Amortized Costs¹ | | | | | | | | | | | | |
| New Buses | 5% interest 14 years | 844,402 | 158,972 | 158,972 | 158,972 | 158,972 | 158,972 | 0 | 0 | 0 | 0 | 0 |
| New Facility | 5% interest 30 years | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 |

Notes

¹ Table 22-B.

² Table 6.

Table 21-B
MTA IMPACTS: CAPITAL COST DETAIL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS | 2048-49 | 2049-50 | 2050-51 | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| expense appreciation ¹ | 2.65 | 2.73 | 2.81 | 2.90 | 2.99 | 3.07 | 3.17 | 3.26 | 3.36 | 3.46 | 3.56 |
| residential units ² | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| residents ² | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| residents & employees (day & nighttime population) ² | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 |
| population build-out ² | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

CAPITAL COST DETAIL

New Capital Costs

New Buses Purchased

2 yrs. prior¹
 \$1,040,000 /bus¹

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

New Facility Share¹

\$4,610,909

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
|---|---|---|---|---|---|---|---|---|---|---|---|

Amortized Costs¹

New Buses

5% interest 14 years

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
|---|---|---|---|---|---|---|---|---|---|---|---|

New Facility

5% interest 30 years

| | | | | | | | | | | | |
|---------|---------|---------|---------|---------|---------|---------|---|---|---|---|---|
| 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 465,812 | 0 | 0 | 0 | 0 | 0 |
|---------|---------|---------|---------|---------|---------|---------|---|---|---|---|---|

Notes

¹ Table 22-B.

² Table 6.

Table 21-B
MTA IMPACTS: CAPITAL COST DETAIL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| BASIS | | | 2059-60 | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|------------------------------------|---|-------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | expense appreciation ¹ | | 3.67 | 3.78 | 3.90 | 4.01 | 4.13 | 4.26 | 4.38 | 4.52 | 4.65 |
| | residential units ² | | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| | residents ² | | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 | 16,326 |
| | residents & employees (day & nighttime population) ² | | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 | 18,870 |
| | population build-out ² | | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| CAPITAL COST DETAIL | | | | | | | | | | | |
| New Capital Costs | | | | | | | | | | | |
| | New Buses Purchased | 2 yrs. prior ¹ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | \$1,040,000 /bus ¹ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | New Facility Share ¹ | \$4,610,909 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Amortized Costs¹ | | | | | | | | | | | |
| | New Buses | 5% interest 14 years | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | New Facility | 5% interest 30 years | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Notes

¹ Table 22-B.

² Table 6.

Table 22-A

MTA OPERATING COST ASSUMPTIONS¹
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| PHASE | NEW | | OPERATING COSTS (2010\$) | | | OPERATING COSTS (2016\$) | ANNUAL RIDERSHIP ² | NUMBER OF BUSES | BUSES PURCHASED |
|----------|--------|----|--------------------------|-------------|-------------|--------------------------|-------------------------------|-----------------|-----------------|
| | UNITS | | TRANSBAY | CIVIC CNTR. | TOTAL | | | | |
| | Up to: | | | | | Inflation Factor: 2% | | | |
| Existing | - | DU | \$3,678,000 | \$0 | \$3,678,000 | \$4,142,025 | 474,500 | 4 | |
| 1 | 1,000 | DU | \$3,678,000 | \$0 | \$3,678,000 | \$4,142,025 | 484,483 | 4 | - |
| 2 | 2,000 | DU | \$3,842,000 | \$0 | \$3,842,000 | \$4,326,716 | 820,690 | 4 | - |
| 3 | 3,000 | DU | \$4,699,000 | \$0 | \$4,699,000 | \$5,291,837 | 1,156,897 | 4 | - |
| 4 | 4,000 | DU | \$3,767,000 | \$0 | \$3,767,000 | \$4,242,254 | 1,493,103 | 4 | - |
| 5 | 5,000 | DU | \$3,969,000 | \$0 | \$3,969,000 | \$4,469,739 | 1,975,862 | 9 | 5 |
| 6 | 6,000 | DU | \$3,969,000 | \$0 | \$3,969,000 | \$4,469,739 | 2,193,103 | 9 | - |
| 7 | 7,000 | DU | \$3,969,000 | \$3,996,000 | \$7,965,000 | \$8,969,884 | 2,513,793 | 9 | - |
| 8 | 8,000 | DU | \$4,828,000 | \$3,996,000 | \$8,824,000 | \$9,937,257 | 3,003,448 | 10 | 1 |

Notes

¹ Per the report, Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project, by Economic Planning Systems in May 2011.

² Derived from EPS report based on farebox revenue projection, using factor of \$.58 per rider.

Table 22-B

**MTA OPERATING EXPENSE AND REVENUE ASSUMPTIONS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| | | |
|---|-----------|---|
| Global Escalation Assumption | 3.0% | Per Year ¹ |
| 2015 City/County Service Population Estimate | 845,602 | Resident Population ² |
| | 613,200 | Employment Base ² |
| | 1,060,222 | Service Population ² |
| | 1,458,802 | Day and Evening Population ² |

I. EXPENSES

| | | |
|--|-----------------------|--|
| Operating Cost | <i>See Table 22-A</i> | |
| Other Muni Costs | \$353,218 | other MTA costs upon build-out (2010\$) ³ |
| | 2% | Inflation Factor |
| | 18,870 | day and evening population upon build-out ⁴ |
| | \$17 | per Resident/Employee (2010\$) |
| | <u>\$21</u> | per Resident Employee (2016\$) |
| Capital Costs: Buses | \$1,510,000 | Cost Per Articulated Bus (2010\$) ³ |
| | \$1,118,976 | Direct Cost Per Articulated Bus (2016\$) ⁵ |
| | 14% | Tax, Warranty, and Consultant Support ⁶ |
| | \$1,300,000 | Total Cost Per Articulated Bus (2016\$) |
| | 80% | Non-Project Funded ⁷ |
| | \$1,040,000 | Net Non-Project Cost |
| | 2 | years in advance of phase ⁷ |
| | 5% | Amoritization Rate ⁷ |
| | 14 | Amoritization Period ⁷ |
| Capital Costs: Islais Creek Motorcoach Facility | \$90,750,000 | Estimated Project Cost (2010\$) ⁷ |
| | \$126,800,000 | Estimated Project Cost (2016\$) ⁸ |
| | 165 | Bus Capacity of Facility ⁹ |
| | \$768,485 | Per Bus |
| | \$4,610,909 | Treasure Island Share |
| | 30 | Amoritization Period ⁷ |
| | 5% | Annual Rate ⁷ |
| | \$299,946 | Annual Payment |

Table 22-B

**MTA OPERATING EXPENSE AND REVENUE ASSUMPTIONS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

II. REVENUE

| | | |
|------------------------------------|---------------|--|
| Parking Tax (80% MTA Share) | 0% | Excluded ¹⁰ |
| Proposition K Sales Tax | 0.50% | Sales Tax ¹¹ |
| | 37% | Share Allocated to Transit - System Maintenance and Renovation ¹¹ |
| AB 1107 Sales Tax | 0.50% | Sales Tax ¹² |
| | 12.50% | MTA Share ¹² |
| TDA Sales Tax | 0.25% | Sales Tax ¹² |
| State Transit Assistance | \$35,490,000 | MTA Revenues FY16 ¹³ |
| | 845,602 | Residents |
| | \$41.97 | Per Resident |
| Farebox Revenue | \$182,280,000 | Transit Fares FY16 ¹⁴ |
| | 212,586,375 | Annual Unlinked Passenger Trips ¹⁵ |
| | \$0.86 | Fare Revenue/Trip |
| Advertising | \$5,390,000 | Vehicle Advertising Revenues FY16 ¹³ |
| | 769 | Average Number of Vehicles Operating at Peak Demand ¹⁵ |
| | \$7,005 | Revenue per vehicle |
| | 50% | Administrative Costs ⁷ |
| | \$3,503 | Net Revenue Per Vehicle |

¹ KMA assumption.

² Table 7.

³ Per the report, "Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project," by Economic Planning Systems in May 2011. Reported to include annual maintenance of stop signs, signals, and bike lanes.

⁴ Table 6.

⁵ Derived from MTA Contract No. CPT 713 (Procurement of 40-Ft and 60-Ft Low Floor Diesel Hybrid Coaches) with New Flyer of America Inc. to purchase 61 articulated low floor buses, in an amount not to exceed \$68,257,536.

⁶ Based on staff report accompanying amendment to Amendment No. 2 to Contract No. CPT 713 with New Flyer of America Inc.

⁷ Per the report, Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project, by Economic Planning Systems in May 2011.

⁸ San Francisco County Transportation Authority, MUNI Modernization Projects Fact Sheet, July 2015. Cost in EPS report was estimated to be \$89.9M (2006\$).

⁹ San Francisco County Transportation Authority, MUNI Modernization Projects Fact Sheet, July 2015.

¹⁰ Per the report, Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project, by Economic Planning Systems in May 2011, parking will be under the jurisdiction of the Treasure Island Transportation Management Agency.

¹¹ San Francisco County Transportation Authority. Prop K Expenditure Plan (last updated January 2016).

¹² Metropolitan Transportation Commission. Resolution No. 4220. Annual Fund Estimate and proposed apportionment and distribution of \$626 million in Transportation Development Act (TDA), State Transit Assistance (STA) Population-Based funds, Assembly Bill 1107 (AB 1107), and transit-related bridge toll funds for FY 2016-17.

¹³ SFMTA Adopted Operating Budget, FY2015-16.

¹⁴ SFMTA Adopted Operating Budget, FY2015-16. Excludes Cable Car Fares.

¹⁵ National Transit Database Monthly Data, February 2015-January 2016.

Table 23
LIBRARY/ COMMUNITY FACILITY EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|------------------------|---------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| expense appreciation ¹ | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 |
| Percent Buildout Population ² | 0% | 0% | 0% | 1% | 4% | 10% | 19% | 27% | 35% | 45% | 56% |
| LIBRARY EXPENSES | | | | | | | | | | | |
| Annual Operating | \$222,958 2016\$ | 0 | 0 | 0 | 0 | 0 | 89,000 | 183,000 | 282,000 | 291,000 | 300,000 |
| Initial Capital Expense | \$89,673 /yr (5 yrs.) | 0 | 0 | 0 | 0 | 0 | 30,000 | 60,000 | 90,000 | 90,000 | 90,000 |
| | | 0 | 0 | 0 | 0 | 0 | 119,000 | 243,000 | 372,000 | 381,000 | 390,000 |
| (LESS) BASELINE TRANSFERS TO LIBRARY ³ | | (8,000) | (40,000) | (95,000) | (128,000) | (165,000) | (322,000) | (372,000) | (534,000) | (617,000) | (643,000) |
| ADDITIONAL G.F SUPPORT REQUIRED | | | | | | | | | | | |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| LIBRARY BALANCE | | 8,000 | 40,000 | 95,000 | 128,000 | 165,000 | 203,000 | 129,000 | 162,000 | 236,000 | 253,000 |
| COMMUNITY FACILITIES EXPENSES | | | | | | | | | | | |
| Annual Operating | \$375,888 2016\$ | 0 | 0 | 0 | 0 | 0 | 150,000 | 308,000 | 476,000 | 490,000 | 505,000 |
| Initial Capital Expense | \$165,478 /yr (5 yrs.) | 0 | 0 | 0 | 0 | 0 | 55,000 | 110,000 | 165,000 | 165,000 | 165,000 |
| | | 0 | 0 | 0 | 0 | 0 | 205,000 | 418,000 | 641,000 | 655,000 | 670,000 |
| TOTAL LIBRARY/COMM. FACILITIES GEN. FUND EXPENSES | | 0 | 0 | 0 | 0 | 0 | 205,000 | 418,000 | 641,000 | 655,000 | 670,000 |

Notes

¹ Table 16.

² Table 6.

³ Table 11-A.

Table 23
LIBRARY/ COMMUNITY FACILITY EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 | |
|---|------------------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|-------------|-------------|
| expense appreciation ¹ | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 | 1.86 | |
| Percent Buildout Population ² | 65% | 74% | 84% | 92% | 98% | 100% | 100% | 100% | 100% | 100% | 100% | |
| LIBRARY EXPENSES | | | | | | | | | | | | |
| Annual Operating | \$222,958 2016\$ | 309,000 | 318,000 | 327,000 | 337,000 | 347,000 | 358,000 | 369,000 | 380,000 | 391,000 | 403,000 | 415,000 |
| Initial Capital Expense | \$89,673 /yr (5 yrs.) | <u>90,000</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| | | 399,000 | 318,000 | 327,000 | 337,000 | 347,000 | 358,000 | 369,000 | 380,000 | 391,000 | 403,000 | 415,000 |
| (LESS) BASELINE TRANSFERS TO LIBRARY ³ | | (761,000) | (821,000) | (845,000) | (911,000) | (957,000) | (927,000) | (944,000) | (991,000) | (1,016,000) | (1,042,000) | (1,069,000) |
| ADDITIONAL G.F SUPPORT REQUIRED | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| LIBRARY BALANCE | | 362,000 | 503,000 | 518,000 | 574,000 | 610,000 | 569,000 | 575,000 | 611,000 | 625,000 | 639,000 | 654,000 |
| COMMUNITY FACILITIES EXPENSES | | | | | | | | | | | | |
| Annual Operating | \$375,888 2016\$ | 520,000 | 536,000 | 552,000 | 569,000 | 586,000 | 603,000 | 621,000 | 640,000 | 659,000 | 679,000 | 699,000 |
| Initial Capital Expense | \$165,478 /yr (5 yrs.) | <u>165,000</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| | | 685,000 | 536,000 | 552,000 | 569,000 | 586,000 | 603,000 | 621,000 | 640,000 | 659,000 | 679,000 | 699,000 |
| TOTAL LIBRARY/COMM. FACILITIES GEN. FUND EXPENSES | | 685,000 | 536,000 | 552,000 | 569,000 | 586,000 | 603,000 | 621,000 | 640,000 | 659,000 | 679,000 | 699,000 |

Notes

¹ Table 16.

² Table 6.

³ Table 11-A.

Table 23
LIBRARY/ COMMUNITY FACILITY EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2037-38 | 2038-39 | 2039-40 | 2040-41 | 2041-42 | 2042-43 | 2043-44 | 2044-45 | 2045-46 | 2046-47 | 2047-48 | |
|--|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| expense appreciation ¹ | 1.92 | 1.97 | 2.03 | 2.09 | 2.16 | 2.22 | 2.29 | 2.36 | 2.43 | 2.50 | 2.58 | |
| Percent Buildout Population ² | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |
| LIBRARY EXPENSES | | | | | | | | | | | | |
| Annual Operating | \$222,958 2016\$ | 427,000 | 440,000 | 453,000 | 467,000 | 481,000 | 495,000 | 510,000 | 525,000 | 541,000 | 557,000 | 574,000 |
| Initial Capital Expense | \$89,673 /yr (5 yrs.) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 427,000 | 440,000 | 453,000 | 467,000 | 481,000 | 495,000 | 510,000 | 525,000 | 541,000 | 557,000 | 574,000 |
| (LESS) BASELINE TRANSFERS TO LIBRARY ³ | | (1,096,000) | (1,124,000) | (1,153,000) | (1,182,000) | (1,213,000) | (1,244,000) | (1,276,000) | (1,309,000) | (1,342,000) | (1,377,000) | (1,413,000) |
| ADDITIONAL G.F SUPPORT REQUIRED | | | | | | | | | | | | |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| LIBRARY BALANCE | | | | | | | | | | | | |
| | | 669,000 | 684,000 | 700,000 | 715,000 | 732,000 | 749,000 | 766,000 | 784,000 | 801,000 | 820,000 | 839,000 |
| COMMUNITY FACILITIES EXPENSES | | | | | | | | | | | | |
| Annual Operating | \$375,888 2016\$ | 720,000 | 742,000 | 764,000 | 787,000 | 811,000 | 835,000 | 860,000 | 886,000 | 912,000 | 940,000 | 968,000 |
| Initial Capital Expense | \$165,478 /yr (5 yrs.) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 720,000 | 742,000 | 764,000 | 787,000 | 811,000 | 835,000 | 860,000 | 886,000 | 912,000 | 940,000 | 968,000 |
| TOTAL LIBRARY/COMM. FACILITIES GEN. FUND EXPENSES | | | | | | | | | | | | |
| | | 720,000 | 742,000 | 764,000 | 787,000 | 811,000 | 835,000 | 860,000 | 886,000 | 912,000 | 940,000 | 968,000 |

Notes

¹ Table 16.

² Table 6.

³ Table 11-A.

Table 23
LIBRARY/ COMMUNITY FACILITY EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | 2048-49 | 2049-50 | 2050-51 | 2051-52 | 2052-53 | 2053-54 | 2054-55 | 2055-56 | 2056-57 | 2057-58 | 2058-59 | |
|---|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| expense appreciation ¹ | 2.65 | 2.73 | 2.81 | 2.90 | 2.99 | 3.07 | 3.17 | 3.26 | 3.36 | 3.46 | 3.56 | |
| Percent Buildout Population ² | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |
| LIBRARY EXPENSES | | | | | | | | | | | | |
| Annual Operating | \$222,958 2016\$ | 591,000 | 609,000 | 627,000 | 646,000 | 666,000 | 686,000 | 706,000 | 727,000 | 749,000 | 772,000 | 795,000 |
| Initial Capital Expense | \$89,673 /yr (5 yrs.) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 591,000 | 609,000 | 627,000 | 646,000 | 666,000 | 686,000 | 706,000 | 727,000 | 749,000 | 772,000 | 795,000 |
| (LESS) BASELINE TRANSFERS TO LIBRARY ³ | | (1,449,000) | (1,487,000) | (1,525,000) | (1,565,000) | (1,605,000) | (1,647,000) | (1,690,000) | (1,734,000) | (1,779,000) | (1,825,000) | (1,873,000) |
| ADDITIONAL G.F SUPPORT REQUIRED | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| LIBRARY BALANCE | | 858,000 | 878,000 | 898,000 | 919,000 | 939,000 | 961,000 | 984,000 | 1,007,000 | 1,030,000 | 1,053,000 | 1,078,000 |
| COMMUNITY FACILITIES EXPENSES | | | | | | | | | | | | |
| Annual Operating | \$375,888 2016\$ | 997,000 | 1,027,000 | 1,058,000 | 1,089,000 | 1,122,000 | 1,156,000 | 1,190,000 | 1,226,000 | 1,263,000 | 1,301,000 | 1,340,000 |
| Initial Capital Expense | \$165,478 /yr (5 yrs.) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 997,000 | 1,027,000 | 1,058,000 | 1,089,000 | 1,122,000 | 1,156,000 | 1,190,000 | 1,226,000 | 1,263,000 | 1,301,000 | 1,340,000 |
| TOTAL LIBRARY/COMM. FACILITIES GEN. FUND EXPENSES | | 997,000 | 1,027,000 | 1,058,000 | 1,089,000 | 1,122,000 | 1,156,000 | 1,190,000 | 1,226,000 | 1,263,000 | 1,301,000 | 1,340,000 |

Notes

¹ Table 16.

² Table 6.

³ Table 11-A.

Table 23
LIBRARY/ COMMUNITY FACILITY EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| MEASURE ¹ | | 2059-60 | 2060-61 | 2061-62 | 2062-63 | 2063-64 | 2064-65 | 2065-66 | 2066-67 | 2067-68 |
|--|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| expense appreciation ¹ | | 3.87 | 3.78 | 3.90 | 4.01 | 4.13 | 4.26 | 4.38 | 4.52 | 4.65 |
| Percent Buildout Population ² | | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| LIBRARY EXPENSES | | | | | | | | | | |
| Annual Operating | \$222,958 2016\$ | 819,000 | 843,000 | 868,000 | 894,000 | 921,000 | 949,000 | 977,000 | 1,007,000 | 1,037,000 |
| Initial Capital Expense | \$89,873 /yr (5 yrs.) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 819,000 | 843,000 | 868,000 | 894,000 | 921,000 | 949,000 | 977,000 | 1,007,000 | 1,037,000 |
| (LESS) BASELINE TRANSFERS TO LIBRARY ³ | | (1,896,000) | (1,881,000) | (1,906,000) | (1,934,000) | (1,920,000) | (1,950,000) | (1,946,000) | (1,998,000) | (2,053,000) |
| ADDITIONAL G.F SUPPORT REQUIRED | | | | | | | | | | |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| LIBRARY BALANCE | | | | | | | | | | |
| | | 1,077,000 | 1,038,000 | 1,038,000 | 1,040,000 | 999,000 | 1,001,000 | 969,000 | 991,000 | 1,016,000 |
| COMMUNITY FACILITIES EXPENSES | | | | | | | | | | |
| Annual Operating | \$375,888 2016\$ | 1,380,000 | 1,421,000 | 1,464,000 | 1,508,000 | 1,553,000 | 1,600,000 | 1,648,000 | 1,697,000 | 1,748,000 |
| Initial Capital Expense | \$165,478 /yr (5 yrs.) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 1,380,000 | 1,421,000 | 1,464,000 | 1,508,000 | 1,553,000 | 1,600,000 | 1,648,000 | 1,697,000 | 1,748,000 |
| TOTAL LIBRARY/COMM. FACILITIES GEN. FUND EXPENSES | | | | | | | | | | |
| | | 1,380,000 | 1,421,000 | 1,464,000 | 1,508,000 | 1,553,000 | 1,600,000 | 1,648,000 | 1,697,000 | 1,748,000 |

Notes

¹ Table 16.

² Table 6.

³ Table 11-A.

Table 24

**CONSTRUCTION REVENUE SUMMARY
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| | Fiscal Year: July 1 - June 30 | | | | | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| SET ASIDE ² | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
| CONSTRUCTION REVENUES (GROSS)¹ | | | | | | | | | | | |
| Discretionary | | | | | | | | | | | |
| Transfer Tax On Initial Pad & Unit Sales | 116,000 | 1,118,000 | 2,826,000 | 3,644,000 | 4,095,000 | 8,133,000 | 6,693,000 | 5,460,000 | 8,997,000 | 9,784,000 | 8,337,000 |
| Gross Receipts Taxes / Construction | 28,000 | 175,000 | 554,000 | 1,115,000 | 1,619,000 | 1,275,000 | 1,256,000 | 2,215,000 | 2,078,000 | 2,072,000 | 2,064,000 |
| Payroll Tax / Construction | 111,000 | 226,000 | 237,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Construction Sales Tax (General) | <u>80,000</u> | <u>250,000</u> | <u>530,000</u> | <u>800,000</u> | <u>1,160,000</u> | <u>910,000</u> | <u>900,000</u> | <u>1,580,000</u> | <u>1,480,000</u> | <u>1,480,000</u> | <u>1,470,000</u> |
| Subtotal-Discretionary | 335,000 | 1,769,000 | 4,147,000 | 5,559,000 | 6,874,000 | 10,318,000 | 8,849,000 | 9,255,000 | 12,555,000 | 13,316,000 | 11,871,000 |
| Construction Sales Tax (Public Safety) | 40,000 | 125,000 | 265,000 | 400,000 | 580,000 | 455,000 | 450,000 | 790,000 | 740,000 | 740,000 | 735,000 |
| TOTAL | 375,000 | 1,894,000 | 4,412,000 | 5,959,000 | 7,454,000 | 10,773,000 | 9,299,000 | 10,045,000 | 13,295,000 | 14,056,000 | 12,606,000 |
| CONSTRUCTION REVENUES (NET OF SET-ASIDES) | | | | | | | | | | | |
| Discretionary <i>20% set aside</i> | | | | | | | | | | | |
| Transfer Tax On Initial Pad & Unit Sales | 93,000 | 892,000 | 2,254,000 | 2,907,000 | 3,266,000 | 6,487,000 | 5,339,000 | 4,355,000 | 7,176,000 | 7,788,000 | 6,650,000 |
| Gross Receipts Taxes / Construction | 22,000 | 140,000 | 442,000 | 889,000 | 1,291,000 | 1,017,000 | 1,002,000 | 1,767,000 | 1,657,000 | 1,653,000 | 1,646,000 |
| Payroll Tax / Construction | 89,000 | 180,000 | 189,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Construction Sales Tax (General) | <u>64,000</u> | <u>199,000</u> | <u>423,000</u> | <u>638,000</u> | <u>925,000</u> | <u>726,000</u> | <u>718,000</u> | <u>1,260,000</u> | <u>1,181,000</u> | <u>1,181,000</u> | <u>1,173,000</u> |
| Subtotal-Discretionary | 268,000 | 1,411,000 | 3,308,000 | 4,434,000 | 5,482,000 | 8,230,000 | 7,059,000 | 7,382,000 | 10,014,000 | 10,622,000 | 9,469,000 |
| Construction Sales Tax (Public Safety) <i>0% set aside</i> | 40,000 | 125,000 | 265,000 | 400,000 | 580,000 | 455,000 | 450,000 | 790,000 | 740,000 | 740,000 | 735,000 |
| TOTAL NET | 308,000 | 1,536,000 | 3,573,000 | 4,834,000 | 6,062,000 | 8,685,000 | 7,509,000 | 8,172,000 | 10,754,000 | 11,362,000 | 10,204,000 |
| BASELINE SET-ASIDES | | | | | | | | | | | |
| MTA <i>9.2% of ADR</i> | 31,000 | 163,000 | 381,000 | 511,000 | 632,000 | 949,000 | 813,000 | 851,000 | 1,154,000 | 1,224,000 | 1,091,000 |
| Library <i>2.3% of ADR</i> | 8,000 | 40,000 | 95,000 | 127,000 | 157,000 | 236,000 | 202,000 | 212,000 | 287,000 | 304,000 | 271,000 |
| Children's Services <i>8.8% of ADR</i> | <u>29,000</u> | <u>155,000</u> | <u>363,000</u> | <u>487,000</u> | <u>602,000</u> | <u>904,000</u> | <u>775,000</u> | <u>810,000</u> | <u>1,099,000</u> | <u>1,166,000</u> | <u>1,040,000</u> |
| TOTAL | 68,000 | 358,000 | 839,000 | 1,125,000 | 1,391,000 | 2,089,000 | 1,790,000 | 1,873,000 | 2,540,000 | 2,694,000 | 2,402,000 |

Notes:

¹ Tables 25 and 26.² Table 10.

Table 24

**CONSTRUCTION REVENUE SUMMARY
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| | SET ASIDE ² | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-2033 | 2033-34 | 2034-35 | 2035-36 |
|--|------------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|-----------|----------|----------|----------|
| CONSTRUCTION REVENUES (GROSS)¹ | | | | | | | | | | | |
| Discretionary | | | | | | | | | | | |
| Transfer Tax On Initial Pad & Unit Sales | | 10,381,000 | 8,672,000 | 6,491,000 | 6,487,000 | 6,120,000 | 1,840,000 | 0 | 0 | 0 | 0 |
| Gross Receipts Taxes / Construction | | 1,886,000 | 1,780,000 | 1,679,000 | 498,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Payroll Tax / Construction | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Construction Sales Tax (General) | | <u>1,350,000</u> | <u>1,270,000</u> | <u>1,200,000</u> | <u>360,000</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Subtotal-Discretionary | | 13,617,000 | 11,722,000 | 9,370,000 | 7,345,000 | 6,120,000 | 1,840,000 | 0 | 0 | 0 | 0 |
| Construction Sales Tax (Public Safety) | | 675,000 | 635,000 | 600,000 | 180,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | | 14,292,000 | 12,357,000 | 9,970,000 | 7,525,000 | 6,120,000 | 1,840,000 | 0 | 0 | 0 | 0 |
| CONSTRUCTION REVENUES (NET OF SET-ASIDES) | | | | | | | | | | | |
| Discretionary <i>20% set aside</i> | | | | | | | | | | | |
| Transfer Tax On Initial Pad & Unit Sales | | 8,280,000 | 6,917,000 | 5,177,000 | 5,174,000 | 4,882,000 | 1,468,000 | 0 | 0 | 0 | 0 |
| Gross Receipts Taxes / Construction | | 1,504,000 | 1,420,000 | 1,339,000 | 397,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Payroll Tax / Construction | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Construction Sales Tax (General) | | <u>1,077,000</u> | <u>1,013,000</u> | <u>957,000</u> | <u>287,000</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Subtotal-Discretionary | | 10,861,000 | 9,350,000 | 7,473,000 | 5,858,000 | 4,882,000 | 1,468,000 | 0 | 0 | 0 | 0 |
| Construction Sales Tax (Public Safety) | <i>0% set aside</i> | 675,000 | 635,000 | 600,000 | 180,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL NET | | 11,536,000 | 9,985,000 | 8,073,000 | 6,038,000 | 4,882,000 | 1,468,000 | 0 | 0 | 0 | 0 |
| BASELINE SET-ASIDES | | | | | | | | | | | |
| MTA | <i>9.2% of ADR</i> | 1,252,000 | 1,078,000 | 861,000 | 675,000 | 563,000 | 169,000 | 0 | 0 | 0 | 0 |
| Library | <i>2.3% of ADR</i> | 311,000 | 268,000 | 214,000 | 168,000 | 140,000 | 42,000 | 0 | 0 | 0 | 0 |
| Children's Services | <i>8.8% of ADR</i> | <u>1,192,000</u> | <u>1,026,000</u> | <u>821,000</u> | <u>643,000</u> | <u>536,000</u> | <u>161,000</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| TOTAL | | 2,755,000 | 2,372,000 | 1,896,000 | 1,486,000 | 1,239,000 | 372,000 | 0 | 0 | 0 | 0 |

Notes:

¹ Tables 25 and 26.

² Table 10.

Table 25

SELECT CONSTRUCTION REVENUE ESTIMATES
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | BASIS ¹ | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | vertical cost appreciation ¹ | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 |
| I. TRANSFER TAX ON INITIAL PAD & UNIT SALES | | | | | | | | | | | | |
| Initial Site Acquisition (\$000s) ² | 65,180 | 5,780 | 7,480 | 7,260 | 7,040 | 6,820 | 6,600 | 6,380 | 6,160 | 5,940 | 5,720 | 0 |
| Residential Pad Sales (\$000s) ² | 1,587,731 | 0 | 48,416 | 134,038 | 146,521 | 82,922 | 220,295 | 119,754 | 80,440 | 188,283 | 167,079 | 85,376 |
| Hotel Pad Sales (\$000s) ² | | 0 | 0 | 0 | 2,500 | 0 | 3,500 | 0 | 0 | 0 | 0 | 0 |
| Residential Unit Sales (\$000s) ² | | | | | | | | | | | | |
| Market | 8,726,532 | 0 | 0 | 0 | 69,074 | 304,051 | 465,567 | 549,832 | 491,288 | 675,686 | 834,975 | 877,645 |
| BMR | 79,999 | 0 | 0 | 0 | 669 | 3,092 | 4,919 | 6,754 | 6,348 | 6,538 | 6,734 | 6,937 |
| Total Transfer Tax | | | | | | | | | | | | |
| Initial Purchase | \$20.00 /\$1,000 | 116,000 | 150,000 | 145,000 | 141,000 | 136,000 | 132,000 | 128,000 | 123,000 | 119,000 | 114,000 | 0 |
| Residential Pad Sales | \$20.00 /\$1,000 | 0 | 968,000 | 2,681,000 | 2,930,000 | 1,658,000 | 4,406,000 | 2,395,000 | 1,609,000 | 3,766,000 | 3,342,000 | 1,708,000 |
| Hotel Pad Sales | \$20.00 /\$1,000 | 0 | 0 | 0 | 50,000 | 0 | 70,000 | 0 | 0 | 0 | 0 | 0 |
| Residential Home Sales (Market) | \$7.50 /\$1,000 | 0 | 0 | 0 | 518,000 | 2,280,000 | 3,492,000 | 4,124,000 | 3,685,000 | 5,068,000 | 6,262,000 | 6,582,000 |
| Residential Home Sales (BMR) | \$6.80 /\$1,000 | 0 | 0 | 0 | 5,000 | 21,000 | 33,000 | 46,000 | 43,000 | 44,000 | 46,000 | 47,000 |
| Total | | 116,000 | 1,118,000 | 2,826,000 | 3,644,000 | 4,095,000 | 8,133,000 | 6,693,000 | 5,460,000 | 8,997,000 | 9,764,000 | 8,337,000 |
| II. GROSS RECEIPTS TAXES / CONSTRUCTION | | | | | | | | | | | | |
| Contractor Gross Receipts (\$000s) ² | | | | | | | | | | | | |
| Horizontal Hard Costs Costs | 785,578 hard cost | 31,951 | 100,248 | 104,571 | 67,900 | 33,562 | 27,436 | 57,407 | 94,785 | 87,665 | 66,084 | 69,686 |
| Vertical Costs | | | | | | | | | | | | |
| Residential | | | | | | | | | | | | |
| YBI Townhomes | 1,041 cost/du | 0 | 0 | 40,936 | 84,329 | 86,858 | 37,277 | 0 | 0 | 0 | 0 | 0 |
| TI Townhomes | 831 cost/du | 0 | 0 | 0 | 31,814 | 57,828 | 6,949 | 0 | 36,861 | 16,271 | 67,038 | 47,184 |
| Flats | 605 cost/du | 0 | 0 | 65,367 | 134,657 | 138,696 | 142,857 | 147,143 | 151,557 | 156,104 | 160,787 | 165,611 |
| Neighborhood Tower | 677 cost/du | 0 | 0 | 0 | 0 | 145,531 | 149,897 | 154,394 | 159,026 | 163,797 | 168,711 | 173,772 |
| High Rise | 780 cost/du | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 122,084 | 125,747 | 129,519 | 133,405 |
| Branded Condo | 752 cost/du | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 68,587 | 44,153 | 0 | 0 |
| Subtotal -Vertical | | 0 | 0 | 106,303 | 250,800 | 428,914 | 336,980 | 301,537 | 538,115 | 506,072 | 526,055 | 519,971 |
| Total Gross Receipts | | 31,951 | 100,248 | 210,875 | 318,700 | 462,476 | 364,416 | 358,944 | 632,899 | 593,737 | 592,139 | 589,657 |
| Phase-In Rate | | 25% | 50% | 75% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Total Gross Receipts Tax | \$3.50 /\$1,000 | 28,000 | 175,000 | 554,000 | 1,115,000 | 1,619,000 | 1,275,000 | 1,256,000 | 2,215,000 | 2,078,000 | 2,072,000 | 2,064,000 |
| III. PAYROLL TAXES/CONSTRUCTION | | | | | | | | | | | | |
| Payroll (\$000s) | 40% hard cost | 12,780 | 40,099 | 84,350 | 127,480 | 184,990 | 145,766 | 143,577 | 253,160 | 237,495 | 236,856 | 235,863 |
| Payroll Adjusted (\$000s) | 25% exemption | 9,585 | 30,074 | 63,262 | 95,610 | 138,743 | 109,325 | 107,683 | 189,870 | 178,121 | 177,642 | 176,897 |
| Rate | | 1.162% | 0.8% | 0.4% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Payroll Taxes | | 111,000 | 226,000 | 237,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Notes

¹ Table 10.² TICD Pro Forma (March 2016).

Table 25

**SELECT CONSTRUCTION REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| | BASIS ¹ | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 |
|--|---|------------|-----------|-----------|-----------|-----------|-----------|---------|---------|---------|---------|
| | vertical cost appreciation ¹ | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 |
| I. TRANSFER TAX ON INITIAL PAD & UNIT SALES | | | | | | | | | | | |
| Initial Site Acquisition (\$000s) ² | 65,180 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Residential Pad Sales (\$000s) ² | 1,587,731 | 191,940 | 113,081 | 9,586 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hotel Pad Sales (\$000s) ² | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Residential Unit Sales (\$000s) ² | | | | | | | | | | | |
| Market | 8,726,532 | 865,778 | 848,007 | 832,925 | 857,912 | 809,672 | 244,121 | 0 | 0 | 0 | 0 |
| BMR | 79,999 | 7,145 | 7,359 | 7,580 | 7,807 | 6,866 | 1,251 | 0 | 0 | 0 | 0 |
| Total Transfer Tax | | | | | | | | | | | |
| Initial Purchase | \$20.00 /\$1,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Residential Pad Sales | \$20.00 /\$1,000 | 3,839,000 | 2,262,000 | 192,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hotel Pad Sales | \$20.00 /\$1,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Residential Home Sales (Market) | \$7.50 /\$1,000 | 6,493,000 | 6,360,000 | 6,247,000 | 6,434,000 | 6,073,000 | 1,831,000 | 0 | 0 | 0 | 0 |
| Residential Home Sales (BMR) | \$6.80 /\$1,000 | 49,000 | 50,000 | 52,000 | 53,000 | 47,000 | 9,000 | 0 | 0 | 0 | 0 |
| Total | | 10,381,000 | 8,672,000 | 6,491,000 | 6,467,000 | 6,120,000 | 1,840,000 | 0 | 0 | 0 | 0 |
| II. GROSS RECEIPTS TAXES / CONSTRUCTION | | | | | | | | | | | |
| Contractor Gross Receipts (\$000s) ² | | | | | | | | | | | |
| Horizontal Hard Costs Costs | 785,578 hard cost | 29,491 | 6,951 | 7,263 | 579 | 0 | 0 | 0 | 0 | 0 | 0 |
| Vertical Costs | | | | | | | | | | | |
| Residential | | | | | | | | | | | |
| YBI Townhomes | 1,041 cost/du | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TI Townhomes | 831 cost/du | 22,522 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Flats | 605 cost/du | 170,579 | 175,696 | 136,668 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Neighborhood Tower | 677 cost/du | 178,985 | 184,355 | 189,865 | 72,800 | 0 | 0 | 0 | 0 | 0 | 0 |
| High Rise | 780 cost/du | 137,407 | 141,529 | 145,775 | 68,818 | 0 | 0 | 0 | 0 | 0 | 0 |
| Branded Condo | 752 cost/du | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal -Vertical | | 509,493 | 501,580 | 472,328 | 141,618 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Gross Receipts | | 538,984 | 508,531 | 479,591 | 142,197 | 0 | 0 | 0 | 0 | 0 | 0 |
| Phase-In Rate | | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Total Gross Receipts Tax | \$3.50 /\$1,000 | 1,886,000 | 1,780,000 | 1,679,000 | 498,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| III. PAYROLL TAXES/CONSTRUCTION | | | | | | | | | | | |
| Payroll (\$000s) | 40% hard cost | 215,593 | 203,413 | 191,836 | 56,879 | 0 | 0 | 0 | 0 | 0 | 0 |
| Payroll Adjusted (\$000s) | 25% exemption | 161,695 | 152,559 | 143,877 | 42,659 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rate | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Payroll Taxes | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Notes

¹ Table 10.² TICD Pro Forma (March 2016).

Table 26

CONSTRUCTION-RELATED SALES TAX REVENUE
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | BASIS ¹ | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---|---------|---------|---------|---------|-----------|---------|---------|-----------|-----------|-----------|-----------|
| | vertical cost appreciation ¹ | 1.00 | 1.03 | 1.06 | 1.09 | 1.13 | 1.16 | 1.19 | 1.23 | 1.27 | 1.30 | 1.34 |
| CONSTRUCTION-RELATED SALES TAX | | | | | | | | | | | | |
| Taxable material sales/use (\$000s) ² | 50% hard cost | 15,980 | 50,120 | 105,440 | 159,350 | 231,240 | 182,210 | 179,470 | 316,450 | 296,870 | 296,070 | 294,830 |
| CCSF as Point of Sale | 50% of materials | 8,000 | 25,000 | 53,000 | 80,000 | 116,000 | 91,000 | 90,000 | 158,000 | 148,000 | 148,000 | 147,000 |
| Sales Tax (General) | 1.0% tax rate | 80,000 | 250,000 | 530,000 | 800,000 | 1,160,000 | 910,000 | 900,000 | 1,580,000 | 1,480,000 | 1,480,000 | 1,470,000 |
| Public Safety Sales Tax | 0.5% tax rate | 40,000 | 125,000 | 265,000 | 400,000 | 580,000 | 455,000 | 450,000 | 790,000 | 740,000 | 740,000 | 735,000 |
| SALES TAXES- OTHER FUNDS | | | | | | | | | | | | |
| Proposition K | | | | | | | | | | | | |
| System Maintenance (DPW) | 0.0500% tax ¹ | 4,000 | 13,000 | 27,000 | 40,000 | 58,000 | 46,000 | 45,000 | 79,000 | 74,000 | 74,000 | 74,000 |
| System Maintenance (Transit) | 0.1842% tax ³ | 15,000 | 46,000 | 98,000 | 147,000 | 214,000 | 168,000 | 166,000 | 291,000 | 273,000 | 273,000 | 271,000 |
| AB 1107 (MTA) | 0.0625% tax ³ | 5,000 | 16,000 | 33,000 | 50,000 | 73,000 | 57,000 | 56,000 | 99,000 | 93,000 | 93,000 | 92,000 |
| TDA (MTA) | 0.2500% tax ³ | 20,000 | 63,000 | 133,000 | 200,000 | 290,000 | 228,000 | 225,000 | 395,000 | 370,000 | 370,000 | 368,000 |

¹ Table 10.

² Hard cost: Table 23-a.

³ Table 22-B.

Table 26

**CONSTRUCTION-RELATED SALES TAX REVENUE
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA**

August 15, 2016

| | BASIS ¹ | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 |
|--|---|-----------|-----------|-----------|---------|---------|---------|---------|---------|---------|---------|
| | vertical cost appreciation ¹ | 1.38 | 1.43 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.81 |
| CONSTRUCTION-RELATED SALES TAX | | | | | | | | | | | |
| Taxable material sales/use (\$000s) ² | 50% hard cost | 269,490 | 254,270 | 239,800 | 71,100 | 0 | 0 | 0 | 0 | 0 | 0 |
| CCSF as Point of Sale | 50% of materials | 135,000 | 127,000 | 120,000 | 36,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sales Tax (General) | 1.0% tax rate | 1,350,000 | 1,270,000 | 1,200,000 | 360,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Public Safety Sales Tax | 0.5% tax rate | 675,000 | 635,000 | 600,000 | 180,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| SALES TAXES- OTHER FUNDS | | | | | | | | | | | |
| Proposition K | | | | | | | | | | | |
| System Maintenance (DPW) | 0.0500% tax ¹ | 68,000 | 64,000 | 60,000 | 18,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| System Maintenance (Transit) | 0.1842% tax ³ | 249,000 | 234,000 | 221,000 | 66,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| AB 1107 (MTA) | 0.0625% tax ³ | 84,000 | 79,000 | 75,000 | 23,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| TDA (MTA) | 0.2500% tax ³ | 338,000 | 318,000 | 300,000 | 90,000 | 0 | 0 | 0 | 0 | 0 | 0 |

¹ Table 10.

² Hard cost: Table 23-a.

³ Table 22-B.

Appendix Table A - 1

SUMMARY OF CITY AND COUNTY OF SAN FRANCISCO REVENUE SOURCES IN FY2015/16
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| GENERAL FUND REVENUE CATEGORY | FY 2015/16 BUDGET | BASIS OF PROJECTION |
|---|------------------------|---|
| <u>Regular Revenues Included in the Analysis</u> | | |
| Taxes | | |
| Possessory Interest/Property Tax | \$1,044,519,000 | Based on AV, less IFD share |
| Property Tax In Lieu of Vehicle License Fee | \$201,490,000 | Based on AV, less IFD share |
| Property Transfer Tax | \$275,280,000 | Estimated property sales, City tax rate |
| Sales and Use Tax | \$172,937,000 | Estimated taxable sales, City tax rate |
| Telephone Users Tax | \$49,190,000 | Per resident/employee |
| Access Line Tax | \$45,594,000 | Per resident/employee |
| Water Users Tax | \$3,740,000 | Per employee |
| Gas Electric Steam Users Tax | \$40,620,000 | Per employee |
| Gross Receipts Tax | \$173,795,000 | Estimated gross receipts, City tax rate |
| Business Registration Tax | \$44,952,000 | Number of businesses, City tax rate |
| Hotel Room Tax | \$384,090,000 | Estimated room rate revenues, City tax rate |
| Property Tax In Lieu of Sales and Use Tax | \$28,000,000 | Included in sales tax estimate |
| | \$2,464,207,000 | |
| <u>Deducted from Service Costs</u> | | |
| Other Revenues | | |
| Charges for Services (Departmental) | \$205,163,294 | Deduct from corresponding departments |
| Rents and Concessions | \$15,431,961 | Deduct from corresponding departments |
| | \$220,595,255 | |
| <u>Regular Revenues Excluded from the Analysis</u> | | |
| Taxes | | |
| Property Tax Increment Pass Through | \$16,991,000 | independent of analysis |
| Parking Tax | \$89,727,000 | independent of analysis |
| Payroll Tax | \$416,233,000 | To be phased out by FY18 |
| Stadium Admission Tax | \$1,357,000 | independent of analysis |
| Licenses, Permits, and Franchise Fees | \$26,642,891 | independent of analysis |
| Fines, Forfeitures and Penalties | \$4,577,144 | independent of analysis |
| Other Revenues | | |
| Charges for Services (Unallocated) | \$10,321,467 | independent of analysis |
| Other Intergovernmental (Federal and State) | \$900,530,545 | independent of analysis |
| Intergovernmental-Other ** | \$3,656,488 | independent of analysis |
| Other Revenues ** | \$31,084,070 | independent of analysis |
| Interest and Investment Income | \$10,680,000 | independent of analysis |
| Other Financing Sources | \$917,500 | independent of analysis |
| | \$1,512,718,105 | |
| Total Regular GF Revenues | \$4,197,520,360 | |

Appendix Table A - 1

SUMMARY OF CITY AND COUNTY OF SAN FRANCISCO REVENUE SOURCES IN FY2015/16
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| GENERAL FUND REVENUE CATEGORY | FY 2015/16 BUDGET | BASIS OF PROJECTION |
|--|------------------------|----------------------------------|
| <u>Other Revenue Adjustments (Excluded)</u> | | independent of analysis |
| Total GF Revenues | | |
| Gross | | |
| Prior Year Balance | \$180,179,205 | |
| Fund Reserve | \$3,070,000 | |
| Transfers Into General Fund | \$206,782,461 | |
| | <u>\$4,587,552,026</u> | |
| w/ Intrafund Transfers, Expenditure Recovery | \$126,691,499 | |
| | <u>\$4,714,243,525</u> | |
| Net | | |
| (Less) Transfer Adjustments | (\$1,056,306,837) | |
| | <u>\$3,657,936,688</u> | |
| Net GF Revenues + Related Funds | | |
| Revenues Diverted to Related Funds | \$661,824,552 | |
| Net GF Revenues + Related Funds | <u>\$4,319,761,240</u> | |
| <u>Special Revenue Funds</u> | | |
| Gas Tax | \$16,903,154 | deduct from Public Works expense |

Source: City and County of San Francisco. Budget and Appropriation Ordinance. Fiscal Year Ending June 30, 2016.

Appendix Table A - 2

SUMMARY OF CITY AND COUNTY OF SAN FRANCISCO BUDGET EXPENDITURES IN FY2015/16
 FISCAL IMPACT ANALYSIS
 TREASURE ISLAND REDEVELOPMENT
 CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| GENERAL FUND EXPENDITURES | NET GF EXPENDITURES | RELATED FUND ALLOCATION | NET GF & RELATED EXPENDITURES | (LESS) GF REVENUE OFFSETS | TOTAL INCLUDED |
|---------------------------------------|------------------------|-------------------------|-------------------------------|---------------------------|------------------------|
| General Administration and Finance | | | | | |
| Elections | \$18,531,335 | \$0 | \$18,531,335 | (\$124,704) | \$18,406,631 |
| Assessor/Recorder | \$20,975,395 | \$0 | \$20,975,395 | (\$2,430,000) | \$18,545,395 |
| 311 | \$5,263,041 | \$0 | \$5,263,041 | \$0 | \$5,263,041 |
| Other Admin | \$242,101,446 | \$0 | \$242,101,446 | (\$43,193,183) | \$198,908,263 |
| Public Safety | | | | | |
| Fire | \$329,039,381 | \$0 | \$329,039,381 | (\$45,403,391) | \$283,635,990 |
| Police | \$477,297,830 | \$0 | \$477,297,830 | (\$5,257,584) | \$472,040,246 |
| 911 | \$53,824,447 | \$0 | \$53,824,447 | (\$2,170) | \$53,822,277 |
| Other Public Protection | \$363,819,538 | \$0 | \$363,819,538 | (\$2,871,291) | \$360,948,247 |
| Public Health | \$787,554,393 | \$292,124,552 | \$1,079,678,945 | (\$67,302,676) | \$1,012,376,269 |
| Public Works | \$131,323,606 | \$0 | \$131,323,606 | (\$17,107,888) | \$114,215,718 |
| Human Welfare & Nbdhd. Development | \$857,055,062 | \$30,100,000 | \$887,155,062 | (\$1,541,000) | \$885,614,062 |
| Culture and Recreation | | | | | |
| Recreation and Park | \$94,741,098 | \$0 | \$94,741,098 | (\$33,455,230) | \$61,285,868 |
| Libraries | \$1,611,832 | \$67,600,000 | \$69,211,832 | \$0 | \$69,211,832 |
| Other Culture and Recreation. | \$40,708,598 | \$0 | \$40,708,598 | (\$797,534) | \$39,911,064 |
| Transportation & Economic Development | \$30,221,216 | \$272,000,000 | \$302,221,216 | (\$72,890,204) | \$229,331,012 |
| General City Responsibility | | | | | |
| City Responsibility | \$203,868,470 | \$0 | \$203,868,470 | (\$17,945,400) | \$185,923,070 |
| GF Unallocated | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total | \$3,657,936,688 | \$661,824,552 | \$4,319,761,240 | (\$310,322,255) | \$4,009,438,985 |
| Regular Net Expenditures | | | | | |
| (Less) Capital Projects | (117,580,504) | | | | |
| (Less) Facilities Maintenance | (7,925,826) | | | | |
| (Less) Reserves | (66,987,198) | | | | |
| | <u>3,465,443,160</u> | | | | |

Source: City and County of San Francisco. Budget and Appropriation Ordinance. Fiscal Year Ending June 30, 2016.

Appendix Table A - 3

ESTIMATED OFF-SITE TAXABLE SALES TO BE GENERATED BY TREASURE ISLAND RESIDENTS

FISCAL IMPACT ANALYSIS

TREASURE ISLAND REDEVELOPMENT

CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| | YBI Townhomes | TI Townhomes | Neighbhd. Flats | Neighbhd. Tower | Highrise | Branded Condo | Rental ¹ | TIDA |
|---|------------------|-----------------|--------------------|--------------------|-----------------|------------------|---------------------|-----------------|
| Share of Units ² | | | | | | | | |
| Market | 95% | 100% | 95% | 95% | 100% | 100% | 86% | 0% |
| BMR | 5% | 0% | 5% | 5% | 0% | 0% | 14% | 100% |
| Average Price ³ | | | | | | | | |
| Market | \$1,790,000 | \$1,410,000 | \$1,037,000 | \$1,202,000 | \$1,377,000 | \$1,140,000 | n/a | n/a |
| BMR | \$346,753 | \$352,908 | \$287,765 | \$226,219 | \$226,219 | \$175,031 | n/a | n/a |
| Weighted | \$1,721,000 | \$1,410,000 | \$996,000 | \$1,152,000 | \$1,377,000 | \$1,140,000 | n/a | n/a |
| Mort.% ⁴ | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | n/a | n/a |
| Mortgage ⁴ | \$1,376,800 | \$1,128,000 | \$796,800 | \$921,600 | \$1,101,600 | \$912,000 | n/a | n/a |
| Annual Mortgage ⁴ | \$105,432 | \$86,379 | \$61,017 | \$70,574 | \$84,358 | \$69,839 | n/a | n/a |
| Property taxes ⁴ | \$19,690 | \$15,510 | \$11,407 | \$13,222 | \$15,147 | \$12,540 | n/a | n/a |
| HOA Dues ⁴ | \$4,800 | \$4,800 | \$4,800 | \$4,800 | \$4,800 | \$4,800 | n/a | n/a |
| Insurance ⁴ | \$250 | \$250 | \$250 | \$250 | \$250 | \$250 | n/a | n/a |
| Total Annual Hsg. Costs | \$130,172 | \$106,939 | \$77,474 | \$88,846 | \$104,555 | \$87,429 | \$44,400 | \$21,600 |
| Housing Costs as % of Inc. ⁴ | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 |
| Annual Income | \$371,919 | \$305,541 | \$221,354 | \$253,845 | \$298,728 | \$249,796 | \$126,857 | \$61,714 |
| Expenditures as % Income (Excl. Housing) ⁵ | 0.44 | 0.44 | 0.44 | 0.44 | 0.44 | 0.44 | 0.57 | 0.65 |
| Taxable Share ⁵ | 0.32 | 0.32 | 0.32 | 0.32 | 0.32 | 0.32 | 0.36 | 0.42 |
| Taxable Expend | \$52,036 | \$42,749 | \$30,970 | \$35,516 | \$41,796 | \$34,950 | \$26,377 | \$17,002 |
| San Francisco Capture ⁶ | 0.80 | 0.80 | 0.80 | 0.80 | 0.80 | 0.80 | 0.80 | 0.80 |
| Taxable Sales - San Francisco | \$41,629 | \$34,199 | \$24,776 | \$28,413 | \$33,437 | \$27,960 | \$21,101 | \$13,601 |

Notes

¹ KMA has estimated rental housing costs based on unit types.

² Table 3.

³ TICD Pro Forma (March 2016).

⁴ KMA assumption.

⁵ Derived from Table 2301 of Consumer Expenditure Survey, 2014, which establishes annual expenditures for higher-income groups. Assumes 80% of retail goods taxable, per BOE.

⁶ Based on retail leakage analysis using state BOE data for 2013-14 in comparison with San Francisco resident expenditure potential.

Appendix Table A - 4
HOUSEHOLD SIZE ASSUMPTIONS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

| Unit Type | Tenancy | Neighborhood | Avg. HH Size¹ |
|------------------------------------|-----------------|--------------------------|---------------------------------|
| Yerba Buena Island Townhomes | Owner-Occupied | San Francisco (Citywide) | 2.71 |
| Treasure Island Townhomes | Owner-Occupied | San Francisco (Citywide) | 2.71 |
| Flats (Low Rise (4-5 stories)) | All Units | Mission Bay | 2.03 |
| Neighborhood Tower (15-20 stories) | All Units | Mission Bay | 2.03 |
| High Rise (23+ stories) | All Units | Rincon Hill | 1.65 |
| Branded condo with hotel services | All Units | Rincon Hill | 1.65 |
| For Rent Units | Renter-Occupied | San Francisco (Citywide) | 2.10 |
| TIDA (BMR) | Renter-Occupied | San Francisco (Citywide) | 2.10 |

Notes

¹ Source: American Community Survey 2010-2014, for select block groups within San Francisco.

APPENDIX C: IRFD Improvements

FACILITIES TO BE PROVIDED BY THE PRIVATE SECTOR:

| Facility | Estimated Project Costs | Costs + 50% Contingency (1) | Estimated Timing | Estimated Location |
|---|-------------------------|-----------------------------|------------------|--------------------|
| Acquisition | 65,180,000 | 65,180,000 | 2015-2024 | Entire Project |
| Abatement & Hazardous Soil Removal | 72,513,615 | 108,770,422 | 2016-2025 | Entire Project |
| Demolition | 65,380,042 | 98,070,064 | 2016-2025 | Entire Project |
| Supplemental Fire Water Supply System | 10,012,998 | 15,019,498 | 2019-2020 | Entire Project |
| Low Pressure Water | 33,202,333 | 49,803,499 | 2016-2025 | Entire Project |
| Water Tank Facilities | 26,817,949 | 40,226,923 | 2016-2017 | Entire Project |
| Recycled Water | 16,174,120 | 24,261,180 | 2016-2027 | Entire Project |
| Storm Drainage System | 55,228,259 | 82,842,389 | 2016-2027 | Entire Project |
| Separated Sanitary Sewer | 56,517,810 | 84,776,715 | 2016-2027 | Entire Project |
| Joint Trench | 40,308,677 | 60,463,015 | 2016-2027 | Entire Project |
| Earthwork | 254,464,925 | 381,697,388 | 2016-2027 | Entire Project |
| Retaining Walls | 5,218,564 | 7,827,847 | 2016-2027 | Entire Project |
| Highway Ramps, Roadways, Pathways, Curb, & Gutter | 70,054,009 | 105,081,013 | 2016-2027 | Entire Project |
| Traffic | 17,502,045 | 26,253,068 | 2016-2027 | Entire Project |
| Streetscape | 34,359,622 | 51,539,433 | 2016-2029 | Entire Project |
| Shoreline Improvements | 13,247,420 | 19,871,129 | 2016-2027 | Entire Project |
| Parks | 134,760,285 | 202,140,427 | 2017-2029 | Entire Project |
| Ferry Terminal | 61,014,632 | 91,521,948 | 2019-2026 | Entire Project |
| Other Hard & Soft Costs | 20,647,328 | 30,970,991 | 2016-2025 | Entire Project |
| Community Facilities | 104,703,224 | 157,054,837 | 2017-2028 | Entire Project |
| Historic Renovation | 25,000,000 | 37,500,000 | 2019-2023 | Entire Project |
| Subsidies | 179,124,259 | 179,124,259 | 2017-2029 | Entire Project |
| Total | 1,361,432,116 | 1,919,996,044 | | |

(1) No contingency is included for acquisition costs or subsidies.

FACILITIES TO BE PROVIDED BY PUBLIC SECTOR:

Upgrades and rehabilitation of publicly-owned assets on Treasure Island and Yerba Buena Island, including, but not limited to, buildings, hangars, school facilities, living quarters, parks, improvements for sea-level rise, and piers. The publicly-owned facilities to be provided by the public sector shall include any facilities described in the City's capital improvement program documents, as they may be amended from time-to-time. All of the publicly-owned assets are located on Treasure Island or Yerba Buena Island.

The City will be responsible for upgrading and rehabilitation of publicly-owned assets on Treasure Island and Yerba Buena Island, including, but not limited to, buildings, hangars, school facilities, living quarters, piers, roads and utilities. The City will also be responsible for future seal-level rise adaptations and for the parks, open spaces, and public infrastructure provided by the developer and dedicated to the City some of which may require capital renewal or improvement before the expiration of the IRFD. All of these publicly-owned assets are or will be located on Treasure Island or Yerba Buena Island. Periodically during the life of the IRFD, TIDA will prepare a capital plan for Treasure Island and Yerba Buena Island for incorporation into the City Capital Plan. After the Developer has been reimbursed for all Qualified Project Costs, the City may dedicate Net Available Increment to finance projects included in the Treasure Island/Yerba Buena Island Capital Plan, as it may be amended from time to time, that otherwise meet the requirements for IRFD financing. Over the projected life of the IRFD and future annexation areas, the costs of these improvements could exceed \$250,000,000 and will be specified in the Treasure Island/Yerba Buena Island Capital Plan, as it may be amended from time to time.

AFFORDABLE HOUSING TO BE PROVIDED BY TIDA:

TIDA intends to construct, or cause the construction of, approximately 1,866 units of affordable housing on Treasure Island. The estimated cost of the projected affordable housing units to be constructed, or cause to be constructed, by TIDA is \$970 million (2016 dollars). The number and cost of affordable housing units to be constructed or financed by the IRFD may be amended by the Board from time to time, as described in this Infrastructure Financing Plan.

APPENDIX D: Net Available Increment and Conditional City Increment

Appendix D Table 1

Net Available Increment Allocated to IRFD- 56.7% of TI (\$000) - 6% annual escalation of home prices

Yerba Buena and Stage 1 Treasure Island

| Fiscal Year | 6% | | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|--|-----------|-------------|---------|---------|---------|---------|---------|---------|---------|----------|----------|
| | NPV | Total | | | | | | | | | |
| IRFD Year - Project Area A | | | - | - | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Y1.1 Townhomes | \$13,000 | \$47,718 | \$0 | \$0 | \$33 | \$176 | \$601 | \$759 | \$779 | \$800 | \$821 |
| Y1.2 Townhomes | \$15,000 | \$56,660 | \$0 | \$0 | \$38 | \$198 | \$423 | \$614 | \$935 | \$960 | \$986 |
| Y3 Townhomes | \$5,000 | \$20,392 | \$0 | \$0 | \$14 | \$24 | \$75 | \$171 | \$340 | \$349 | \$358 |
| Y4.1 Townhomes | \$13,000 | \$49,123 | \$0 | \$0 | \$37 | \$64 | \$193 | \$293 | \$592 | \$846 | \$868 |
| Y4.2 Mid-Rise | \$10,000 | \$40,626 | \$0 | \$0 | \$21 | \$35 | \$114 | \$187 | \$237 | \$706 | \$725 |
| Y2. H Hotel | \$6,000 | \$23,315 | \$0 | \$0 | \$5 | \$7 | \$58 | \$231 | \$443 | \$451 | \$460 |
| Total Project Area A | \$64,000 | \$237,835 | \$0 | \$0 | \$148 | \$504 | \$1,465 | \$2,256 | \$3,326 | \$4,112 | \$4,219 |
| Distribution to TIDA Housing - 17.5% | \$11,000 | \$41,621 | \$0 | \$0 | \$26 | \$88 | \$256 | \$395 | \$582 | \$720 | \$738 |
| Distribution to IRFD Facilities - 82.5% | \$53,000 | \$196,214 | \$0 | \$0 | \$122 | \$416 | \$1,208 | \$1,861 | \$2,744 | \$3,392 | \$3,480 |
| IRFD Year - Project Area B | | | - | - | - | 1 | 2 | 3 | 4 | 5 | 6 |
| C3.3 Townhomes | \$6,000 | \$21,090 | \$0 | \$0 | \$0 | \$80 | \$165 | \$313 | \$332 | \$341 | \$350 |
| B1.1 Low Rise | \$6,000 | \$22,876 | \$0 | \$0 | \$0 | \$75 | \$142 | \$244 | \$363 | \$372 | \$382 |
| B1.2 Low Rise | \$6,000 | \$20,906 | \$0 | \$0 | \$0 | \$128 | \$172 | \$262 | \$329 | \$338 | \$347 |
| C2.3 Low Rise | \$20,000 | \$79,254 | \$0 | \$0 | \$0 | \$48 | \$312 | \$660 | \$847 | \$1,307 | \$1,342 |
| C2.2 Mid Rise | \$21,000 | \$84,984 | \$0 | \$0 | \$0 | \$39 | \$214 | \$261 | \$540 | \$710 | \$1,468 |
| C3.4 Rental | \$6,000 | \$21,488 | \$0 | \$0 | \$0 | \$50 | \$134 | \$262 | \$389 | \$397 | \$405 |
| Total Project Area B | \$64,000 | \$250,598 | \$0 | \$0 | \$0 | \$420 | \$1,138 | \$2,002 | \$2,800 | \$3,466 | \$4,294 |
| Distribution to TIDA Housing - 17.5% | \$11,000 | \$43,855 | \$0 | \$0 | \$0 | \$73 | \$199 | \$350 | \$490 | \$607 | \$751 |
| Distribution to IRFD Facilities - 82.5% | \$53,000 | \$206,743 | \$0 | \$0 | \$0 | \$346 | \$939 | \$1,652 | \$2,310 | \$2,859 | \$3,543 |
| IRFD Year - Project Area C | | | - | - | - | - | - | - | 1 | 2 | 3 |
| C1.1 High Rise | \$46,000 | \$216,680 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$458 | \$894 | \$1,342 |
| C1.2 High Rise | \$46,000 | \$220,555 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$113 | \$483 | \$932 |
| Total Project Area C | \$92,000 | \$437,235 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$571 | \$1,376 | \$2,274 |
| Distribution to TIDA Housing - 17.5% | \$16,000 | \$76,516 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$100 | \$241 | \$398 |
| Distribution to IRFD Facilities - 82.5% | \$76,000 | \$360,719 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$471 | \$1,136 | \$1,876 |
| IRFD Year - Project Area D | | | - | - | - | - | - | - | - | 1 | 2 |
| C2.1 High Rise | \$55,000 | \$281,837 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$155 | \$619 |
| C3.5 High Rise | \$30,000 | \$156,506 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$125 | \$127 |
| Total Project Area D | \$85,000 | \$438,343 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$280 | \$746 |
| Distribution to TIDA Housing - 17.5% | \$15,000 | \$76,710 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$49 | \$130 |
| Distribution to IRFD Facilities - 82.5% | \$70,000 | \$361,633 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$231 | \$615 |
| IRFD Year - Project Area E | | | - | - | - | - | - | - | 1 | 2 | 3 |
| C2.4 Branded Condo | \$27,000 | \$125,837 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$271 | \$616 | \$999 |
| C2. H Hotel | \$9,000 | \$40,103 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$34 | \$202 | \$710 |
| Total Project Area E | \$36,000 | \$165,940 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$305 | \$817 | \$1,709 |
| Distribution to TIDA Housing - 17.5% | \$6,000 | \$29,039 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$53 | \$143 | \$299 |
| Distribution to IRFD Facilities - 82.5% | \$30,000 | \$136,900 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$251 | \$674 | \$1,410 |
| Total Initial IRFD | \$341,000 | \$1,529,950 | \$0 | \$0 | \$148 | \$924 | \$2,602 | \$4,258 | \$7,001 | \$10,051 | \$13,242 |
| Distribution to TIDA Housing - 17.5% | \$60,000 | \$267,741 | \$0 | \$0 | \$26 | \$162 | \$455 | \$745 | \$1,225 | \$1,759 | \$2,317 |
| Distribution to IRFD Facilities - 82.5% | \$281,000 | \$1,262,209 | \$0 | \$0 | \$122 | \$762 | \$2,147 | \$3,513 | \$5,776 | \$8,292 | \$10,924 |

Appendix D Table 1

Net Available Increment Allocated to IRFD - 56.7% of TI (\$000) - 6% annual escalation of home prices

Yerba Buena and Stage 1 Treasure Island

| Fiscal Year | 6% | | | | | | | | | | |
|--|------------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | NPV | Total | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 |
| IRFD Year - Project Area A | | | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| Y1.1 Townhomes | \$13,000 | \$47,718 | \$843 | \$866 | \$889 | \$913 | \$937 | \$962 | \$988 | \$1,014 | \$1,041 |
| Y1.2 Townhomes | \$15,000 | \$56,660 | \$1,012 | \$1,039 | \$1,067 | \$1,095 | \$1,125 | \$1,155 | \$1,185 | \$1,217 | \$1,249 |
| Y3 Townhomes | \$5,000 | \$20,392 | \$367 | \$377 | \$387 | \$398 | \$408 | \$419 | \$430 | \$442 | \$454 |
| Y4.1 Townhomes | \$13,000 | \$49,123 | \$891 | \$915 | \$939 | \$964 | \$990 | \$1,017 | \$1,044 | \$1,072 | \$1,100 |
| Y4.2 Mid-Rise | \$10,000 | \$40,626 | \$744 | \$764 | \$784 | \$805 | \$827 | \$849 | \$871 | \$895 | \$919 |
| Y2. H Hotel | \$6,000 | \$23,315 | \$470 | \$479 | \$489 | \$498 | \$508 | \$519 | \$529 | \$540 | \$550 |
| Total Project Area A | \$64,000 | \$237,835 | \$4,328 | \$4,440 | \$4,556 | \$4,674 | \$4,795 | \$4,920 | \$5,047 | \$5,179 | \$5,313 |
| Distribution to TIDA Housing - 17.5% | \$11,000 | \$41,621 | \$757 | \$777 | \$797 | \$818 | \$839 | \$861 | \$883 | \$906 | \$930 |
| Distribution to IRFD Facilities - 82.5% | \$53,000 | \$196,214 | \$3,571 | \$3,663 | \$3,758 | \$3,856 | \$3,956 | \$4,059 | \$4,164 | \$4,272 | \$4,383 |
| IRFD Year - Project Area B | | | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| C3.3 Townhomes | \$6,000 | \$21,090 | \$360 | \$369 | \$379 | \$389 | \$399 | \$410 | \$421 | \$432 | \$444 |
| B1.1 Low Rise | \$6,000 | \$22,876 | \$393 | \$403 | \$414 | \$425 | \$436 | \$448 | \$460 | \$472 | \$485 |
| B1.2 Low Rise | \$6,000 | \$20,906 | \$356 | \$366 | \$376 | \$386 | \$396 | \$406 | \$417 | \$428 | \$440 |
| C2.3 Low Rise | \$20,000 | \$79,254 | \$1,378 | \$1,414 | \$1,452 | \$1,491 | \$1,530 | \$1,571 | \$1,613 | \$1,656 | \$1,700 |
| C2.2 Mid Rise | \$21,000 | \$84,984 | \$1,507 | \$1,547 | \$1,588 | \$1,631 | \$1,674 | \$1,719 | \$1,765 | \$1,812 | \$1,860 |
| C3.4 Rental | \$6,000 | \$21,488 | \$413 | \$422 | \$430 | \$439 | \$447 | \$456 | \$465 | \$475 | \$484 |
| Total Project Area B | \$64,000 | \$250,598 | \$4,406 | \$4,521 | \$4,638 | \$4,759 | \$4,883 | \$5,011 | \$5,141 | \$5,275 | \$5,413 |
| Distribution to TIDA Housing - 17.5% | \$11,000 | \$43,855 | \$771 | \$791 | \$812 | \$833 | \$855 | \$877 | \$900 | \$923 | \$947 |
| Distribution to IRFD Facilities - 82.5% | \$53,000 | \$206,743 | \$3,635 | \$3,730 | \$3,827 | \$3,926 | \$4,029 | \$4,134 | \$4,241 | \$4,352 | \$4,465 |
| IRFD Year - Project Area C | | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| C1.1 High Rise | \$46,000 | \$216,680 | \$1,896 | \$3,582 | \$3,677 | \$3,775 | \$3,876 | \$3,979 | \$4,085 | \$4,194 | \$4,306 |
| C1.2 High Rise | \$46,000 | \$220,555 | \$1,394 | \$1,664 | \$3,809 | \$3,910 | \$4,015 | \$4,122 | \$4,232 | \$4,344 | \$4,460 |
| Total Project Area C | \$92,000 | \$437,235 | \$3,290 | \$5,245 | \$7,486 | \$7,686 | \$7,891 | \$8,101 | \$8,317 | \$8,539 | \$8,767 |
| Distribution to TIDA Housing - 17.5% | \$16,000 | \$76,516 | \$576 | \$918 | \$1,310 | \$1,345 | \$1,381 | \$1,418 | \$1,455 | \$1,494 | \$1,534 |
| Distribution to IRFD Facilities - 82.5% | \$76,000 | \$360,719 | \$2,714 | \$4,328 | \$6,176 | \$6,341 | \$6,510 | \$6,683 | \$6,862 | \$7,045 | \$7,232 |
| IRFD Year - Project Area D | | | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| C2.1 High Rise | \$55,000 | \$281,837 | \$1,094 | \$1,692 | \$1,900 | \$4,272 | \$5,015 | \$5,149 | \$5,286 | \$5,427 | \$5,572 |
| C3.5 High Rise | \$30,000 | \$156,506 | \$456 | \$637 | \$1,152 | \$1,652 | \$2,401 | \$2,891 | \$2,968 | \$3,047 | \$3,128 |
| Total Project Area D | \$85,000 | \$438,343 | \$1,550 | \$2,329 | \$3,052 | \$5,924 | \$7,416 | \$8,040 | \$8,254 | \$8,474 | \$8,700 |
| Distribution to TIDA Housing - 17.5% | \$15,000 | \$76,710 | \$271 | \$408 | \$534 | \$1,037 | \$1,298 | \$1,407 | \$1,444 | \$1,483 | \$1,523 |
| Distribution to IRFD Facilities - 82.5% | \$70,000 | \$361,633 | \$1,279 | \$1,922 | \$2,518 | \$4,887 | \$6,118 | \$6,633 | \$6,810 | \$6,991 | \$7,178 |
| IRFD Year - Project Area E | | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| C2.4 Branded Condo | \$27,000 | \$125,837 | \$1,428 | \$1,753 | \$2,130 | \$2,187 | \$2,245 | \$2,305 | \$2,366 | \$2,429 | \$2,494 |
| C2. H Hotel | \$9,000 | \$40,103 | \$725 | \$739 | \$754 | \$769 | \$784 | \$800 | \$816 | \$832 | \$849 |
| Total Project Area E | \$36,000 | \$165,940 | \$2,153 | \$2,492 | \$2,884 | \$2,956 | \$3,029 | \$3,105 | \$3,182 | \$3,262 | \$3,343 |
| Distribution to TIDA Housing - 17.5% | \$6,000 | \$29,039 | \$377 | \$436 | \$505 | \$517 | \$530 | \$543 | \$557 | \$571 | \$585 |
| Distribution to IRFD Facilities - 82.5% | \$30,000 | \$136,900 | \$1,776 | \$2,056 | \$2,379 | \$2,438 | \$2,499 | \$2,562 | \$2,625 | \$2,691 | \$2,758 |
| Total Initial IRFD | \$341,000 | \$1,529,950 | \$15,727 | \$19,028 | \$22,616 | \$25,999 | \$28,015 | \$29,176 | \$29,942 | \$30,729 | \$31,536 |
| Distribution to TIDA Housing - 17.5% | \$60,000 | \$267,741 | \$2,752 | \$3,330 | \$3,958 | \$4,550 | \$4,903 | \$5,106 | \$5,240 | \$5,378 | \$5,519 |
| Distribution to IRFD Facilities - 82.5% | \$281,000 | \$1,262,209 | \$12,975 | \$15,699 | \$18,658 | \$21,449 | \$23,112 | \$24,070 | \$24,702 | \$25,351 | \$26,017 |

Appendix D Table 1

Net Available Increment Allocated to IRFD- 56.7% of TI (\$000) - 6% annual escalation of home prices

Yerba Buena and Stage 1 Treasure Island

| | 6% | | | | | | | | | | | |
|--|------------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--|
| Fiscal Year | NPV | Total | 2034/35 | 2035/36 | 2036/37 | 2037/38 | 2038/39 | 2039/40 | 2040/41 | 2041/42 | 2042/43 | |
| IRFD Year - Project Area A | | | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | |
| Y1.1 Townhomes | \$13,000 | \$47,718 | \$1,069 | \$1,097 | \$1,127 | \$1,157 | \$1,187 | \$1,219 | \$1,252 | \$1,285 | \$1,319 | |
| Y1.2 Townhomes | \$15,000 | \$56,660 | \$1,283 | \$1,317 | \$1,352 | \$1,388 | \$1,425 | \$1,463 | \$1,502 | \$1,542 | \$1,583 | |
| Y3 Townhomes | \$5,000 | \$20,392 | \$466 | \$478 | \$491 | \$504 | \$517 | \$531 | \$545 | \$560 | \$575 | |
| Y4.1 Townhomes | \$13,000 | \$49,123 | \$1,129 | \$1,160 | \$1,190 | \$1,222 | \$1,255 | \$1,288 | \$1,323 | \$1,358 | \$1,394 | |
| Y4.2 Mid-Rise | \$10,000 | \$40,626 | \$943 | \$968 | \$994 | \$1,021 | \$1,048 | \$1,076 | \$1,104 | \$1,134 | \$1,164 | |
| Y2. H Hotel | \$6,000 | \$23,315 | \$561 | \$573 | \$584 | \$596 | \$608 | \$620 | \$632 | \$645 | \$658 | |
| Total Project Area A | \$64,000 | \$237,835 | \$5,451 | \$5,593 | \$5,738 | \$5,887 | \$6,040 | \$6,197 | \$6,358 | \$6,524 | \$6,693 | |
| Distribution to TIDA Housing - 17.5% | \$11,000 | \$41,621 | \$954 | \$979 | \$1,004 | \$1,030 | \$1,057 | \$1,084 | \$1,113 | \$1,142 | \$1,171 | |
| Distribution to IRFD Facilities - 82.5% | \$53,000 | \$196,214 | \$4,497 | \$4,614 | \$4,734 | \$4,857 | \$4,983 | \$5,113 | \$5,246 | \$5,382 | \$5,522 | |
| IRFD Year - Project Area B | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | |
| C3.3 Townhomes | \$6,000 | \$21,090 | \$456 | \$468 | \$480 | \$493 | \$506 | \$520 | \$534 | \$548 | \$562 | |
| B1.1 Low Rise | \$6,000 | \$22,876 | \$497 | \$511 | \$524 | \$538 | \$553 | \$567 | \$583 | \$598 | \$614 | |
| B1.2 Low Rise | \$6,000 | \$20,906 | \$451 | \$464 | \$476 | \$489 | \$502 | \$515 | \$529 | \$543 | \$557 | |
| C2.3 Low Rise | \$20,000 | \$79,254 | \$1,746 | \$1,792 | \$1,840 | \$1,889 | \$1,939 | \$1,991 | \$2,044 | \$2,099 | \$2,155 | |
| C2.2 Mid Rise | \$21,000 | \$84,984 | \$1,910 | \$1,960 | \$2,013 | \$2,066 | \$2,121 | \$2,178 | \$2,236 | \$2,296 | \$2,357 | |
| C3.4 Rental | \$6,000 | \$21,488 | \$494 | \$504 | \$514 | \$524 | \$535 | \$545 | \$556 | \$567 | \$579 | |
| Total Project Area B | \$64,000 | \$250,598 | \$5,554 | \$5,698 | \$5,847 | \$6,000 | \$6,156 | \$6,317 | \$6,481 | \$6,651 | \$6,824 | |
| Distribution to TIDA Housing - 17.5% | \$11,000 | \$43,855 | \$972 | \$997 | \$1,023 | \$1,050 | \$1,077 | \$1,105 | \$1,134 | \$1,164 | \$1,194 | |
| Distribution to IRFD Facilities - 82.5% | \$53,000 | \$206,743 | \$4,582 | \$4,701 | \$4,824 | \$4,950 | \$5,079 | \$5,211 | \$5,347 | \$5,487 | \$5,630 | |
| IRFD Year - Project Area C | | | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | |
| C1.1 High Rise | \$46,000 | \$216,680 | \$4,421 | \$4,539 | \$4,660 | \$4,784 | \$4,912 | \$5,043 | \$5,177 | \$5,315 | \$5,457 | |
| C1.2 High Rise | \$46,000 | \$220,555 | \$4,579 | \$4,701 | \$4,827 | \$4,955 | \$5,088 | \$5,223 | \$5,363 | \$5,506 | \$5,652 | |
| Total Project Area C | \$92,000 | \$437,235 | \$9,000 | \$9,240 | \$9,487 | \$9,740 | \$9,999 | \$10,266 | \$10,540 | \$10,821 | \$11,110 | |
| Distribution to TIDA Housing - 17.5% | \$16,000 | \$76,516 | \$1,575 | \$1,617 | \$1,660 | \$1,704 | \$1,750 | \$1,797 | \$1,844 | \$1,894 | \$1,944 | |
| Distribution to IRFD Facilities - 82.5% | \$76,000 | \$360,719 | \$7,425 | \$7,623 | \$7,827 | \$8,035 | \$8,250 | \$8,470 | \$8,695 | \$8,927 | \$9,165 | |
| IRFD Year - Project Area D | | | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | |
| C2.1 High Rise | \$55,000 | \$281,837 | \$5,721 | \$5,873 | \$6,030 | \$6,191 | \$6,356 | \$6,525 | \$6,699 | \$6,878 | \$7,061 | |
| C3.5 High Rise | \$30,000 | \$156,506 | \$3,212 | \$3,297 | \$3,385 | \$3,476 | \$3,568 | \$3,663 | \$3,761 | \$3,861 | \$3,964 | |
| Total Project Area D | \$85,000 | \$438,343 | \$8,932 | \$9,171 | \$9,415 | \$9,666 | \$9,924 | \$10,189 | \$10,460 | \$10,739 | \$11,026 | |
| Distribution to TIDA Housing - 17.5% | \$15,000 | \$76,710 | \$1,563 | \$1,605 | \$1,648 | \$1,692 | \$1,737 | \$1,783 | \$1,831 | \$1,879 | \$1,929 | |
| Distribution to IRFD Facilities - 82.5% | \$70,000 | \$361,633 | \$7,369 | \$7,566 | \$7,767 | \$7,975 | \$8,187 | \$8,406 | \$8,630 | \$8,860 | \$9,096 | |
| IRFD Year - Project Area E | | | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | |
| C2.4 Branded Condo | \$27,000 | \$125,837 | \$2,561 | \$2,629 | \$2,699 | \$2,771 | \$2,845 | \$2,921 | \$2,999 | \$3,079 | \$3,161 | |
| C2. H Hotel | \$9,000 | \$40,103 | \$866 | \$883 | \$901 | \$919 | \$937 | \$956 | \$975 | \$995 | \$1,015 | |
| Total Project Area E | \$36,000 | \$165,940 | \$3,427 | \$3,512 | \$3,600 | \$3,690 | \$3,782 | \$3,877 | \$3,974 | \$4,074 | \$4,176 | |
| Distribution to TIDA Housing - 17.5% | \$6,000 | \$29,039 | \$600 | \$615 | \$630 | \$646 | \$662 | \$678 | \$695 | \$713 | \$731 | |
| Distribution to IRFD Facilities - 82.5% | \$30,000 | \$136,900 | \$2,827 | \$2,898 | \$2,970 | \$3,044 | \$3,121 | \$3,199 | \$3,279 | \$3,361 | \$3,445 | |
| Total Initial IRFD: | \$341,000 | \$1,529,950 | \$32,364 | \$33,214 | \$34,087 | \$34,983 | \$35,902 | \$36,846 | \$37,814 | \$38,808 | \$39,828 | |
| Distribution to TIDA Housing - 17.5% | \$60,000 | \$267,741 | \$5,664 | \$5,813 | \$5,965 | \$6,122 | \$6,283 | \$6,448 | \$6,617 | \$6,791 | \$6,970 | |
| Distribution to IRFD Facilities - 82.5% | \$281,000 | \$1,262,209 | \$26,700 | \$27,402 | \$28,122 | \$28,861 | \$29,619 | \$30,398 | \$31,196 | \$32,016 | \$32,858 | |

Appendix D Table 1

Net Available Increment Allocated to IRFD- 56.7% of TI (\$000) - 6% annual escalation of home prices
 Yerba Buena and Stage 1 Treasure Island

| Fiscal Year | 6% | | | | | | | | | | | |
|--|------------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--|
| | NPV | Total | 2043/44 | 2044/45 | 2045/46 | 2046/47 | 2047/48 | 2048/49 | 2049/50 | 2050/51 | 2051/52 | |
| IRFD Year - Project Area A | | | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | |
| Y1.1 Townhomes | \$13,000 | \$47,718 | \$1,354 | \$1,391 | \$1,428 | \$1,466 | \$1,505 | \$1,545 | \$1,586 | \$1,628 | \$1,672 | |
| Y1.2 Townhomes | \$15,000 | \$56,660 | \$1,626 | \$1,669 | \$1,713 | \$1,759 | \$1,806 | \$1,854 | \$1,904 | \$1,954 | \$2,006 | |
| Y3 Townhomes | \$5,000 | \$20,392 | \$590 | \$606 | \$622 | \$639 | \$656 | \$673 | \$691 | \$709 | \$728 | |
| Y4.1 Townhomes | \$13,000 | \$49,123 | \$1,431 | \$1,469 | \$1,509 | \$1,549 | \$1,590 | \$1,633 | \$1,676 | \$1,721 | \$1,767 | |
| Y4.2 Mid-Rise | \$10,000 | \$40,626 | \$1,195 | \$1,227 | \$1,260 | \$1,293 | \$1,328 | \$1,363 | \$1,399 | \$1,437 | \$1,475 | |
| Y2. H Hotel | \$6,000 | \$23,315 | \$671 | \$684 | \$698 | \$712 | \$726 | \$741 | \$755 | \$771 | \$786 | |
| Total Project Area A | \$64,000 | \$237,835 | \$6,867 | \$7,046 | \$7,229 | \$7,417 | \$7,610 | \$7,809 | \$8,012 | \$8,221 | \$8,435 | |
| Distribution to TIDA Housing - 17.5% | \$11,000 | \$41,621 | \$1,202 | \$1,233 | \$1,265 | \$1,298 | \$1,332 | \$1,367 | \$1,402 | \$1,439 | \$1,476 | |
| Distribution to IRFD Facilities - 82.5% | \$53,000 | \$196,214 | \$5,666 | \$5,813 | \$5,964 | \$6,119 | \$6,279 | \$6,442 | \$6,610 | \$6,782 | \$6,959 | |
| IRFD Year - Project Area B | | | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | |
| C3.3 Townhomes | \$6,000 | \$21,090 | \$577 | \$593 | \$609 | \$625 | \$642 | \$659 | \$676 | \$694 | \$713 | |
| B1.1 Low Rise | \$6,000 | \$22,876 | \$630 | \$647 | \$664 | \$682 | \$700 | \$719 | \$738 | \$758 | \$778 | |
| B1.2 Low Rise | \$6,000 | \$20,906 | \$572 | \$587 | \$603 | \$619 | \$636 | \$653 | \$670 | \$688 | \$706 | |
| C2.3 Low Rise | \$20,000 | \$79,254 | \$2,212 | \$2,271 | \$2,332 | \$2,394 | \$2,458 | \$2,523 | \$2,591 | \$2,660 | \$2,731 | |
| C2.2 Mid Rise | \$21,000 | \$84,984 | \$2,420 | \$2,484 | \$2,551 | \$2,619 | \$2,688 | \$2,760 | \$2,834 | \$2,909 | \$2,987 | |
| C3.4 Rental | \$6,000 | \$21,488 | \$590 | \$602 | \$614 | \$626 | \$639 | \$652 | \$665 | \$678 | \$692 | |
| Total Project Area B | \$64,000 | \$250,598 | \$7,002 | \$7,185 | \$7,373 | \$7,565 | \$7,763 | \$7,966 | \$8,174 | \$8,387 | \$8,606 | |
| Distribution to TIDA Housing - 17.5% | \$11,000 | \$43,855 | \$1,225 | \$1,257 | \$1,290 | \$1,324 | \$1,358 | \$1,394 | \$1,430 | \$1,468 | \$1,506 | |
| Distribution to IRFD Facilities - 82.5% | \$53,000 | \$206,743 | \$5,777 | \$5,928 | \$6,082 | \$6,241 | \$6,404 | \$6,572 | \$6,743 | \$6,919 | \$7,100 | |
| IRFD Year - Project Area C | | | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | |
| C1.1 High Rise | \$46,000 | \$216,680 | \$5,603 | \$5,752 | \$5,905 | \$6,063 | \$6,225 | \$6,391 | \$6,561 | \$6,736 | \$6,916 | |
| C1.2 High Rise | \$46,000 | \$220,555 | \$5,803 | \$5,958 | \$6,117 | \$6,280 | \$6,447 | \$6,619 | \$6,796 | \$6,977 | \$7,163 | |
| Total Project Area C | \$92,000 | \$437,235 | \$11,406 | \$11,710 | \$12,022 | \$12,343 | \$12,672 | \$13,010 | \$13,357 | \$13,713 | \$14,079 | |
| Distribution to TIDA Housing - 17.5% | \$16,000 | \$76,516 | \$1,996 | \$2,049 | \$2,104 | \$2,160 | \$2,218 | \$2,277 | \$2,337 | \$2,400 | \$2,464 | |
| Distribution to IRFD Facilities - 82.5% | \$76,000 | \$360,719 | \$9,410 | \$9,661 | \$9,918 | \$10,183 | \$10,454 | \$10,733 | \$11,019 | \$11,313 | \$11,615 | |
| IRFD Year - Project Area D | | | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | |
| C2.1 High Rise | \$55,000 | \$281,837 | \$7,249 | \$7,443 | \$7,641 | \$7,845 | \$8,054 | \$8,269 | \$8,489 | \$8,716 | \$8,948 | |
| C3.5 High Rise | \$30,000 | \$156,506 | \$4,070 | \$4,179 | \$4,290 | \$4,405 | \$4,522 | \$4,643 | \$4,766 | \$4,894 | \$5,024 | |
| Total Project Area D | \$85,000 | \$438,343 | \$11,320 | \$11,621 | \$11,931 | \$12,250 | \$12,576 | \$12,912 | \$13,256 | \$13,609 | \$13,972 | |
| Distribution to TIDA Housing - 17.5% | \$15,000 | \$76,710 | \$1,981 | \$2,034 | \$2,088 | \$2,144 | \$2,201 | \$2,260 | \$2,320 | \$2,382 | \$2,445 | |
| Distribution to IRFD Facilities - 82.5% | \$70,000 | \$361,633 | \$9,339 | \$9,588 | \$9,843 | \$10,106 | \$10,375 | \$10,652 | \$10,936 | \$11,228 | \$11,527 | |
| IRFD Year - Project Area E | | | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | |
| C2.4 Branded Condo | \$27,000 | \$125,837 | \$3,245 | \$3,332 | \$3,420 | \$3,512 | \$3,605 | \$3,701 | \$3,800 | \$3,902 | \$4,006 | |
| C2. H Hotel | \$9,000 | \$40,103 | \$1,035 | \$1,056 | \$1,077 | \$1,098 | \$1,120 | \$1,143 | \$1,166 | \$1,189 | \$1,213 | |
| Total Project Area E | \$36,000 | \$165,940 | \$4,280 | \$4,387 | \$4,497 | \$4,610 | \$4,726 | \$4,844 | \$4,966 | \$5,090 | \$5,218 | |
| Distribution to TIDA Housing - 17.5% | \$6,000 | \$29,039 | \$749 | \$768 | \$787 | \$807 | \$827 | \$848 | \$869 | \$891 | \$913 | |
| Distribution to IRFD Facilities - 82.5% | \$30,000 | \$136,900 | \$3,531 | \$3,620 | \$3,710 | \$3,803 | \$3,899 | \$3,996 | \$4,097 | \$4,200 | \$4,305 | |
| Total Initial IRFD | \$341,000 | \$1,529,950 | \$40,875 | \$41,950 | \$43,053 | \$44,185 | \$45,347 | \$46,540 | \$47,764 | \$49,020 | \$50,310 | |
| Distribution to TIDA Housing - 17.5% | \$60,000 | \$267,741 | \$7,153 | \$7,341 | \$7,534 | \$7,732 | \$7,936 | \$8,144 | \$8,359 | \$8,579 | \$8,804 | |
| Distribution to IRFD Facilities - 82.5% | \$281,000 | \$1,262,209 | \$33,722 | \$34,609 | \$35,519 | \$36,453 | \$37,411 | \$38,395 | \$39,405 | \$40,442 | \$41,506 | |

Appendix D Table 1

Net Available Increment Allocated to IRFD - 56.7% of TI (\$000) - 6% annual escalation of home prices

Verba Buena and Stage 1 Treasure Island

| | 6% | | | | | | | | |
|---|------------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--|
| Fiscal Year | NPV | Total | 2052/53 | 2053/54 | 2054/55 | 2055/56 | 2056/57 | 2057/58 | |
| IRFD Year - Project Area A | | | 35 | 36 | 37 | 38 | 39 | 40 | |
| Y1.1 Townhomes | \$13,000 | \$47,718 | \$1,716 | \$1,762 | \$1,809 | \$1,857 | \$1,907 | \$1,958 | |
| Y1.2 Townhomes | \$15,000 | \$56,660 | \$2,060 | \$2,115 | \$2,171 | \$2,229 | \$2,289 | \$2,350 | |
| Y3 Townhomes | \$5,000 | \$20,392 | \$748 | \$768 | \$788 | \$809 | \$831 | \$853 | |
| Y4.1 Townhomes | \$13,000 | \$49,123 | \$1,814 | \$1,862 | \$1,912 | \$1,963 | \$2,015 | \$2,069 | |
| Y4.2 Mid-Rise | \$10,000 | \$40,626 | \$1,514 | \$1,555 | \$1,596 | \$1,639 | \$1,683 | \$1,727 | |
| Y2. H Hotel | \$6,000 | \$23,315 | \$802 | \$818 | \$834 | \$851 | \$868 | \$885 | |
| Total Project Area A | \$64,000 | \$237,835 | \$8,654 | \$8,880 | \$9,111 | \$9,348 | \$9,592 | \$9,842 | |
| Distribution to TIDA Housing - 17.5% | \$11,000 | \$41,621 | \$1,514 | \$1,554 | \$1,594 | \$1,636 | \$1,679 | \$1,722 | |
| Distribution to IRFD Facilities - 82.5% | \$53,000 | \$196,214 | \$7,140 | \$7,326 | \$7,517 | \$7,712 | \$7,913 | \$8,120 | |
| IRFD Year - Project Area B | | | 34 | 35 | 36 | 37 | 38 | 39 | |
| C3.3 Townhomes | \$6,000 | \$21,090 | \$732 | \$751 | \$771 | \$792 | \$813 | \$835 | |
| B1.1 Low Rise | \$6,000 | \$22,876 | \$799 | \$820 | \$842 | \$865 | \$888 | \$911 | |
| B1.2 Low Rise | \$6,000 | \$20,906 | \$725 | \$744 | \$764 | \$785 | \$806 | \$827 | |
| C2.3 Low Rise | \$20,000 | \$79,254 | \$2,803 | \$2,878 | \$2,955 | \$3,034 | \$3,115 | \$3,198 | |
| C2.2 Mid Rise | \$21,000 | \$84,984 | \$3,067 | \$3,148 | \$3,232 | \$3,319 | \$3,407 | \$3,498 | |
| C3.4 Rental | \$6,000 | \$21,488 | \$705 | \$719 | \$734 | \$749 | \$764 | \$779 | |
| Total Project Area B | \$64,000 | \$250,598 | \$8,831 | \$9,062 | \$9,299 | \$9,542 | \$9,791 | \$10,047 | |
| Distribution to TIDA Housing - 17.5% | \$11,000 | \$43,855 | \$1,545 | \$1,586 | \$1,627 | \$1,670 | \$1,713 | \$1,758 | |
| Distribution to IRFD Facilities - 82.5% | \$53,000 | \$206,743 | \$7,286 | \$7,476 | \$7,672 | \$7,872 | \$8,078 | \$8,289 | |
| IRFD Year - Project Area C | | | 31 | 32 | 33 | 34 | 35 | 36 | |
| C1.1 High Rise | \$46,000 | \$216,680 | \$7,100 | \$7,289 | \$7,484 | \$7,683 | \$7,888 | \$8,099 | |
| C1.2 High Rise | \$46,000 | \$220,555 | \$7,354 | \$7,550 | \$7,751 | \$7,958 | \$8,170 | \$8,388 | |
| Total Project Area C | \$92,000 | \$437,235 | \$14,454 | \$14,839 | \$15,235 | \$15,641 | \$16,059 | \$16,487 | |
| Distribution to TIDA Housing - 17.5% | \$16,000 | \$76,516 | \$2,529 | \$2,597 | \$2,666 | \$2,737 | \$2,810 | \$2,885 | |
| Distribution to IRFD Facilities - 82.5% | \$76,000 | \$360,719 | \$11,925 | \$12,243 | \$12,569 | \$12,904 | \$13,248 | \$13,602 | |
| IRFD Year - Project Area D | | | 30 | 31 | 32 | 33 | 34 | 35 | |
| C2.1 High Rise | \$55,000 | \$281,837 | \$9,187 | \$9,432 | \$9,683 | \$9,942 | \$10,207 | \$10,479 | |
| C3.5 High Rise | \$30,000 | \$156,506 | \$5,158 | \$5,296 | \$5,437 | \$5,582 | \$5,731 | \$5,883 | |
| Total Project Area D | \$85,000 | \$438,343 | \$14,345 | \$14,727 | \$15,120 | \$15,523 | \$15,937 | \$16,362 | |
| Distribution to TIDA Housing - 17.5% | \$15,000 | \$76,710 | \$2,510 | \$2,577 | \$2,646 | \$2,717 | \$2,789 | \$2,863 | |
| Distribution to IRFD Facilities - 82.5% | \$70,000 | \$361,633 | \$11,835 | \$12,150 | \$12,474 | \$12,807 | \$13,148 | \$13,499 | |
| IRFD Year - Project Area E | | | 31 | 32 | 33 | 34 | 35 | 36 | |
| C2.4 Branded Condo | \$27,000 | \$125,837 | \$4,112 | \$4,222 | \$4,335 | \$4,450 | \$4,569 | \$4,691 | |
| C2. H Hotel | \$9,000 | \$40,103 | \$1,237 | \$1,262 | \$1,287 | \$1,313 | \$1,339 | \$1,366 | |
| Total Project Area E | \$36,000 | \$165,940 | \$5,349 | \$5,484 | \$5,622 | \$5,763 | \$5,908 | \$6,056 | |
| Distribution to TIDA Housing - 17.5% | \$6,000 | \$29,039 | \$936 | \$960 | \$984 | \$1,008 | \$1,034 | \$1,060 | |
| Distribution to IRFD Facilities - 82.5% | \$30,000 | \$136,900 | \$4,413 | \$4,524 | \$4,638 | \$4,754 | \$4,874 | \$4,997 | |
| Total Initial IRFD | \$341,000 | \$1,529,950 | \$51,634 | \$52,992 | \$54,387 | \$55,818 | \$57,287 | \$58,795 | |
| Distribution to TIDA Housing - 17.5% | \$60,000 | \$267,741 | \$9,036 | \$9,274 | \$9,518 | \$9,768 | \$10,025 | \$10,289 | |
| Distribution to IRFD Facilities - 82.5% | \$281,000 | \$1,262,209 | \$42,598 | \$43,719 | \$44,869 | \$46,050 | \$47,262 | \$48,506 | |

Appendix D Table 2

Conditional City Increment - 8.0% of Tax Inc. \$000 - 6% annual escalation of home prices

Yerba Buena and Stage 1 Treasure Island

| Fiscal Year | NPV | Total | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|-----------------------------------|-----------------|------------------|------------|------------|-------------|--------------|--------------|--------------|--------------|----------------|----------------|
| IRFD Year - Project Area A | | | 0 | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Y1.1 Townhomes | \$2,000 | \$6,733 | \$0 | \$0 | \$5 | \$25 | \$85 | \$107 | \$110 | \$113 | \$116 |
| Y1.2 Townhomes | \$2,000 | \$7,994 | \$0 | \$0 | \$5 | \$28 | \$60 | \$87 | \$132 | \$135 | \$139 |
| Y3 Townhomes | \$1,000 | \$2,877 | \$0 | \$0 | \$2 | \$3 | \$11 | \$24 | \$48 | \$49 | \$50 |
| Y4.1 Townhomes | \$2,000 | \$6,931 | \$0 | \$0 | \$5 | \$9 | \$27 | \$41 | \$84 | \$119 | \$122 |
| Y4.2 Mid-Rise | \$1,000 | \$5,732 | \$0 | \$0 | \$3 | \$5 | \$16 | \$26 | \$33 | \$100 | \$102 |
| Y2. H Hotel | <u>\$1,000</u> | <u>\$3,290</u> | <u>\$0</u> | <u>\$0</u> | <u>\$1</u> | <u>\$1</u> | <u>\$8</u> | <u>\$33</u> | <u>\$62</u> | <u>\$64</u> | <u>\$65</u> |
| Total Project Area A | \$9,000 | \$33,557 | \$0 | \$0 | \$21 | \$71 | \$207 | \$318 | \$469 | \$580 | \$595 |
| IRFD Year - Project Area B | | | 0 | 0 | 0 | 1 | 2 | 3 | 4 | 5 | 6 |
| C3.3 Townhomes | \$1,000 | \$2,976 | \$0 | \$0 | \$0 | \$11 | \$23 | \$44 | \$47 | \$48 | \$49 |
| B1.1 Low Rise | \$1,000 | \$3,228 | \$0 | \$0 | \$0 | \$11 | \$20 | \$34 | \$51 | \$53 | \$54 |
| B1.2 Low Rise | \$1,000 | \$2,950 | \$0 | \$0 | \$0 | \$18 | \$24 | \$37 | \$46 | \$48 | \$49 |
| C2.3 Low Rise | \$3,000 | \$11,182 | \$0 | \$0 | \$0 | \$7 | \$44 | \$93 | \$120 | \$184 | \$189 |
| C2.2 Mid Rise | \$3,000 | \$11,991 | \$0 | \$0 | \$0 | \$6 | \$30 | \$37 | \$76 | \$100 | \$207 |
| C3.4 Rental | <u>\$1,000</u> | <u>\$3,032</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$7</u> | <u>\$19</u> | <u>\$37</u> | <u>\$55</u> | <u>\$56</u> | <u>\$57</u> |
| Total Project Area B | \$9,000 | \$35,358 | \$0 | \$0 | \$0 | \$59 | \$161 | \$282 | \$395 | \$489 | \$606 |
| IRFD Year - Project Area C | | | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 2 | 3 |
| C1.1 High Rise | \$7,000 | \$30,572 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$65 | \$126 | \$189 |
| C1.2 High Rise | <u>\$6,000</u> | <u>\$31,119</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$16</u> | <u>\$68</u> | <u>\$131</u> |
| Total Project Area C | \$13,000 | \$61,691 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$81 | \$194 | \$321 |
| IRFD Year - Project Area D | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 2 |
| C2.1 High Rise | \$8,000 | \$39,765 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$22 | \$87 |
| C3.5 High Rise | <u>\$4,000</u> | <u>\$22,082</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$18</u> | <u>\$18</u> |
| Total Project Area D | \$12,000 | \$61,847 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$39 | \$105 |
| IRFD Year - Project Area E | | | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 2 | 3 |
| C2.4 Branded Condo | \$4,000 | \$17,755 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$38 | \$87 | \$141 |
| C2. H Hotel | <u>\$1,000</u> | <u>\$5,658</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$5</u> | <u>\$28</u> | <u>\$100</u> |
| Total Project Area E | \$5,000 | \$23,413 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$43 | \$115 | \$241 |
| Total Initial IRFD | \$48,000 | \$215,866 | \$0 | \$0 | \$21 | \$130 | \$367 | \$601 | \$988 | \$1,418 | \$1,868 |

Appendix D Table 2

Conditional City Increment - 8.0% of Tax Inc. \$000 - 6% annual escalation of home prices

Yerba Buena and Stage 1 Treasure Island

| Fiscal Year | NPV | Total | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 |
|-----------------------------|-----------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| IRFD Year - Project Area A | | | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| Y1.1 Townhomes | \$2,000 | \$6,733 | \$119 | \$122 | \$125 | \$129 | \$132 | \$136 | \$139 | \$143 | \$147 |
| Y1.2 Townhomes | \$2,000 | \$7,994 | \$143 | \$147 | \$151 | \$155 | \$159 | \$163 | \$167 | \$172 | \$176 |
| Y3 Townhomes | \$1,000 | \$2,877 | \$52 | \$53 | \$55 | \$56 | \$58 | \$59 | \$61 | \$62 | \$64 |
| Y4.1 Townhomes | \$2,000 | \$6,931 | \$126 | \$129 | \$133 | \$136 | \$140 | \$143 | \$147 | \$151 | \$155 |
| Y4.2 Mid-Rise | \$1,000 | \$5,732 | \$105 | \$108 | \$111 | \$114 | \$117 | \$120 | \$123 | \$126 | \$130 |
| Y2. H Hotel | \$1,000 | \$3,290 | \$66 | \$68 | \$69 | \$70 | \$72 | \$73 | \$75 | \$76 | \$78 |
| Total Project Area A | \$9,000 | \$33,557 | \$611 | \$627 | \$643 | \$659 | \$677 | \$694 | \$712 | \$731 | \$750 |
| IRFD Year - Project Area B | | | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| C3.3 Townhomes | \$1,000 | \$2,976 | \$51 | \$52 | \$53 | \$55 | \$56 | \$58 | \$59 | \$61 | \$63 |
| B1.1 Low Rise | \$1,000 | \$3,228 | \$55 | \$57 | \$58 | \$60 | \$62 | \$63 | \$65 | \$67 | \$68 |
| B1.2 Low Rise | \$1,000 | \$2,950 | \$50 | \$52 | \$53 | \$54 | \$56 | \$57 | \$59 | \$60 | \$62 |
| C2.3 Low Rise | \$3,000 | \$11,182 | \$194 | \$200 | \$205 | \$210 | \$216 | \$222 | \$228 | \$234 | \$240 |
| C2.2 Mid Rise | \$3,000 | \$11,991 | \$213 | \$218 | \$224 | \$230 | \$236 | \$243 | \$249 | \$256 | \$262 |
| C3.4 Rental | \$1,000 | \$3,032 | \$58 | \$59 | \$61 | \$62 | \$63 | \$64 | \$66 | \$67 | \$68 |
| Total Project Area B | \$9,000 | \$35,358 | \$622 | \$638 | \$654 | \$672 | \$689 | \$707 | \$725 | \$744 | \$764 |
| IRFD Year - Project Area C | | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| C1.1 High Rise | \$7,000 | \$30,572 | \$268 | \$505 | \$519 | \$533 | \$547 | \$561 | \$576 | \$592 | \$608 |
| C1.2 High Rise | \$6,000 | \$31,119 | \$197 | \$235 | \$537 | \$552 | \$566 | \$582 | \$597 | \$613 | \$629 |
| Total Project Area C | \$13,000 | \$61,691 | \$464 | \$740 | \$1,056 | \$1,084 | \$1,113 | \$1,143 | \$1,173 | \$1,205 | \$1,237 |
| IRFD Year - Project Area D | | | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| C2.1 High Rise | \$8,000 | \$39,765 | \$154 | \$239 | \$268 | \$603 | \$708 | \$726 | \$746 | \$766 | \$786 |
| C3.5 High Rise | \$4,000 | \$22,082 | \$64 | \$90 | \$163 | \$233 | \$339 | \$408 | \$419 | \$430 | \$441 |
| Total Project Area D | \$12,000 | \$61,847 | \$219 | \$329 | \$431 | \$836 | \$1,046 | \$1,134 | \$1,165 | \$1,196 | \$1,228 |
| IRFD Year - Project Area E | | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| C2.4 Branded Condo | \$4,000 | \$17,755 | \$201 | \$247 | \$301 | \$309 | \$317 | \$325 | \$334 | \$343 | \$352 |
| C2. H Hotel | \$1,000 | \$5,658 | \$102 | \$104 | \$106 | \$109 | \$111 | \$113 | \$115 | \$117 | \$120 |
| Total Project Area E | \$5,000 | \$23,413 | \$304 | \$352 | \$407 | \$417 | \$427 | \$438 | \$449 | \$460 | \$472 |
| Total Initial IRFD | \$48,000 | \$215,866 | \$2,219 | \$2,685 | \$3,191 | \$3,668 | \$3,953 | \$4,117 | \$4,225 | \$4,336 | \$4,449 |

Appendix D Table 2

Conditional City Increment - 8.0% of Tax Inc. \$000 - 6% annual escalation of home prices

Yerba Buena and Stage 1 Treasure Island

| Fiscal Year | NPV | Total | 2034/35 | 2035/36 | 2036/37 | 2037/38 | 2038/39 | 2039/40 | 2040/41 | 2041/42 | 2042/43 |
|-----------------------------|-----------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| IRFD Year - Project Area A | | | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| Y1.1 Townhomes | \$2,000 | \$6,733 | \$151 | \$155 | \$159 | \$163 | \$168 | \$172 | \$177 | \$181 | \$186 |
| Y1.2 Townhomes | \$2,000 | \$7,994 | \$181 | \$186 | \$191 | \$196 | \$201 | \$206 | \$212 | \$218 | \$223 |
| Y3 Townhomes | \$1,000 | \$2,877 | \$66 | \$67 | \$69 | \$71 | \$73 | \$75 | \$77 | \$79 | \$81 |
| Y4.1 Townhomes | \$2,000 | \$6,931 | \$159 | \$164 | \$168 | \$172 | \$177 | \$182 | \$187 | \$192 | \$197 |
| Y4.2 Mid-Rise | \$1,000 | \$5,732 | \$133 | \$137 | \$140 | \$144 | \$148 | \$152 | \$156 | \$160 | \$164 |
| Y2. H Hotel | <u>\$1,000</u> | <u>\$3,290</u> | <u>\$79</u> | <u>\$81</u> | <u>\$82</u> | <u>\$84</u> | <u>\$86</u> | <u>\$87</u> | <u>\$89</u> | <u>\$91</u> | <u>\$93</u> |
| Total Project Area A | \$9,000 | \$33,557 | \$769 | \$789 | \$810 | \$831 | \$852 | \$874 | \$897 | \$920 | \$944 |
| IRFD Year - Project Area B | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| C3.3 Townhomes | \$1,000 | \$2,976 | \$64 | \$66 | \$68 | \$70 | \$71 | \$73 | \$75 | \$77 | \$79 |
| B1.1 Low Rise | \$1,000 | \$3,228 | \$70 | \$72 | \$74 | \$76 | \$78 | \$80 | \$82 | \$84 | \$87 |
| B1.2 Low Rise | \$1,000 | \$2,950 | \$64 | \$65 | \$67 | \$69 | \$71 | \$73 | \$75 | \$77 | \$79 |
| C2.3 Low Rise | \$3,000 | \$11,182 | \$246 | \$253 | \$260 | \$267 | \$274 | \$281 | \$288 | \$296 | \$304 |
| C2.2 Mid Rise | \$3,000 | \$11,991 | \$269 | \$277 | \$284 | \$292 | \$299 | \$307 | \$316 | \$324 | \$333 |
| C3.4 Rental | <u>\$1,000</u> | <u>\$3,032</u> | <u>\$70</u> | <u>\$71</u> | <u>\$72</u> | <u>\$74</u> | <u>\$75</u> | <u>\$77</u> | <u>\$78</u> | <u>\$80</u> | <u>\$82</u> |
| Total Project Area B | \$9,000 | \$35,358 | \$784 | \$804 | \$825 | \$847 | \$869 | \$891 | \$914 | \$938 | \$963 |
| IRFD Year - Project Area C | | | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| C1.1 High Rise | \$7,000 | \$30,572 | \$624 | \$640 | \$657 | \$675 | \$693 | \$712 | \$730 | \$750 | \$770 |
| C1.2 High Rise | <u>\$6,000</u> | <u>\$31,119</u> | <u>\$646</u> | <u>\$663</u> | <u>\$681</u> | <u>\$699</u> | <u>\$718</u> | <u>\$737</u> | <u>\$757</u> | <u>\$777</u> | <u>\$798</u> |
| Total Project Area C | \$13,000 | \$61,691 | \$1,270 | \$1,304 | \$1,339 | \$1,374 | \$1,411 | \$1,448 | \$1,487 | \$1,527 | \$1,567 |
| IRFD Year - Project Area D | | | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| C2.1 High Rise | \$8,000 | \$39,765 | \$807 | \$829 | \$851 | \$873 | \$897 | \$921 | \$945 | \$970 | \$996 |
| C3.5 High Rise | <u>\$4,000</u> | <u>\$22,082</u> | <u>\$453</u> | <u>\$465</u> | <u>\$478</u> | <u>\$490</u> | <u>\$503</u> | <u>\$517</u> | <u>\$531</u> | <u>\$545</u> | <u>\$559</u> |
| Total Project Area D | \$12,000 | \$61,847 | \$1,260 | \$1,294 | \$1,328 | \$1,364 | \$1,400 | \$1,438 | \$1,476 | \$1,515 | \$1,556 |
| IRFD Year - Project Area E | | | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| C2.4 Branded Condo | \$4,000 | \$17,755 | \$361 | \$371 | \$381 | \$391 | \$401 | \$412 | \$423 | \$434 | \$446 |
| C2. H Hotel | <u>\$1,000</u> | <u>\$5,658</u> | <u>\$122</u> | <u>\$125</u> | <u>\$127</u> | <u>\$130</u> | <u>\$132</u> | <u>\$135</u> | <u>\$138</u> | <u>\$140</u> | <u>\$143</u> |
| Total Project Area E | \$5,000 | \$23,413 | \$483 | \$496 | \$508 | \$521 | \$534 | \$547 | \$561 | \$575 | \$589 |
| Total Initial IRFD | \$48,000 | \$215,866 | \$4,566 | \$4,686 | \$4,809 | \$4,936 | \$5,066 | \$5,199 | \$5,335 | \$5,476 | \$5,619 |

Appendix D Table 2

Conditional City Increment - 8.0% of Tax Inc. \$000 - 6% annual escalation of home prices

Yerba Buena and Stage 1 Treasure Island

| Fiscal Year | NPV | Total | 2043/44 | 2044/45 | 2045/46 | 2046/47 | 2047/48 | 2048/49 | 2049/50 | 2050/51 | 2051/52 |
|-----------------------------|-----------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| IRFD Year - Project Area A | | | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 |
| Y1.1 Townhomes | \$2,000 | \$6,733 | \$191 | \$196 | \$201 | \$207 | \$212 | \$218 | \$224 | \$230 | \$236 |
| Y1.2 Townhomes | \$2,000 | \$7,994 | \$229 | \$235 | \$242 | \$248 | \$255 | \$262 | \$269 | \$276 | \$283 |
| Y3 Townhomes | \$1,000 | \$2,877 | \$83 | \$85 | \$88 | \$90 | \$93 | \$95 | \$98 | \$100 | \$103 |
| Y4.1 Townhomes | \$2,000 | \$6,931 | \$202 | \$207 | \$213 | \$219 | \$224 | \$230 | \$236 | \$243 | \$249 |
| Y4.2 Mid-Rise | \$1,000 | \$5,732 | \$169 | \$173 | \$178 | \$182 | \$187 | \$192 | \$197 | \$203 | \$208 |
| Y2. H Hotel | <u>\$1,000</u> | <u>\$3,290</u> | <u>\$95</u> | <u>\$97</u> | <u>\$98</u> | <u>\$100</u> | <u>\$102</u> | <u>\$105</u> | <u>\$107</u> | <u>\$109</u> | <u>\$111</u> |
| Total Project Area A | \$9,000 | \$33,557 | \$969 | \$994 | \$1,020 | \$1,047 | \$1,074 | \$1,102 | \$1,130 | \$1,160 | \$1,190 |
| IRFD Year - Project Area B | | | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 |
| C3.3 Townhomes | \$1,000 | \$2,976 | \$81 | \$84 | \$86 | \$88 | \$91 | \$93 | \$95 | \$98 | \$101 |
| B1.1 Low Rise | \$1,000 | \$3,228 | \$89 | \$91 | \$94 | \$96 | \$99 | \$101 | \$104 | \$107 | \$110 |
| B1.2 Low Rise | \$1,000 | \$2,950 | \$81 | \$83 | \$85 | \$87 | \$90 | \$92 | \$95 | \$97 | \$100 |
| C2.3 Low Rise | \$3,000 | \$11,182 | \$312 | \$320 | \$329 | \$338 | \$347 | \$356 | \$366 | \$375 | \$385 |
| C2.2 Mid Rise | \$3,000 | \$11,991 | \$341 | \$351 | \$360 | \$369 | \$379 | \$389 | \$400 | \$410 | \$421 |
| C3.4 Rental | <u>\$1,000</u> | <u>\$3,032</u> | <u>\$83</u> | <u>\$85</u> | <u>\$87</u> | <u>\$88</u> | <u>\$90</u> | <u>\$92</u> | <u>\$94</u> | <u>\$96</u> | <u>\$98</u> |
| Total Project Area B | \$9,000 | \$35,358 | \$988 | \$1,014 | \$1,040 | \$1,067 | \$1,095 | \$1,124 | \$1,153 | \$1,183 | \$1,214 |
| IRFD Year - Project Area C | | | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 |
| C1.1 High Rise | \$7,000 | \$30,572 | \$790 | \$812 | \$833 | \$855 | \$878 | \$902 | \$926 | \$950 | \$976 |
| C1.2 High Rise | <u>\$6,000</u> | <u>\$31,119</u> | <u>\$819</u> | <u>\$841</u> | <u>\$863</u> | <u>\$886</u> | <u>\$910</u> | <u>\$934</u> | <u>\$959</u> | <u>\$984</u> | <u>\$1,011</u> |
| Total Project Area C | \$13,000 | \$61,691 | \$1,609 | \$1,652 | \$1,696 | \$1,741 | \$1,788 | \$1,836 | \$1,885 | \$1,935 | \$1,986 |
| IRFD Year - Project Area D | | | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| C2.1 High Rise | \$8,000 | \$39,765 | \$1,023 | \$1,050 | \$1,078 | \$1,107 | \$1,136 | \$1,167 | \$1,198 | \$1,230 | \$1,263 |
| C3.5 High Rise | <u>\$4,000</u> | <u>\$22,082</u> | <u>\$574</u> | <u>\$590</u> | <u>\$605</u> | <u>\$621</u> | <u>\$638</u> | <u>\$655</u> | <u>\$673</u> | <u>\$690</u> | <u>\$709</u> |
| Total Project Area D | \$12,000 | \$61,847 | \$1,597 | \$1,640 | \$1,683 | \$1,728 | \$1,774 | \$1,822 | \$1,870 | \$1,920 | \$1,971 |
| IRFD Year - Project Area E | | | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 |
| C2.4 Branded Condo | \$4,000 | \$17,755 | \$458 | \$470 | \$483 | \$495 | \$509 | \$522 | \$536 | \$550 | \$565 |
| C2. H Hotel | <u>\$1,000</u> | <u>\$5,658</u> | <u>\$146</u> | <u>\$149</u> | <u>\$152</u> | <u>\$155</u> | <u>\$158</u> | <u>\$161</u> | <u>\$164</u> | <u>\$168</u> | <u>\$171</u> |
| Total Project Area E | \$5,000 | \$23,413 | \$604 | \$619 | \$635 | \$650 | \$667 | \$683 | \$701 | \$718 | \$736 |
| Total Initial IRFD | \$48,000 | \$215,866 | \$5,767 | \$5,919 | \$6,074 | \$6,234 | \$6,398 | \$6,566 | \$6,739 | \$6,916 | \$7,098 |

Appendix D Table 2

Conditional City Increment - 8.0% of Tax Inc. \$000 - 6% annual escalation of home prices
 Yerba Buena and Stage 1 Treasure Island

| Fiscal Year | NPV | Total | 2052/53 | 2053/54 | 2054/55 | 2055/56 | 2056/57 | 2057/58 |
|----------------------------|-----------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| IRFD Year - Project Area A | | | 35 | 36 | 37 | 38 | 39 | 40 |
| Y1.1 Townhomes | \$2,000 | \$6,733 | \$242 | \$249 | \$255 | \$262 | \$269 | \$276 |
| Y1.2 Townhomes | \$2,000 | \$7,994 | \$291 | \$298 | \$306 | \$315 | \$323 | \$332 |
| Y3 Townhomes | \$1,000 | \$2,877 | \$106 | \$108 | \$111 | \$114 | \$117 | \$120 |
| Y4.1 Townhomes | \$2,000 | \$6,931 | \$256 | \$263 | \$270 | \$277 | \$284 | \$292 |
| Y4.2 Mid-Rise | \$1,000 | \$5,732 | \$214 | \$219 | \$225 | \$231 | \$237 | \$244 |
| Y2. H Hotel | <u>\$1,000</u> | <u>\$3,290</u> | <u>\$113</u> | <u>\$115</u> | <u>\$118</u> | <u>\$120</u> | <u>\$122</u> | <u>\$125</u> |
| Total Project Area A | \$9,000 | \$33,557 | \$1,221 | \$1,253 | \$1,286 | \$1,319 | \$1,353 | \$1,389 |
| IRFD Year - Project Area B | | | 34 | 35 | 36 | 37 | 38 | 39 |
| C3.3 Townhomes | \$1,000 | \$2,976 | \$103 | \$106 | \$109 | \$112 | \$115 | \$118 |
| B1.1 Low Rise | \$1,000 | \$3,228 | \$113 | \$116 | \$119 | \$122 | \$125 | \$129 |
| B1.2 Low Rise | \$1,000 | \$2,950 | \$102 | \$105 | \$108 | \$111 | \$114 | \$117 |
| C2.3 Low Rise | \$3,000 | \$11,182 | \$396 | \$406 | \$417 | \$428 | \$439 | \$451 |
| C2.2 Mid Rise | \$3,000 | \$11,991 | \$433 | \$444 | \$456 | \$468 | \$481 | \$494 |
| C3.4 Rental | <u>\$1,000</u> | <u>\$3,032</u> | <u>\$100</u> | <u>\$102</u> | <u>\$104</u> | <u>\$106</u> | <u>\$108</u> | <u>\$110</u> |
| Total Project Area B | \$9,000 | \$35,358 | \$1,246 | \$1,279 | \$1,312 | \$1,346 | \$1,381 | \$1,418 |
| IRFD Year - Project Area C | | | 31 | 32 | 33 | 34 | 35 | 36 |
| C1.1 High Rise | \$7,000 | \$30,572 | \$1,002 | \$1,028 | \$1,056 | \$1,084 | \$1,113 | \$1,143 |
| C1.2 High Rise | <u>\$6,000</u> | <u>\$31,119</u> | <u>\$1,038</u> | <u>\$1,065</u> | <u>\$1,094</u> | <u>\$1,123</u> | <u>\$1,153</u> | <u>\$1,184</u> |
| Total Project Area C | \$13,000 | \$61,691 | \$2,039 | \$2,094 | \$2,150 | \$2,207 | \$2,266 | \$2,326 |
| IRFD Year - Project Area D | | | 30 | 31 | 32 | 33 | 34 | 35 |
| C2.1 High Rise | \$8,000 | \$39,765 | \$1,296 | \$1,331 | \$1,366 | \$1,403 | \$1,440 | \$1,479 |
| C3.5 High Rise | <u>\$4,000</u> | <u>\$22,082</u> | <u>\$728</u> | <u>\$747</u> | <u>\$767</u> | <u>\$788</u> | <u>\$809</u> | <u>\$830</u> |
| Total Project Area D | \$12,000 | \$61,847 | \$2,024 | \$2,078 | \$2,133 | \$2,190 | \$2,249 | \$2,309 |
| IRFD Year - Project Area E | | | 31 | 32 | 33 | 34 | 35 | 36 |
| C2.4 Branded Condo | \$4,000 | \$17,755 | \$580 | \$596 | \$612 | \$628 | \$645 | \$662 |
| C2. H Hotel | <u>\$1,000</u> | <u>\$5,658</u> | <u>\$175</u> | <u>\$178</u> | <u>\$182</u> | <u>\$185</u> | <u>\$189</u> | <u>\$193</u> |
| Total Project Area E | \$5,000 | \$23,413 | \$755 | \$774 | \$793 | \$813 | \$834 | \$855 |
| Total Initial IRFD | \$48,000 | \$215,866 | \$7,285 | \$7,477 | \$7,674 | \$7,876 | \$8,083 | \$8,296 |

1 [Affirming Certification of the Final Environmental Impact Report - Treasure Island/Yerba
2 Buena Island Project]

3
4 **Motion affirming the Planning Commission's Certification of the Final Environmental**
5 **Impact Report for the Treasure Island/Yerba Buena Island Project.**

6
7 WHEREAS, The proposed project ("Project") would include: (a) up to 8,000 new
8 residential units, at least 25 percent of which will be made affordable to a broad range of very-
9 low to moderate income households, including 435 units to be developed by the Treasure
10 Island Homeless Development Initiative's member organizations, (b) the adaptive reuse of
11 approximately 311,000 square feet of historic structures, (c) up to approximately 140,000
12 square feet of new retail uses and 100,000 square feet of commercial office space, (d)
13 approximately 300 acres of parks and open space, (e) new and or upgraded public facilities,
14 including a joint police/fire station, a school, facilities for the Treasure Island Sailing Center
15 and other community facilities, (f) a 400-500 room hotel, (g) the investment of approximately
16 \$155 million in transportation infrastructure, (h) the creation of thousands of construction job
17 opportunities and thousands of permanent jobs, all as more particularly described in the
18 Treasure Island/Yerba Buena Island Development and Disposition Agreement ("DDA"), and (i)
19 various related approval actions. A copy of the DDA is on file with the Clerk of the Board of
20 Supervisors in File No. 110291 and is incorporated herein by reference; and,

21 WHEREAS, The Planning Department ("Department") determined that an
22 environmental impact report was required for the Project on January 26, 2008, and provided
23 public notice by publication in a newspaper of general circulation on January 26, 2008, and
24 held two scoping meetings on February 11, 2008 at the Port of San Francisco and on
25 February 13, 2008 on Treasure Island; and,

1 WHEREAS, On July 12, 2010, the Department and the Treasure Island Development
2 Authority ("TIDA"), acting as co-lead agencies, published the Draft Environmental Impact
3 Report ("DEIR") for the Project (Planning Department File No. 2007.0903E); and,

4 WHEREAS, On August 12, 2010, the Planning Commission and TIDA held a duly
5 advertised joint public hearing on the DEIR at which time opportunity for public comment was
6 provided on the DEIR, and written comments were received through September 10, 2010;
7 and,

8 WHEREAS, The Department and TIDA prepared responses to comments received at
9 the public hearing on the DEIR and submitted in writing to the Department and TIDA,
10 prepared revisions to the text of the DEIR, and published a Summary of Comments and
11 Responses on March 10, 2011; and,

12 WHEREAS, A Final Environmental Impact Report ("FEIR") for the Project was
13 prepared by the Department and TIDA, consisting of the DEIR, any consultations and
14 comments received during the review process, any additional information that became
15 available, the Summary of Comments and Responses, and a supplemental memorandum on
16 additional changes, all as required by law; and,

17 WHEREAS, On April 21, 2011, the Planning Commission reviewed and considered the
18 FEIR and, by Motion No. 18325, found that the contents of said report and the procedures
19 through which the FEIR was prepared, publicized and reviewed complied with the provisions
20 of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines, and
21 Chapter 31 of the San Francisco Administrative Code. A copy of said Planning Commission
22 Motion is on file with the Clerk of the Board of Supervisors in File No. 110618 and is
23 incorporated herein by reference; and,

24 WHEREAS, By Motion No. 18325, the Commission found the FEIR to be adequate,
25 accurate and objective, reflected the independent judgment and analysis of the Department

1 and the Commission, and that the Summary of Comments and Responses contained no
2 significant revisions to the DEIR. The Commission also adopted findings relating to significant
3 impacts associated with the Project and certified the completion of the FEIR in compliance
4 with CEQA and the State CEQA Guidelines; and,

5 WHEREAS, In a single appeal letter to the Clerk of the Board of Supervisors dated
6 May 11, 2011, Saul Bloom on behalf of Arc Ecology, Michael Lynes on behalf of the Golden
7 Gate Audubon Society, Kate Looby on behalf of the Sierra Club-San Francisco Bay Chapter,
8 Brent Plater on behalf of Wild Equity Institute, Ken Masters, and Aaron Peskin filed an appeal
9 of the FEIR to the Board of Supervisors, which the Clerk of the Board of Supervisors received
10 on or around May 11, 2011; and,

11 WHEREAS, On June 7, 2011, this Board held a duly noticed public hearing to consider
12 the appeal of the FEIR certification filed by Appellant; and,

13 WHEREAS, This Board has reviewed and considered the FEIR, the appeal letter, the
14 responses to concerns document that the Planning Department prepared, and the other
15 written records before the Board of Supervisors, and heard testimony and received public
16 comment regarding the adequacy of the FEIR; and,

17 WHEREAS, The FEIR files and all correspondence and other documents have been
18 made available for review by this Board and the public. These files are available for public
19 review by appointment at the Planning Department offices at 1650 Mission Street, and are
20 part of the record before this Board by reference in this Motion; now, therefore, be it

21 MOVED, That this Board of Supervisors hereby affirms the decision of the Planning
22 Commission in its Motion No. 18325 to certify the FEIR and finds the FEIR to be complete,
23 adequate and objective and reflecting the independent judgment of the City and in compliance
24 with CEQA and the State CEQA Guidelines.



City and County of San Francisco

Tails

Motion: M11-92

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

File Number: 110619

Date Passed: June 07, 2011

Motion affirming the Planning Commission's Certification of the Final Environmental Impact Report for the Treasure Island/Yerba Buena Island Project:

June 07, 2011 Board of Supervisors - APPROVED

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi and Wiener

File No. 110619

I hereby certify that the foregoing Motion was APPROVED on 6/7/2011 by the Board of Supervisors of the City and County of San Francisco.

A handwritten signature in black ink, appearing to read "Angela Calvillo", written over a horizontal line.

Angela Calvillo
Clerk of the Board

1 [CEQA Findings - Treasure Island/Yerba Buena Island Development Project]

2
3 **Resolution adopting findings under the California Environmental Quality Act (CEQA),**
4 **CEQA Guidelines and San Francisco Administrative Code Chapter 31, including the**
5 **adoption of a mitigation monitoring and reporting program and a statement of**
6 **overriding considerations in connection with the development of Treasure Island and**
7 **Yerba Buena Island, as envisioned in the Development Plan Agreement for the Treasure**
8 **Island/Yerba Buena Island Project Area.**

9
10 WHEREAS, The Treasure Island / Yerba Buena Island Project Area Site comprises 550
11 acres of property, which includes portions of both Treasure Island and Yerba Buena Island,
12 excluding a 37 acre, federally owned U.S. Department of Labor Job Corps site and the
13 eastern portion of Yerba Buena Island ("Project Area Site"); and,

14 WHEREAS, The Planning Department ("Department") and TIDA have undertaken a
15 planning and environmental review process for the proposed Project Area Site and provided
16 for appropriate public hearings before the Planning Commission and the TIDA Board of
17 Directors; and,

18 WHEREAS, The actions listed in Attachment A ("Actions") are part of a series of
19 considerations in connection with the ~~Development Plan for the~~ Treasure Island/Yerba Buena
20 Island Project Area as defined in the Treasure Island/Yerba Buena Island Development
21 Agreement (collectively, the "Project"), as ~~more particularly defined~~ discussed in additional
22 detail in Attachment A; and,

23 WHEREAS, On July 12, 2010, the Department and TIDA released for public review
24 and comment the Draft Environmental Impact Report for the Project, (Department Case No.
25 2007.0903E); and,

1 WHEREAS, The Planning Commission and TIDA held a special joint hearing on
2 August 12, 2010 on the Draft Environmental Impact Report and received written public
3 comments until 5:00 pm on September 10, 2010, for a total of 60 days of public review; and,

4 WHEREAS, The Department and TIDA prepared a Final Environmental Impact Report
5 ("FEIR") for the Project consisting of the Draft Environmental Impact Report, the comments
6 received during the review period, any additional information that became available after the
7 publication of the Draft Environmental Impact Report, and the Draft Summary of Comments
8 and Responses, all as required by law. Copies of said documents are on file with the Clerk of
9 the Board in File No. 110328, and are incorporated herein by reference; and,

10 WHEREAS, The FEIR files and other Project-related Department and TIDA files have
11 been available for review by this Board of Supervisors and the public; and those files are part
12 of the record before this Board of Supervisors; and,

13 WHEREAS, On April 21, 2011, the Planning Commission and the TIDA Board of
14 Directors reviewed and considered the FEIR and, by Motion No. 18325 and Resolution No.
15 11-14-04/21, respectively, found that: (1) the contents of said report and the procedures
16 through which the FEIR was prepared, publicized and reviewed complied with the provisions
17 of the California Environmental Quality Act ("CEQA") and the CEQA Guidelines and Chapter
18 31 of the San Francisco Administrative Code; (2) the FEIR was adequate, accurate and
19 objective, reflected the independent judgment and analysis of each Commission and that the
20 summary of Comments and Responses contained no significant revisions to the Draft
21 Environmental Impact Report; and (3) the Project will have significant and unavoidable project
22 impacts and make a considerable contribution to cumulative impacts in the areas of
23 transportation, noise, air quality and historic resources; and,

24 WHEREAS, By said Motion and Resolution, the Planning Commission and the TIDA
25 Board of Directors, respectively, certified the completion of the Final Environmental Impact

1 Report for the Project in compliance with CEQA and the CEQA Guidelines. Said Motion and
2 Resolution are on file with the Clerk of the Board in File No. 110328 and are incorporated
3 herein by reference; and,

4 WHEREAS, The Department and TIDA ~~prepared proposed~~ in Motion No. 18326 and
5 Resolution No. 11-15-04/21, respectively adopted environmental findings, as required by
6 CEQA (the "CEQA Findings"), regarding the rejection of alternatives; mitigation measures;
7 significant environmental impacts analyzed in the FEIR; and overriding considerations for
8 approving the Project, including all of its Actions, among other topics. The CEQA Findings
9 also include a proposed mitigation monitoring and reporting program, denoted as Attachment
10 B. These CEQA findings, the Board of Supervisors' CEQA Findings, and related Project
11 documents were made available to the public and this Board of Supervisors for the Board's
12 review, consideration, and actions. Copies of the CEQA Findings of the Planning
13 Commission, TIDA, and the Board are on file with the Clerk of the Board of Supervisors in File
14 No. 110328, and are incorporated herein by reference; now, therefore, be it

15 RESOLVED, That the Board of Supervisors makes the following findings in compliance
16 with the California Environmental Quality Act ("CEQA"), California Public Resources Code
17 Sections 21000 et seq., the CEQA Guidelines, 14 Cal. Code Reg. Code Sections 15000 et
18 seq. ("CEQA Guidelines"), and San Francisco Administrative Code Chapter 31 ("Chapter 31");
19 and,

20 FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered
21 Planning Commission Motion No. 18325 certifying the FEIR and finding the FEIR adequate,
22 accurate and objective, and reflecting the independent judgment and analysis of the Planning
23 Commission, and hereby affirms the Planning Commission's certification of the FEIR by Board
24 of Supervisors Motion No. 18326. Copies of said Motions are on file with the
25

1 Clerk of the Board of Supervisors in File No. 110328 and are incorporated herein
2 by reference; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors finds that (1) modifications
4 incorporated into the Project and reflected in the Actions will not require important revisions to
5 the FEIR due to the involvement of new significant environmental effects or a substantial
6 increase in the severity of previously identified significant effects; (2) no substantial changes
7 have occurred with respect to the circumstances under which the Project or the Actions are
8 undertaken that would require major revisions to the FEIR due to the involvement of new
9 significant environmental effects, or a substantial increase in the severity of effects identified
10 in the FEIR; and (3) no new information of substantial importance to the Project or the Actions
11 has become available that would indicate (a) the Project or the Actions will have significant
12 effects not discussed in the FEIR; (b) significant environmental effects will be substantially
13 more severe; (c) mitigation measures or alternatives found not feasible, which would reduce
14 one or more significant effects, have become feasible; or (d) mitigation measures or
15 alternatives, which are considerably different from those in the FEIR, would substantially
16 reduce one or more significant effects on the environment; and, be it

17 FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered
18 the FEIR and hereby adopts its CEQA Findings, including the mitigation monitoring and
19 reporting program, contained in Attachment B, and the statement of overriding considerations.
20
21
22
23
24
25



City and County of San Francisco
Tails
Resolution

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

File Number: 110328

Date Passed: June 07, 2011

Resolution adopting findings under the California Environmental Quality Act (CEQA), CEQA Guidelines and San Francisco Administrative Code Chapter 31, including the adoption of a mitigation monitoring and reporting program and a statement of overriding considerations in connection with the development of Treasure Island/Yerba Buena Island, as envisioned in the Development Agreement for the Treasure Island/Yerba Buena Island Project Area.

May 02, 2011 Land Use and Economic Development Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

May 02, 2011 Land Use and Economic Development Committee - RECOMMENDED AS AMENDED

May 17, 2011 Board of Supervisors - CONTINUED

Ayes: 10 - Avalos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi and Wiener
Excused: 1 - Campos

June 07, 2011 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi and Wiener

File No. 110328

I hereby certify that the foregoing Resolution was ADOPTED on 6/7/2011 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor Edwin Lee

6/13/11

Date Approved

1 [Development Agreement - Treasure Island/Yerba Buena Island]

2
3 **Ordinance approving a Development Agreement between the City and County of San**
4 **Francisco and Treasure Island Community Development, LLC, for certain real property**
5 **located within Treasure Island/Yerba Buena Island; exempting certain sections of**
6 **Administrative Code Chapter 6, Chapter 14B and Chapter 56; and adopting findings,**
7 **including findings under the California Environmental Quality Act, findings of**
8 **consistency with the City's General Plan and with the Eight Priority Policies of**
9 **Planning Code Section 101.1(b), and findings relating to the formation of infrastructure**
10 **financing districts.**

11 NOTE: Additions are single-underline italics Times New Roman;
12 deletions are ~~strike-through italics Times New Roman~~.
13 Board amendment additions are double-underlined;
14 Board amendment deletions are ~~strikethrough-normal~~.

15 Be it ordained by the People of the City and County of San Francisco:

16 Section 1. Project Findings. The Board of Supervisors makes the following findings:

17 (a) California Government Code Sections 65864 et seq. authorizes any city, county,
18 or city and county to enter into an agreement for the development of real property within the
19 jurisdiction of the city, county, or city and county.

20 (b) Chapter 56 of the San Francisco Administrative Code sets forth certain
21 procedures for the processing and approval of development agreements in the City and
22 County of San Francisco (the "City").

23 (c) In 2003, the Treasure Island Development Authority (the "Authority") selected
24 Treasure Island Community Development, LLC, a California limited liability company
25 ("Developer") through a competitive process to serve as master developer for the proposed
redevelopment of the former Naval Station Treasure Island (the "Project").

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1 (d) Concurrently with this Ordinance, the Board is taking a number of actions in
2 furtherance of the Project, including the approval of (i) a disposition and development
3 agreement ("DDA") between Developer and the Authority, (ii) amendments to the City's
4 General Plan, (iii) amendments to the City's Planning Code that create a new Treasure
5 Island/Yerba Buena Island Special Use District ("SUD") and incorporates the more detailed
6 land use controls of the Treasure Island and Yerba Buena Island Design for Development (the
7 "Design for Development"), (iv) amendments to the City's Zoning Maps; (vi) adoption of the
8 Treasure Island/Yerba Buena Island Subdivision Code; (vii) an interagency cooperation
9 agreement between the Authority, the City and various City agencies (the "ICA") and (viii) a
10 number of related transaction documents and entitlements to govern development of the
11 Project.

12 (e) Upon completion, the Project will include (i) up to 8,000 new residential units, at
13 least 25 percent of which will be made affordable to a broad range of very-low to moderate
14 income households, including 435 units to be developed by the Treasure Island Homeless
15 Development Initiative's member organizations, (ii) the adaptive reuse of approximately
16 311,000 square feet of historic structures, (iii) up to approximately 140,000 square feet of new
17 retail uses and 100,000 square feet of commercial office space, (iv) approximately 300 acres
18 of parks and open space, (v) new and or upgraded public facilities, including a joint police/fire
19 station, a school, facilities for the Treasure Island Sailing Center and other community
20 facilities, (vi) a 400-500 room hotel, (vii) a new 400 slip marina, (viii) the investment of
21 approximately \$155 million in transportation infrastructure, and (ix) (viii) the creation of
22 thousands of construction job opportunities and thousands of permanent jobs, all as more
23 particularly described in the DDA.

24 (f) The Project is located on those portions of Assessor's Block 1939, Lots 1 and 2
25 (the "Project Site"), as more particularly described in the DDA.

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1 (g) While the DDA binds the Authority and the Developer, other City agencies retain
2 a role in reviewing and issuing certain subsequent approvals in connection with the Project as
3 set forth in the DDA, SUD, ICA, and as permitted by the City's Charter and the Municipal
4 Code, including approval of subdivision maps, design review and approval of projects in
5 accordance with the SUD and Design for Development, review of certain aspects of major
6 phase and sub phase applications, issuance of building permits, and acceptance of
7 dedications of infrastructure and public right-of-ways for maintenance and liability, and
8 approval of art works on City owned property.

9 (h) In furtherance of the Project and the City's role in subsequent approval actions
10 relating to the Project, the City and Developer negotiated a development agreement for
11 development of the Project Site, a copy of which is on file with the Clerk of the Board in File
12 No. 110226 and incorporated herein by reference (the "Development Agreement").

13 (i) The Financing Plan attached to the Development Agreement contemplates that
14 the City will establish one or more infrastructure financing districts ("IFDs") within the Project
15 Site pursuant to the applicable provisions of the Government Code (the "IFD Law") to finance
16 acquisition and construction of real and tangible property with a useful life of 15 years or
17 longer, including certain public infrastructure facilities described in the Financing Plan (the
18 "Facilities") and replacement housing to the extent required by the IFD Law.

19 (j) The City has determined that as a result of the development of the Project Site
20 in accordance with the Development Agreement and the DDA, clear benefits to the public will
21 accrue that could not be obtained through application of existing City ordinances, regulations,
22 and policies, as more particularly described in the Development Agreement and the DDA.
23 The Development Agreement will eliminate uncertainty in the City's land use planning for the
24 Project Site and secure orderly development of the Project Site consistent with the Design for
25 Development and the DDA.

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1 Section 2. CEQA Findings.

2 (a) The Planning Department has determined that the actions contemplated in this
3 Ordinance comply with the California Environmental Quality Act (Public Resources Code
4 Sections 21000 et seq.). A copy of said determination is on file with the Clerk of the Board of
5 Supervisors in File No. 110328 and is incorporated herein by reference.

6 (b) Concurrently with this Ordinance and in accordance with the actions
7 contemplated herein, this Board adopted Resolution No. 246-11 concerning findings
8 pursuant to the California Environmental Quality Act. A copy of said Resolution is on file with
9 the Clerk of the Board of Supervisors in File No. 110328 and is incorporated herein by
10 reference.

11 Section 3. Various Findings including General Plan and Planning Code Section
12 101.1(b) Findings.

13 (a) On April 21, 2011, at a duly notice public hearing, the Planning Commission, in
14 Resolution No. 18333, recommended that the Board of Supervisors approve the Development
15 Agreement. Said Resolution is on file with the Clerk of the Board of Supervisors in File No.
16 110226 and is incorporated herein by reference.

17 (b) In accordance with the actions contemplated herein, the Board of Supervisors finds
18 that this Ordinance is in conformity with the Priority Policies of Section 101.1 of the Planning
19 Code and, on balance, consistent with the General Plan as it is proposed for amendment, and
20 hereby adopts the findings set forth in ~~Board of Supervisors Ordinance~~ Planning Commission
21 Motion No. 18328 and Resolution No. 18333 and incorporates such findings by reference as if
22 fully set forth herein. A copy of said Ordinance is Motion and Resolution are on file with the
23 Clerk of the Board of Supervisors in File Nos. 110226.

24 Section 4. Development Agreement.

1 (a) The Board of Supervisors approves all of the terms and conditions of the
2 Development Agreement, in substantially the form on file with the Clerk of the Board of
3 Supervisors in File No. 110226. The Board of Supervisors finds that the Jobs and Equal
4 Opportunity Program, including the SBE Program described therein, attached to the DDA
5 satisfies the requirements of Administrative Code 56.7(c) regarding adoption of and reporting
6 under an affirmative action program. The Board of Supervisors exempts Administrative Code
7 Chapter 6 (other than the payment of prevailing wages, which is required) and Administrative
8 Code Chapter 14B to the extent applicable to the Project.

9 (b) In connection with the Development Agreement, the Board of Supervisors finds
10 that the requirements of San Francisco Administrative Code Chapter 56 have been
11 substantially complied with, and hereby waives the following requirements and procedures of
12 the Administrative Code: Section 56.4 (Filing of Application; Forms; Initial Notice and
13 Hearing); Section 56.8 (Notice) (but only as to the 20 days published notice requirement of
14 Section 306.3); Section 56.10 (Development Agreement Negotiation Report and Documents);
15 and 56.20 (Fee). None of the requirements of these waived sections are required by
16 California Government Code Sections 65864 et seq. The Development Agreement shall not
17 be invalid or ineffective due to the failure to strictly comply with any of the requirements of
18 Chapter 56 of the San Francisco Administrative Code.

19 (c) The Board of Supervisors approves the periodic review procedures set forth in
20 section 7 of the Development Agreement, which incorporates provisions of Administrative
21 Code Section 56.17 (Periodic Review) with certain modifications.

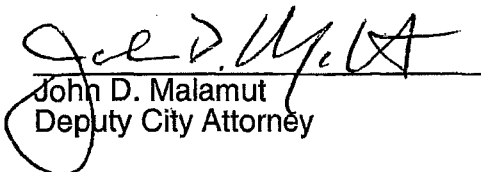
22 (d) The Board of Supervisors finds that the Facilities to be financed with the IFDs
23 are of communitywide significance and will provide significant benefits to an area larger than
24 the area of the IFDs within the Project Site.

25
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1 (e) Subject to the foregoing, the Board of Supervisors approves the execution,
2 delivery and performance by the City of the Development Agreement. The Director of
3 Planning (or his or her designee) is hereby authorized to execute the Development
4 Agreement. The Development Agreement shall also be executed by the General Manager of
5 the Public Utilities Commission and the Executive Director of the Municipal Transportation
6 Agency, subject to prior approval by those Commissions. Upon the receipt of the foregoing
7 approvals, the Director of Planning (or his or her designee) and other applicable City officials
8 are hereby authorized to take all actions reasonably necessary or prudent to perform the
9 City's obligations under the Development Agreement in accordance with the terms of the
10 Development Agreement and San Francisco Administrative Code Chapter 56, as applicable.
11 The Director of Planning, at his or her discretion and in consultation with the City Attorney, is
12 authorized to enter into any additions, amendments or other modifications to the Development
13 Agreement that the Director of Planning determines are in the best interests of the City and
14 that do not materially increase the obligations or liabilities of the City or decrease the benefits
15 to the City under the Development Agreement.

16 Section 5. Ratification of Prior Actions. All actions taken by City officials in preparing
17 and submitting the Development Agreement to the Board of Supervisors for review and
18 consideration are hereby ratified and confirmed, and the Board of Supervisors hereby
19 authorizes all subsequent action to be taken by City officials consistent with this Ordinance.
20

21 APPROVED AS TO FORM:
22 DENNIS J. HERRERA, City Attorney

23 By: 
24 John D. Malamut
25 Deputy City Attorney

Mayor Lee
BOARD OF SUPERVISORS



City and County of San Francisco

**Tails
Ordinance**

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

File Number: 110226

Date Passed: June 14, 2011

Ordinance approving a Development Agreement between the City and County of San Francisco and Treasure Island Community Development, LLC, for certain real property located within Treasure Island/Yerba Buena Island; exempting certain sections of Administrative Code Chapter 6, Chapter 14B and Chapter 56; and adopting findings, including findings under the California Environmental Quality Act, findings of consistency with the City's General Plan and with the Eight Priority Policies of Planning Code Section 101.1(b), and findings relating to the formation of infrastructure financing districts.

May 02, 2011 Land Use and Economic Development Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

May 02, 2011 Land Use and Economic Development Committee - REFERRED AS AMENDED

May 11, 2011 Budget and Finance Sub-Committee - REFERRED WITHOUT RECOMMENDATION

May 17, 2011 Board of Supervisors - RE-REFERRED

Ayes: 10 - Avalos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi and Wiener

Excused: 1 - Campos

June 06, 2011 Land Use and Economic Development Committee - REFERRED WITHOUT RECOMMENDATION AS COMMITTEE REPORT

June 07, 2011 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi and Wiener

June 14, 2011 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi and Wiener

File No: 110226

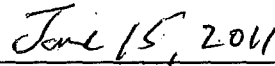
I hereby certify that the foregoing
Ordinance was FINALLY PASSED on
6/14/2011 by the Board of Supervisors of the
City and County of San Francisco.



Angela Calvillo
Clerk of the Board



Mayor Edwin Lee



Date Approved

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *for* Mayor Edwin M. Lee *NE*
RE: Treasure Island Infrastructure and Revitalization Financing District and
Community Facilities District Resolutions
DATE: September 27, 2016

2016 SEP 27 PM 4:48
RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

Attached for introduction to the Board of Supervisors are five resolutions necessary to initiate the formation of financing districts required to provide public financing of eligible expenses incurred in the development of the former Naval Station Treasure Island:

1. Resolution of Intention to establish City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and project areas therein to finance the construction and/or acquisition of facilities on Treasure Island and Yerba Buena Island; to provide for annexation; to call a public hearing on the formation of the district and project areas therein and to provide public notice thereof; and determining other matters in connection therewith.
2. Resolution authorizing and directing the Director of the Office of Public Finance, or designee thereof, to prepare an infrastructure financing plan for City and County of San Francisco Infrastructure Financing District No. 1 (Treasure Island) and project areas therein and determining other matters in connection therewith.
3. Resolution of intention to issue bonds for City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and determining other matters in connection therewith.
4. Resolution of Intention to establish City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island), Improvement Area No. 1 and a Future Annexation Area, and determining other matters in connection therewith.
5. Resolution of intention to incur bonded indebtedness and other debt in an amount not to exceed \$5.0 Billion for the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) and determining other matters in connection therewith.

Please note that these resolutions are co-sponsored by Supervisor Kim.

I respectfully request that these items be heard in Land Use Committee on October 10, 2016, and Budget & Finance Committee on October 12, 2016.

Should you have any questions, please contact Nicole Elliott at (415) 554-7940.